

BOARD OF MASON COUNTY COMMISSIONERS' PROCEEDINGS

August 18, 2009

1. Call to Order – The Chairperson called the regular meeting to order at 9:02 a.m.
2. Pledge of Allegiance – Christy Buck led the flag salute.
3. Roll Call – Present: Commissioner District 1 - Lynda Ring Erickson; Commissioner District 2 – Tim Sheldon; Commissioner District 3 – Ross Gallagher.
4. Correspondence and Organizational Business
 - 4.1 Correspondence
 - 4.1.1 The Washington State Liquor Control Board sent notice of establishments in Mason County with liquor licenses due to expire on November 30, 2009.
 - 4.1.2 The Mason County Emergency Medical Services and Trauma Care Advisory Council sent their bylaws.
 - 4.2 Staff Recognition – Mason County Sheriff's Office. Sheriff Casey Salisbury presented the green star award to Cindy Brewer, Deputy Brad Trout, Deputy Mike Sargent, Deputy Sean Dodge, Deputy Danielle Rickards, Deputy Ken Potts, Deputy Nate Birkliid, Deputy Mike Western and Detective Jack Gardner for their outstanding service to the community.
5. Open Forum for Citizen Input –
 - 5.1 Pam Ward spoke in support of Commissioner Ring Erickson. About two weeks ago Commissioner Ring Erickson was hospitalized and is now under the care of a physician. The cause and effect of that care is not required to be made public. That is a good reason to miss a Commission meeting. She thinks it would be worthwhile for staff to publish attendance records for Commission meetings for the past year to see who is here more than anyone else. It is her understanding that when legislature is not in session Commission Sheldon attends briefings on Mondays and Commission meetings on Tuesday and then is generally out of the office. When legislature is in session he misses Commission meetings about half of the time. She understands there has been a charge made that Commissioner Ring Erickson has abandoned her job because she has missed a few meetings. The taxpayers should be the judge of which Commissioner earns their salary.

Cmmr. Sheldon responded that when a Commissioner is not in attendance usually they correspond with the rest of the Commission. He hasn't had any correspondence.

Cmmr. Ring Erickson clarified that her husband notified the Human Resources Director that she was hospitalized before the office hours began on Thursday, August 6th, which she believes is appropriate. Mr. Martin informed the Commissioners and department heads of her absence in the form of an email. At that point there would be no reason for the County not to feel officially notified. She didn't happen to be in a condition to make the phone call herself or produce a document. There wasn't a question at any time of where she was or what her status was.
 - 5.2 Mike Wittenberg stated he has been in business in the community for 20 years. He was excited about the possibility of revitalizing the town which he was raised in. Over the past few years he has become a bit disillusioned. One by one the town is losing it's historic buildings and with that the culture and history. The lack of concern by the local officials has him rethinking his investment of time and resources here.

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Restoring historic buildings has been proven to make economic and community sense. The Committee has attempted to contact the Commission to discuss the proposal to restore the historic Catholic Church building. For whatever reason the Board has been unresponsive or resistant to the proposal. They have submitted a reasonable offer and as citizen of the community the Board serves, they would like a response. The proposal is a win-win situation. It outlines requirements for success. The County receives a better than fair-market price for the property and loses nothing. The parish is made financially whole, so neither the parish nor the County loses anything by letting the church stand as-is. The burden is on their group to get the community cultural center up and running within a two year period. If the Board stands against this proposal they will miss an opportunity to save the taxpayers money as well as save a beautiful and historic building, which can be used by the entire community. If the building is razed it will create yet another vacant and barren lot in the downtown core. Another piece of the community's soul would be taken away. The group expects dialog with the Board and a vote on their proposal.

- 5.3 Mark Bardwil stated he is also a local business person that owns a local building. His affiliation with Shelton goes back to childhood years. He is representing the group that proposes to purchase the land that the church sits on. There are other areas that have taken advantage of their historic buildings. It is not just a feel good thing. It is an economic boost for the downtown area. This is a good opportunity. There are other cities that partner with groups such as this to infuse money into the projects. This group is not asking for that. This group is saying they want to buy this lot. Their proposal set forth on July 16th hasn't received a response and they are concerned because the clock is ticking. He is here to answer questions. They have put a good foot forward and this has to work financially. There is a provision that allows the County to come back in and say they have a better use for developing the property.

Cmmr. Sheldon commented that the Archdiocese owns the church building. The County does not own the building.

