

BOARD OF MASON COUNTY COMMISSIONERS' PROCEEDINGS

MARCH 11, 2008

1. Call to Order – The Chairperson called the regular meeting to order at 9:00 a.m.
2. Pledge of Allegiance – The Chairperson led the flag salute.
3. Roll Call - Present: Cmmr. Dist. 1 – Lynda Ring Erickson; Cmmr. Dist. 2 – Tim Sheldon; Cmmr. Dist. 3 – Ross Gallagher.
4. Correspondence and Organizational Business
 - 4.1 Correspondence
 - 4.1.1 The North Mason School District appointed John Campbell as their representative for the Mason Transit Authority Board.
 - 4.1.2 Gordon McKay and Debra Jacobs are seeking appointment to the Planning Advisory Commission.
 - 4.1.3 Lee and Mary Swoboda, Ray Stutz, Sue Patterson and Lorena Ghylin suggested that the Sheriff's office should be moved to the building on 3rd and Pine Street.
 - 4.1.4 Stanley Gordon Craig is seeking appointment to the Mason County Board of Equalization.
 - 4.1.5 The United States Department of the Interior, Bureau of Indian Affairs, has decided to acquire in trust for the Squaxin Island Tribe a 20.14 acre tract located in Mason County.
 - 4.1.6 The United States Department of the Interior, National Park Service, announced the Final General Management Plan and Environmental Impact Statement for Olympic National Park has been completed.
 - 4.1.7 Wave Broadband will be adjusting the retail price of some of its cable services during April 2008.
 - 4.1.8 The Washington State Liquor Control Board sent notice that T & C Gas and Food Mart discontinued sales and service of liquor on October 31, 2007.
 - 4.1.9 Mason County Association of Realtors submitted comments of opposition on the proposed revisions for Mason County Code 17.03.030 - Development Requirements and Performance Standards.
 - 4.2 David Baker introduced Sarah Gronseth as a new employee with Utilities & Waste Management.
 - 4.3 Betty Wing presented a news release regarding the Oakland Bay Historical County Park Workshop.
 - 4.4 Dave Loser announced that a purchase order for \$16,439.72 plus tax was issued to Blue Max of Bellingham, WA for six LED lighting and siren systems for traffic enforcement vehicles.
 - 4.5 Betty Wing read the news release regarding the new location for the Sheriff's Substation in Belfair. The Sheriff's Office will host an open house on Saturday, March 15th.
5. Open Forum for Citizen Input - there was no public input.
6. Adoption of Agenda – **Cmmr. Ring Erickson/Gallagher moved and seconded to adopt the agenda as published. Motion carried unanimously. RE-aye; S-aye; G-aye.**
7. Approval of Minutes – regular meeting minutes for February 19 and 26, 2008 and the Public Transportation Improvement Review Conference Minutes for February 5, 2008 and the February 5, 2008 briefing minutes. **Cmmr. Gallagher/Ring Erickson moved and seconded to approve the regular meeting minutes for February 19, February 26, 2008, as corrected, and the Public Transportation Improvement Review Conference Minutes for February 5, 2008 and the February 5, 2008 briefing minutes. Motion carried unanimously. RE-aye; S-aye; G-aye.**
8. Approval of Consent Agenda:
 - 8.1 Approval of the agreement between Mason County and the Cascade Land Conservancy in the amount of ~~\$28,250~~ \$29,701.22 to assist the County with the acquisition of 2.34 acre property adjacent to Latimer's Landing County Park.

