December 2019 Public Works Board Meeting Recap

PWB — Washington’s resource for sustainable infrastructure

A regular update provided by PWB members Pam Carter and Diane Pottinger

New Executive Director — Board Vice Chair JC Baldwin welcomed our new Executive Director, Karin Berkholtz. Karin brings a broad background to the position including previous positions with the Puget Sound Partnership, OFM, Dept. of Community, Trade and Economic Development, the PWB and CERB. As she told us, it feels very much like coming home. We look forward to working with Karin as we help our state’s communities address their infrastructure needs.

Vacancy on the Board — The Board discussed the Board’s current vacancy which must be filled by a County Elected Official appointed by the Governor. This position has been open for the last six years, leaving us without a full board. The Public Works Board was designed to be a citizens’ board comprised of local infrastructure representatives: 3 each from cities and counties, 2 from water & sewer districts, 1 from PUDs, and 4 from the public. Having this broad representation, including both staff and elected officials, is important in providing diverse perspectives. Additionally, we have sometimes struggled to attain a quorum when needed for important votes. If you know a County elected official that you think would be great to serve on our board, please pass along this link and encourage them to apply.

2020 Board meetings — The Board reviewed the 2020 meeting schedule and agreed to move the meeting start times to 8:30 am, 30 minutes earlier than the current practice. This will allow those board members that have a long distance to travel to get an earlier start home following the meetings. Monthly meetings at the Department of Commerce Building in Olympia will be the first Friday of each month except in January and September when they are moved to the following week due to holidays. Since improvements to the meeting room have enhanced the quality of calls for those that call into the meeting, there is no longer a need to seek a different meeting location.

TVW and Potential Advertising — At a board meeting earlier this year, it was agreed that the Board would like to have Board Chair Scott Hutsell and Senator Mary Margaret Haugen participate in an interview on TVW. With Scott as the Board’s Chair and Senator Haugen having a primary role in the legislation establishing the PWB, the interview should provide information on the Board’s origins as well as current situation. The interview will be scheduled sometime after the first of the year, serving to educate the community about the PWB. Sponsorship opportunities with TVW were considered but not acted on at this time.

Broadband Update — Broadband Program Director Shelley Westall presented an overview of the 16 Feasibility Study applications, totaling $775,000, received by the November 14 deadline. Board staff reviewed the applications and ranked them based on a Need Score and Readiness to Proceed. The Board approved Staff’s recommended funding of nine projects for a total of $450,000. See page 25 for project scoring. These are the first loans issued by the new PWB Broadband Program.
**Program Update** — Program Director Connie Rivera gave an update on last month’s “meet and greets” with legislators. She and Broadband Program Director Shelley Westall had a number of great meetings in which they were able to share more information about the Board and its activities as well as the new Broadband Program. One item that came up during these discussions was the PWB’s predictive model that has been successfully used over the years to predict the Trust Fund balance. Keeping this model up-to-date has been key to establish the amount of money that can be awarded each year. Several other organizations have come to develop their own predictive models which may or may not work as well. Maintaining an accurate model is becoming more and more critical because some individuals have incorrectly assumed there is more money left in the account than there will be after anticipated loan draws decrease the fund balance. If the Board were to run short of funds, it would have to request the Legislature to issue bonds to cover the loans authorized by the Legislature. Working on correcting the assumptions will be a critical task to be completed before the next board meeting.

**Broadband Update** — PWB Broadband Director Shelley Westall spoke about her and Jeff Takahashi’s first month in office. Their second month on the job is looking to be just as busy as they will be traveling across the state, holding public meetings to discuss the Broadband Program and to get feedback as part of the rulemaking effort for this new program.

It has become apparent that small communities with limited resources and capacity may find it challenging to even apply for Broadband funding. The Board discussed Shelley’s proposal by to issue a “Request for Information” to help determine what standards should be used, the criteria used to identify a community as being unserved, and the timing of getting funding. The Board approved this request.

**SYNC Update** — Board staff Buck Lucas shared the 2019 Sync Legislative report (see pages 41-85) which will be provided to the Senate Ways and Means Committee and the House Capital Budget Committee. This report will be particularly important this year with the loss of the car tab revenue and potential scrambling for funds that could occur this session. Buck did an outstanding job with this very detailed recap of how the different agencies are working together to make infrastructure funding go a bit farther since the passage of HB 1677.

**Saying Goodbye to Senator Wellman** — We were fortunate to have outgoing Board member, Senator Lisa Wellman join us for a portion of our meeting. She was a key sponsor of the Broadband bill that was passed this past session. Vice Chair JC Baldwin recapped some of Senator Wellman’s valuable service on both CERB and the PWB and thanked her for her service. Pam and Diane shared many a drive from the Seattle area to the Board meeting these past several years and will miss her energy, enthusiasm, and comments during our trips. Best of luck Lisa!

**Lobbying Report and Plan for the 2020 Legislative Session** — Board lobbyist Mara Machulsky reported that this session is likely going to be challenging with large demands on the operating budget for Medicaid, workforce education, fish and wildlife operations, and of course, transportation. Even though many organizations are actively supporting the PWB and our programs, it may be a large task to ensure all legislators realize the importance of the fund and act to end the swiping of the fund (capital dollars) for ongoing operating budgets. See [this graph](#) to better appreciate the enormous amount of funds that have been swept from the PWB’s infrastructure fund to
fund non-infrastructure related funding. The Board carefully considered the legislative committees in order to determine which ones Board members, staff, and the lobbyist will be meeting with during the session to talk about our program.