Mr. Bardwil responded that is irrelevant. They are offering to purchase the lot, not the church building.

Cmmr. Sheldon stated this is an open forum, not a debate about this issue. There has already been a contract signed, money has changed hands. The Archdiocese is not in the room and they are the party the contract is with.

Mr. Bardwil noted that the Archdiocese will still get their money and the County will save demolition costs. If there is a proposal that is more economically feasible this group still may lose the building. There is no risk to the County. The public needs to know that this proposal is not being responded to. He would like to know if they will receive a written response.

Cmmr. Sheldon answered that he has provided his response. He has read the proposal.

Cmmr. Ring Erickson stated this is a three person Commission and the majority prevails. She has always been willing to consider an option that keeps the building up. Regardless of if it is Mr. Theory's most interesting piece, it does provide a buffer for the valuable historic neighborhood just beyond. She doesn't think the Sheriff's new building will be intrusive, but it will be many years before the County considers a major building project. She would consider it, but she is only one Commissioner.

Mr. Bardwil stated he would just like any method where they could get feedback.

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6. Adoption of Agenda - **Cmmr. Gallagher/Ring Erickson moved and seconded to adopt the agenda as published with the deletion of item 8.2. Motion carried unanimously. S-aye; G-aye; RE-aye.**

Cmmr. Sheldon noted that item 8.2 was actually tabled to September 1, 2009 at the last Commission meeting.

7. Approval of Minutes – August 11, 2009 regular meeting minutes.

Cmmr. Sheldon noted there should be a correction to page 6, second paragraph from the bottom. It should read, "He would need a point/counterpoint". There should also be a correction to the second paragraph on page 8. Instead of "will 38 budgeted positions" it should read, "with 38 budgeted positions". The final correction is to page 10. It should be noted that the motion to reduce the Parks budget was a split vote.

Cmmr. Gallagher/Sheldon moved and seconded to approve the August 11, 2009 regular meeting minutes with noted corrections. Motion carried. S-aye; G-aye; RE-abstained.

8. Postponement of Action – Per RCW 36.32.130

- 8.1 Approval to reduce the Parks budget, Fund 001-147-000, in the amount of \$83,500.

Cmmr. Sheldon noted that it would be up to the Parks Director on how these reductions would be implemented.

Cmmr. Gallagher/Sheldon moved and seconded to reduce the Parks Budget, Fund 001-147-000, in the amount of \$43,500. Motion carried. S-aye; G-aye; RE-nay.

Cmmr. Sheldon commented that the time has long passed to make reductions to the Current Expense budget. The sales tax in July, which is typically one of the best months, is down \$43,000. That is just one indicator of the drops in revenue.

Cmmr. Ring Erickson stated that she thinks there are opportunities to provide private funding for the parks. Personally, she will donate 10% of her salary for the rest of the year towards keeping the parks open. She appreciates the Rotary and Mr. Eaton's sponsorships. She will be meeting with Mr. Keates to see if Latimer's Landing can be kept open. She realizes it is too little too late, but she has heard from people over the last week that believe keeping parks open during difficult times is important. She will be working with the community to find private sponsorships and she recommends any private sponsorships are offset against Current Expense.

Cmmr. Sheldon noted this is a small reduction in a \$600,000 budget. He doesn't think this will mean parks will close. The Board has to start someplace. They are still looking for a considerable amount of money before the end of the year so the County doesn't have to go on register warrants. It is prudent management of County resources to at least make some small cuts. The big cuts have been postponed for months and months and there will be a premium paid for that inaction.

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Cmmr. Gallagher stated the Board has to look under every rock, but he believes there is enough movement in the community to make the park system work. There will be commitments coming forward in the next few week that will make the parks viable for everyone. That is why he recommended a compromised reduction of \$43,500. He is hoping the community will step forward to keep Parks going. He doesn't just want to keep the gates open for Sandhill and MCRA. There are other parks to consider, such as the new acquisition of Jiggs Lake. Everyone in the community has their favorite place and he hopes the community or service groups will help adopt a park.