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- 8.2 Approval to appoint Debra Jacobs to fill a vacant position on the Mason County Planning Advisory Commission. The term will expire on July 31, 2009.
- 8.3 Approval of Webb Hill Monitoring Wells and Hydrogeologic Investigation Phase 2 grant agreement no. G0800485, between Mason County (recipient) and Washington State Department of Ecology, in the amount of \$128,500.00.
- 8.4 Approval of Amendment #4 to consulting agreement with Aspect Consulting in the amount of \$108,200.00 for services related to the Webb Hill Monitoring Wells and Hydrogeologic Investigation Phase 2.
- 8.5 Approval for the Utilities & Waste Management Department to post for quotes for repair work on the Transfer Station tip floor.
- 8.6 Approval of the Lodging Tax Fund applications for the Washington Renaissance Fantasy Faire's application for \$20,000.00, Hoodspout Community Events Association's application for \$5,000.00 for the Celebrate Hoodspout event, Mason County Forest Festival's application for \$3,400.00 and S.O.C.K.'s application for \$1,500.00 for the 2008 Old Time Fiddlers Fest, as recommended by the Lodging Tax Advisory Committee.
- 8.7 Approval of Veterans Assistance Fund applications for: Robert Mobley - utilities \$231.23; Llyod Ball - food \$300.00; William Crall - food \$300.00; Douglas Byrd - utilities \$207.26 and food \$100.00; Jerald Christansen - utilities \$495.72; Stephen Herman - housing \$400.00 and food \$200.00; Glen Underberg - utilities \$267.12; Robert Rietze - utilities \$151.12 and food \$150.00; Robert Dawson (Mary) - burial \$600.00; Chester Smith - utilities \$423.66; Leonard Wilford - food \$250.00; Donald Hannah - food \$600.00; Bertil Johnson - utilities \$292.53 and food \$306.47; Scott Kaylor - housing \$300.00; Robert Cox (Iris) - \$600.00; and James Mustain - housing \$600.00 for a total of \$6775.11 .
- 8.8 Approval of the resolution establishing the Mason County representatives on the Mason Transit Authority are the elected County Commissioners as follows: District No. 1 Lynda Ring Erickson, District No. 2 Tim Sheldon and District No. 3 Ross Gallagher. **Resolution No. 26-08 (Exhibit A)**
- 8.9 Approval of the following contracts for the 2008 Mason County Fair & Rodeo: The Lazy HK Bar Rodeo Company for professional services, \$11,000.00; J.D. McLing for professional services, \$1,500.00; Chris Wedes a.k.a. J.P. Patches for entertainment, \$700.00; Jerry Harris for entertainment, \$2,550.00; Jeff Evans for entertainment, \$2,550.00; Tim Cramer d.b.a. Cramer Classics for entertainment, \$3,000.00; and the Rocky Candy Mountain Fiddlers for entertainment, \$300.00. For a total of \$21,600.00, these amounts are budgeted in the Fair/Rodeo budgets.
- 8.10 Approval for Public Works to renew the personal services contract with Drawing Solutions to continue onsite AutoCAD Software Programming Training to the Public Works Engineering Division during 2008.
- 8.11 Approval for the Equipment Rental and Revolving (ER&R) Manager to surplus certain vehicles and computer equipment and authorize the ER&R Manager to dispose of them at the Washington State Surplus Sale. The list of vehicles and computer equipment is available upon request.
- 8.12 Approval for the Equipment Rental & Revolving Fund Manager to withdraw the call for bids for six new Digital Eyewitness ION DVD video recording for traffic enforcement vehicles due to requirement changes.
- 8.13 Approval for the Board to execute the 2007 Annual Certification to be included in the annual submittal to the County Road Administration Board by the Department of Public Works. This includes Certification of Expenditures for Traffic Law Enforcement – 2007; and Certification for Expenditures for Fish Passage Barrier Removal – 2007.
- 8.14 Approval of the Memorandum of Understanding between Lewis–Mason-Thurston Area Agency on Aging and Mason County Emergency Management. This will provide the Department of Emergency Management with a database allowing them to contact individuals and perform welfare checks during emergencies and disasters.
- 8.15 Approval for Public Works to select a consultant from the Professional Services Roster and enter into an agreement for geotechnical services, as needed, during 2008. The consultant selection will be announced during a regular scheduled Commission meeting.

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- 8.16 Approval for the County Engineer to advertise, set bid date/time, award contract, and authorize the Chair to sign all pertinent documents for County Road Project 1872, Island View Road (County Road Number 29460, Hiawatta Creek) for the culvert replacement project. The contract will be announced during a regular meeting of the Board.
- 8.17 Approval for the County Engineer or Public Works Director to execute each Local Agency Federal Aid Project Prospectus and Local Agency Agreement with Washington State Department of Transportation to establish the requirements for federal aid projects and release federal funds to the County for the 2007 storm damage projects.
- 8.18 Approval of Warrants
- | | | |
|----------------------|--------------------------|----------------|
| Claims Clearing Fund | Warrant #s 137085-137471 | \$2,358,856.15 |
| Salary Clearing Fund | Warrant #s 1131-1175 | \$ 291,032.50 |
| Direct Deposit Fund | Deposit #s 430-855 | \$ 631,898.21 |
- 8.19 Approval of the resolution increasing an interfund loan from the Real Estate Excise Tax (REET 2) Fund to the Rustlewood Sewer & Water Utility Fund from \$800,000 to \$831,000. The loan will be used for capital improvements to the Rustlewood wastewater treatment plant. **Resolution No. 27-08 (Exhibit B)**
- 8.20 Approval of the resolution declaring the County's intent to issue bonds in the amount of \$831,000 to reimburse expenditures for the Rustlewood wastewater treatment plant upgrades. **Resolution No. 28-08 (Exhibit C)**

Cmmr. Ring Erickson commented that Item 8.1 is to reimburse the Cascade Land Conservancy for expenses on the Latimer's Land acquisition. Regarding Item 8.8, Cmmr. Ring Erickson noted this is part of a series of appointments across the county to distribute the representation on the MTA and accomplish one person one vote.

Cmmr. Gallagher/Ring Erickson moved and seconded to approve Consent Agenda Items 8.1 through 8.20. Motion carried unanimously. RE-aye; S-aye; G-aye.

9. 9:30 a.m. Public Hearings and Items Set for a Certain Time

- 9.1 Public hearing to consider changing the name of Breeze Drive to Sea Breeze Drive. Bill Tabor, Public Works Engineer, presented the staff report. Public Works has been updating the road name database and making corrections. The road is currently signed and addressed as Sea Breeze Drive although the road log has it as Breeze Drive. He noted there was a resolution changing the name to Breeze Drive in 1982.

Cmmr. Ring Erickson asked if it is known why the name was changed to Breeze Drive in 1982.

Mr. Tabor said the reasons are unknown. There is a Sea Breeze Lane in the same vicinity.

There was no public comment.

Cmmr. Ring Erickson/Gallagher moved and seconded to approve the resolution changing all of Breeze Drive (County Rod Number 29170) to Sea Breeze Drive (County Road Number 29170) to coincide with the road log and addressing system. Motion carried unanimously. RE-aye; S-aye; G-aye. Resolution No. 29-08 (Exhibit D)

- 9.2 Public hearing to consider amending Mason County Code Title 17 and the Development Regulations for On-Site Disposal Requirements for the Belfair and Allyn Urban Growth Areas. Emmett Dobey, Utilities & Waste Management, presented the staff report. He displayed a drawing of the Belfair sewer project plan. He explained the history of trying to come into compliance with the Growth Management Act (GMA). A consultant, CH2Mhill, was hired to complete a sewer analysis using connection zones in order to establish where sewer lines will be placed as growth occurs in the Belfair Urban Growth Area (UGA) to create a coordinated sewer system. On November 14, 2007 the

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Western WA Growth Management Hearings Board found the County's approach to managing the development of sewers to serve the Belfair UGA was invalid. Their issues are the regulatory and financial requirements are not sufficient to prevent the development of on-site sewage disposal systems and the continued use of on-site systems, even on an interim basis, could lead to rural development densities in the UGA and rural services shouldn't be used in an UGA.

A new approach has been developed to show how the entire UGA would be served with County-approved sewers, the cost associated with future sewer extensions and how the development of sewer collection would be phased and financed to serve the area. CH2Mhill has developed a sewerage plan to assure there will be sewer within 500 feet of property in the UGA and the cost for the additional lines is about \$19 million.