Cmmr. Ring Erickson commented there would be a larger discussion regarding the reduction of the budget on September 1st. She agrees this is a small amount of money but it means a lot in terms of connecting with the community during difficult times. No one wants to buy a house next to a park that is chained shut. She hopes that when the September 1st hearing is held other options could be discussion. She would like to discuss closing all County office, with the exception of the criminal justice system, for 3 days before Thanksgiving and 5 days before the Christmas holiday. She would like to reduce any services in adult probation that duplicate services being offered by the State. She intends to donate 10% of her salary for the rest of the year to County Parks and another 10% to the Family Nurse Partnership. She would like to reduce all individuals being given supervisor or lead pay who supervision less than six full time equivalent positions. She would also like to work with the jail services and the judges to see if the \$288,000 sitting in the Mental Health Fund could be used to offer services that would reduce or eliminate some of the costs associated with jail incarceration. These are the things she believes could be larger dollar items that could provide a solution.

~~8.1 Approval to reduce the Department of Community Development budget, Fund number 001-125-000, in the amount of \$200,000. REMOVED~~

9. Approval of Consent Agenda:

- 9.1 Approval of Interagency Agreement IAA10178 between Mason County Juvenile Court and the State of Washington Administrative Office of the Courts (AOC). This is an on-going agreement and the number of cases filed the previous year determines the level of funding.
- 9.2 Approval of a resolution revising Resolution No. 67-09 to include appropriate language for the recovery of Abatement funds as applicable to eligible retroactive activities.
Resolution No. 73-09 (Exhibit A)
- 9.3 Approval to set a public hearing on September 15, 2009 at 9:30 a.m. to review the request by Nathan and Debra Stout and Patrick Paradise to rezone four parcels (7.44 acres area total) within the Rural Area from Rural Residential 20 zone to Rural Commercial 2 zone.
- 9.4 Approval of a resolution correcting the County maintained mileage on Jensen Road (County Road No. 51930) **Resolution No. 74-09 (Exhibit B)**
- 9.5 Approval of a Technical Support Agreement with Efficiency Inc. in the amount of \$1068.00 for the period of 9-15-09 through 9-14-10 to provide technical and maintenance support for the FTR Reporter Deck located in the Mason County Commission Chambers. This amount is budgeted in the 2009 Central Operations budget.
- 9.6 Approval of Veterans Assistance Fund applications for: Charles W. Belander - Utilities \$222.92; Gerald A. Cassel, Jr. - Food \$200.00; Richard D. Johnson (Sally) - Burial \$600.00; Anthony Lee - Housing \$600.00 for a total of \$1,022.92.
- 9.7 Approval of Warrants: Claims Clearing Fund, Warrant #s 160872-161688, \$1,496,893.60; Direct Deposit Fund: Deposit #s 14672-1505, \$556,613.61.
- 9.8 Approval of the request from Mason County PUD No. 3 to fund \$144,502.05 for the Lynch Road Broadband Extension Project from the Mason County Rural County Sales & Use Tax Fund (.09).

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Cmmr. Gallagher commented on item 9.8. Several businesses on Lynch Road would like to expand and do internet sales. This will increase employment and sales tax for the community. The Broadband will also go down Cole Road so the communities of Shadow Wood and Fawn Lake will be served. It took awhile to make this work, but it will serve the citizens well.

Cmmr. Sheldon agreed that this would be a great project. The business community is underserved by the internet and this will help them prosper. It is important to point out that this money can't be used for Parks. It is a special fund set up by the State Legislature for rural counties and it must be used for infrastructure development.

Cmmr. Ring Erickson gave credit to the businesses in the area. This proposal sat dormant for a long time and she appreciates their advocacy for this project.

Paul Wildman stated he is concerned about item 9.3. This item was voted on by the Commissioners previously. He does not want this considered unless all three Commissioners will be present to consider it. It has been remanded to the Board by the Superior Court. It is an end run by the people requesting the rezone. They made their presentation to the court without any opportunity for opposition from the people in the neighborhood. The suit was based on allegations regarding one of the staff people associated with the issue. That person also wasn't a participant in the process. The citizens are very concerned about not having an opportunity for rebuttal.

Cmmr. Sheldon noted the Board should not comment on item 9.3 due to the Appearance of Fairness Doctrine.

Cmmr. Ring Erickson/Gallagher moved and seconded to approve Consent items 9.1 through 9.8. Motion carried unanimously. S-aye; G-aye; RE-aye.

10. 9:30 a.m. Public Hearings and Items Set for a Certain Time. –

- 10.1 Public hearing to consider a supplemental appropriation to the 2009 budget for the Hartstene Point Water/Sewer Fund in the estimated amount of \$137,806.