The financing plan has divided the UGA into four parts – Initial Connection Zone, Old Belfair Highway Connection Zone, Newkirk Road Connection Zone which is divided into two parts, an economic development section and a residential area called the Newkirk Long-Term UGA and the Southern Connection Zone.

The Initial Connection Zone would be connected first, when the pipeline is finished in 2010 and will have about 1,000 customers by 2012. The Newkirk area is primarily vacant. The plan is to develop the sewer through a system of County-initiated local improvement districts, continue to look for grants and loans, use REET money (Real Estate Excise Tax) and .09 (Rural County Development) money and utility fees. The County is concerned with keeping the Belfair UGA intact. To do this, during the 20-year period, the Newkirk Connection area will be left as a rural area and allow septic tank development to occur only at a density of 1 lot per 5 acres unless a sewer line becomes available, then it would have to connect.

This process commits the County to do 13 things. There are four sewer collection zones and the Initial Connection Zone has been financed. The Old Belfair Highway Zone will be served with County-initiated local improvement districts, the Newkirk Zone will be primarily financed through developer contributions and will remain relatively undeveloped until sewer become available. Once a sewer line becomes available, everything within 500 feet has to connect. Septic tanks will be allowed in the Newkirk Zone only. The sewer system has been designed that brings sewer within 500 feet of every property.

Mr. Dobey believes this program will continue to make improvements in Hood Canal and water quality improvement is the main concern for sewer extension. The facility is designed for a 20-year build-out period, however the membrane filter is not built for the entire 20-year period. It will need to be upgraded before the end of the 20 years. As soon as the system reaches 50% capacity, the planning for the improvement will start. The County is committed to continue to work with the developers in the area to pay their share of the costs.

Cmmr. Ring Erickson asked if the GMA Hearings Board will require confirmation or a policy regarding the amount and the sequencing of REET or .09 money that will be put into the Old Belfair Highway area.

Cmmr. Sheldon noted the money can be committed through the Capital Facilities Plan, which is updated annually.

An audience member asked if this is a revision to Ordinance 91-07.

Mr. Dobey answered yes, the only change is that septic tanks and drainfields are no longer allowed and it outlines how connection to the sewer will occur.

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An audience member commented that eventually in the next 20 years, there will be a sewer line to hook up to, so no development is available for 20 years.

Mr. Dobey explained that development is available in the Initial Connection Zone as soon the sewer line is finished. The ground breaking for the spray irrigation system is planned for this spring. This fall the groundbreaking for the sewer line is planned and the plan is to have the line and the facility finished by 2010.

It was explained that for development in the Old Belfair Highway Zone, it would require the County to initiate local improvement districts. The zoning will need to be changed. Cluster systems will not be allowed on septic tanks and drainfields. The Hearings Board very clearly said the use of a rural services, which septic tanks are, cannot be used in an urban density. The area can be developed through a local improvement district or if a developer wants to come in now and pay the associated costs. There is a map which shows how much each of the areas would cost.

An audience member commented the cost would not be feasible for a developer if only one or two lots are owned.

Cmmr. Sheldon pointed out there is only one incorporated city in Mason County. Mason County has three UGAs with only one being incorporated – the City of Shelton. The GMA Hearings Board is an appointed board and the County is required to be in compliance or the Hearings Board can withhold funds including the \$26 million dollars for sewers. The GMA Hearings Board is asking Mason County to allocate the majority of the growth that is coming to Mason County into the UGAs. To be an UGA, urban levels of service are required which are water, sewer and stormwater. This forces Mason County to place population in unincorporated areas and be responsible for the urban services, not a city because there is no city, which is rather unusual.

Mr. Dobey pointed out that water quality is an issue in Hood Canal. Data has demonstrated that septic tanks and drainfields most likely have a negative effect on water quality.

Cmmr. Ring Erickson noted that Mason County has made a commitment of .09 and REET money, which is infrastructure money, into partnering to get the sewers to the Old Belfair Highway zone. The County will start working on it right away. The transition to get the entire UGA served is up to 20 years.

Cmmr. Sheldon asked if this doesn't work with the Hearings Board, the other option is to reduce the size of the UGA and place the population in the UGAs and risk losing the money commitments that have been made.

Audience member suggested reducing the UGA and expand it as sewers become available.

Mr. Dobey stated increasing the UGA boundaries as money becomes available is an option but he pointed out there are two issues that have to be considered. One is growth management and the second is water quality in Hood Canal. He believes allowing more septic tanks to be developed is very counter-productive to what the GMA is trying to achieve. Mr. Dobey pointed out that if areas are removed from the UGA, it goes back to rural densities (1 house to 5 acres, 1 house to 10 acres or 1 house to 20 acres).

Cmmr. Ring Erickson noted that if the UGA is reduced by removing the Old Belfair Highway Zone, she understands the County would no longer qualify for the state and federal grants to put in sewer in that area. By leaving the area in the UGA, the County can look for additional grants.

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Rob Drexler asked if the Hearings Board made their decision on the latest plan and if there is some type of variance that can be requested. He doesn't want to lose the ability to develop the Old Belfair Highway area.

Mr. Dobey answered the County's response is due to the GMA Hearings Board by March 20th. Mason County made a request, the last time, because to fund the project we were about \$3 million short from the Department of Ecology. Mason County sent a request outlining the environmental dangers associated with not moving ahead with this project. Ecology's response was that they see the point, and will give part of the money, but they will not give all of the money until Mason County is in full compliance and the Department of Community, Trade and Economic Development (CTED) participated in that letter. He believes it is unwise to continue to build septic and drainfields in an area where we are trying to get rid of them. There is also the concern of allowing people to invest a large amount of money in a septic system and the County comes along with the sewer line and they have to hook up.

Frank Kenney asked if steps are taken in the Old Belfair Highway Zone for a LID and in the Newkirk Zone for local developers, would that be enough for the Hearings Board. He doesn't want to risk the money but he doesn't want to shut down development.

Mr. Dobey believes Mason County has gone further in trying to comply with the GMA than any other county. He would rather go with a more cautious approach because he believes it is more likely to be approved, than not be approved.

Mr. Dobey explained the Initial Connection Zone has regulations that allow commercial development to be developed, on a short-term basis, using a holding tank that has to be regularly pumped as the sewer is being built. This could be extended as the lines are available.

Brad Carey asked if any of these regulations affect Allyn.

Mr. Dobey answered the 500 foot connection requirement and density for new subdivisions.

Mr. Carey asked if this means the Comprehensive Plan will be readdressed on zoning for the Newkirk Road and Southern Connection zones.

Mr. Dobey answered the underlying zoning will not change.

Mr. Carey stated he doesn't want to risk getting out of compliance again.

Mr. Neatherlin asked how long before the Old Belfair Highway zone can be built in.

Mr. Dobey answered that would depend on quickly a LID can be formed. The LID process takes about 6 to 8 months. Depending where the property is, relative to sewer lines, impacts the cost to extend the lines. He stated it's hard to speculate.

Audience member asked if exemptions can be allowed so property could be subdivided, although it wouldn't be developed.

Barb Robinson stated that urban services have to be available and it's a GMA issue.

Cmmr. Sheldon pointed out this Board didn't establish the UGA boundaries, we are trying to get into compliance so money is not lost.

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Rob Drexler, Mason County Association of Realtors, expressed concern that an automatic action may be taken for fear of something that may or may not happen. He stated there is the potential for commercial development in Belfair that is willing to put in a pump-out tank and install the pipe for when sewer is available but they need to start now. He is fearful they will go elsewhere to build. He wants to make sure everything has been tried.

Frank Kenny, North Mason Chamber of Commerce, stated the County is lucky to have funding which we have to keep. The Chamber supports what it takes to sewer the downtown area.

Earl Eddings, North Shore Road, stated the last option is shrinking the UGA. He thinks the sewer will be available sooner than anticipated. He doesn't want to lose the \$26 million. He pointed out there is not a lot of area for commercial development in the downtown Belfair area.

Cmmr. Ring Erickson thanked everyone for being so thoughtful. She has spent a lot of time looking for a way to get Belfair the infrastructure it needs in a way that allows the County to comply with state law. The County has tried several of the suggestions and they did not pass the test of the GMA Hearings Board. Our community has received a lot of help paying for this sewer. She stated this Board will not back away from the continuing issue of infrastructure in the UGAs and we are trying to do the best long-term thing for Mason County.

Cmmr. Gallagher commented that as stated, Mason County is unique with one incorporated city. The County has gone to bat to help the residents of Belfair for funding the sewer. This plan is an adequate plan and should be approved by the Hearings Board and serve as guidance to other communities seeking compliance.

Cmmr. Sheldon asked, under this proposed ordinance, if a person bought a car lot in Belfair and wanted to put in commercial development that has very few customers who would use the restrooms, could that go ahead with a holding tank and then hook up to the sewer, when it is available.

Mr. Dobe answered, yes, as long as it conforms to the zoning.

Cmmr. Sheldon pointed out this is not a moratorium on commercial development. We are close to obtaining sewer and the widening of Highway 3. The development and the infrastructure that is coming, is attracting development.

Mr. Dobe compared this to growth in Thurston County. Once the infrastructure is available, growth will happen.

Cmmr. Sheldon added that Mason County has hired some of the best consultants to help with the plan and make this happen.

Cmmr. Ring Erickson/Gallagher moved and seconded to approve the ordinance amending Mason County Code Title 17 and the Development Regulations for On-Site Disposal Requirements for the Belfair and Allyn Urban Growth Areas. Motion carried unanimously. RE-aye; S-aye; G-aye. Ordinance No. 30-08 (Exhibit E)

9.3 Public hearing to consider a petition to form the Hartstene Pointe Water-Sewer District. Emmett Dobe, Utilities & Waste Management, presented that staff report. The Mason County Auditor has certified a petition from citizens of the Hartstene Pointe development to form water-sewer district. This would need to go to a vote of those in the proposed boundaries, which would be in May 2008. The County has serviced the Hartstene Pointe system since 1977 and there are approximately 533

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lots in the development with 433 active accounts. They have an annual budget of about \$670,000, with an annual revenue of \$300,000 and a cash balance of \$500,000.

Staff is recommending the Board call for the election and instruct staff to initiate discussion with representatives of the proposed district to transfer the existing utilities administrative, management and operation and maintenance responsibilities to the district, once the election is certified.

Cmmr. Ring Erickson asked if a financial feasibility study has been done.

Mr. Dobey replied no, there was a study done by Ed Cebron two years ago that looked at the status of all the utilities in Mason County. It was determined this utility is in good shape and is breaking even but Mr. Cebron suggested that for all the utilities to be more financially viable, over time, they should be consolidated into a single utility. Mr. Dobey pointed out that several years ago, a process was created to collect extra capital by Hartstene Pointe. This proposal is for the water and sewer system at Hartstene Pointe.

Cmmr. Ring Erickson asked if it is Mr. Dobey's professional opinion that this district would have the financial and operational ability to manage a sewer and water utility that meets all the state and federal requirements.

Mr. Dobey stated that we need to go through the negotiations before that decision can be made. The election can go forward, while negotiations are taking place.

Jim Anderson, Hartstene Pointe, stated the Hartstene Pointe Maintenance Association (HPMA) is pleased with the cooperation and the present stage of negotiations with Mason County. They have appointed a utilities committee to explore their options and they encourage the Board to pass the resolution calling for an election.

John Diehl, Hartstene Pointe, stated when the County acquired the facility in 1977, Hartstene Pointe was only a few years old. He stated it is necessary for the Board to find certain findings - that it is in the public's interest, that forming an independent district would provide a special benefit to the land within the district and that the proposal is compliant with the Comprehensive Plan. Their committee is prepared to make the case on each of those points. In terms of financial feasibility, they have investigated it, and additional details will be presented.

Mr. Diehl spoke to compliance with the Comprehensive Plan. He sees no problem with compliance and they intend to continue to maintain and operate the existing facilities. They will build water meters into the system. He noted they have a fixed number of lots and the system was developed to serve those lots.

Cmmr. Gallagher asked who was the original owner of Hartstene Pointe.

Mr. Diehl answered it was Quadrant, a subsidiary of Weyerhaeuser who negotiated with the County to take the system over.

Joseph White, Hartstene Pointe, believes that by creating an independent system, they will be providing a service to Mason County by freeing up County staff to do other things. They will need County assistance as they acquire their goal.

Jim Hill, Hartstene Pointe, addressed the special benefit for property owners at Hartstene Pointe. The HPMA Utilities Committee and the Board of Directors began considering the district last summer. The Utilities Committee, which includes individuals with over 50 years of water and sewer utility

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experience, prepared a preliminary briefing for Hartstene residents. This was followed by a well-attended workshop in January of 2008. They also made a field trip to a local independent water and sewer district to review how they run their system. They also had an informational exchange meeting in January with Cmmr. Ring Erickson and Mr. Dobby at the Harstine Island fire hall. An open house was held in February in conjunction with signing the petition. A special mailing was sent to all Hartstene Pointe residents to make them aware of this meeting. They feel the property owners in their community will enjoy a special benefit by forming an independent district to obtain a more direct voice in the governance of their utilities.

Roger Ray, Hartstene Pointe, addressed the feasibility issue. He stated the Utilities Committee has spent most of 2007 to get to this point. He gave the history of the committee members who have extensive experience in this area. He pointed out the water and sewer system is in good condition. They recognize a number of things that need to be done between now and the election, such as start discussions with the County on the transfer of capital assets, transfer of the unspent balances in the reserves, the transfer of the permits and there is an outstanding loan that needs to be addressed. He understands the County intends to start work on reducing the infiltration and inflow (I&I) in the sewer system this year. A tentative target date for the transfer is the end of 2008. He stated the district would have three commissioners. They understand there are certain things they will become responsible for such as I&I, water meters have to be installed and there may be repairs necessary for the water system. They realize the regulations are becoming more stringent. He stated there are about 200 independent water and sewer districts in the state and there is a state organization they intend to join which will provide a lot of assistance. He urged the Board to adopt resolution to start the process.

Cmmr. Gallagher asked who is eligible to vote.

Karen Herr, Mason County Auditor, the registered voters at Hartstene Pointe would vote.

Cmmr. Ring Erickson commented it is not clear why the County took over the utility because it was not in default and state law says that counties are the government for utilities as a last resort. She looks forward to being kept advised and we need to be sure there is a serious understanding of what the financial feasibility is for this utility. She understands the community interest in running this district and having local control.

Cmmr. Ring Erickson/Gallagher moved and seconded to approve the resolution submitting to a public vote on May 20, 2008 the question of whether to establish the Hartstene Pointe Water-Sewer District and assess a levy including all lands lying within the boundaries outlined in the petition submitted by the Hartstene Pointe community. Motion carried unanimously. RE-aye; S-aye; G-aye. Resolution No. 31-08 (Exhibit F)

Cmmr. Gallagher congratulated this group for their courage in stepping up to create this water and sewer district.

Cmmr. Sheldon agreed there are many talented people in Hartstene Pointe and it will be successful.

John Diehl pointed out the election will include electing commissioners for the district.

Monty Cobb, Chief Civil Deputy Prosecuting Attorney, stated the resolution includes a provision for the election of a board commissioners. They will be identified as positions, and the terms are based on the number of votes received and the resolution allows for the levy.

10. Other Business (Department Heads and Elected Officials)

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11. Board's Reports and Calendar - The Commissioners reported on meetings attended the past week and announced their upcoming weekly meetings.
12. Adjournment - the meeting adjourned 10:58 a.m.

BOARD OF COUNTY COMMISSIONERS
MASON COUNTY, WASHINGTON

Tim Sheldon, Chair

ATTEST:

Lynda Ring Erickson, Commissioner

Rebecca S. Rogers, Clerk of the Board

Ross Gallagher, Commissioner