Tom Moore, Utilities and Waste Management, stated this hearing is to fund the second half of 2009 utility operations at Hartstene Point. The residents of Hartstene Point voted to form a utility district with the intent to assume ownership and operational control of the Hartstene Point water and wastewater utilities. During the 2009 budget development Utilities and Waste Management anticipated that the transfer would be completed by June 30, 2009. Therefore, they did not develop a budget for the second half of 2009. This hearing is to amend the Hartstene Point water and sewer budget to allow for Mason County Utilities and Waste Management's continued operation of the facilities through December 31, 2009.

The transfer has encountered difficulties with respect to a loan that was taken out to extend the outfall pipe several years ago. The Department of Ecology has informed them that the loan is not transferable. The utility commissioners are pursuing options to fund that loan. The USDA Rural Development Program may be a viable option. They will allow funding for the purchase of the utility, so the price would be set to the loan amount. In the mean time they need to collect money and spend money to keep the system operational. When developing the budget they took into consideration some one time bills, so this won't be exactly double of the first half amount.

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Questions for Staff

Cmmr. Ring Erickson stated she understands this \$137,806 is either covered by revenue or reserves. It is not coming out of the general fund. Does this amount compensate the County for staff time?

Mr. Moore answered that none of this will come out of the general fund and staff time is accounted for.

Cmmr. Sheldon noted this is truly an enterprise operation. He asked if December 31, 2009 is a firm date to turn over the system.

Mr. Moore stated hopefully it will happen before then, but he thought the June date was a firm date. There has been a good conversation with Ecology and there are no other administrative hurdles to cross after the loan issue is addressed. The application for USDA should be complete. It sounds like things are moving forward and the Commissioners are very anxious to get the system.

There was no public testimony.

Cmmr. Gallagher/Ring Erickson moved and seconded to approve a supplemental appropriation to the 2009 budget for the Hartstene Pointe Water/Sewer Fund in the amount of \$137,806. Motion carried unanimously. S-aye; G-aye; RE-aye. Budget Order (Exhibit C)

- 10.2 Continuation of the public hearing from June 16, 2009 to consider adopting the Interlocal Government Agreement (IGA) between Mason County and the City of Shelton regarding Shelton Urban Growth Area Zoning and Development Standards.

Barbara Adkins, Community Development Co-Manager, stated this is a continuation of a hearing from June 16, 2009. The City of Shelton received a grant in June of 2008 to work with Mason County to develop development regulations for the Shelton UGA. This inter-local agreement is part of the deliverables for that grant. The regulations have been adopted and this is the only document that is still being worked on. The version being presented today has been through several edits. There has been a lot of public comment and a stakeholders' meeting was held on July 9, 2009.

The edits are mainly clarification issues. There are also some items that are more substantial. There was a concern whether applicants would be double charged with plan review and application fees. That is not the case. The applications will continue to come through the County and applicants will only be charged once. On page 4 there was some language that was deleted regarding connecting to water service because there was too much detail. Exemptions were added exempting the Port of Shelton and small undeveloped parcels with approved community water systems. Language was added on page 5 regarding connecting to public sewer service. It now states at the time of sale the home would be required to connect to public sewer. There were issues on page 5 regarding the development of parcels not on City sewer. The majority of that language has been deleted. It now references that the City will update their sewer comprehensive plan by 2010. Until that point anything that deals with septic and sewers in the Shelton UGA reverts to existing language.

There are three options for this hearing, to approve the agreement, to table it or to continue it. At this point the City has not approved this contract so her recommendation is to table the hearing so it isn't continued over and over.

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Questions for Staff

Cmmr. Gallagher asked about item 9 regarding plan review. The County is already doing this.

Ms. Adkins stated the County already does this but some of the City's standards will be adopted. They want to make sure the City inspectors' rates are added.

Cmmr. Ring Erickson asked if this could create a situation where someone developing in the Urban Growth Area might end up paying double for inspections. She is concerned there could be a high burden for inspection fees as well as conflicting information.

Ms. Adkins stated that is why they need to outline what the fees will be and what will be the City's fees.

Cmmr. Ring Erickson stated she also has concerns about infrastructure and commitment to the future. In an area that is already served by water and sewer she doesn't have any concern about the City's standards. In most parts of the UGA where the City has not extended utilities and does not have a schedule to extend utilities this might be excessive. It is a two way street. The City needs to annex those areas in a reasonable amount of time.

Ms. Adkins stated it is confusing but they are doing everything they can to make sure people are not overburdened or double charged.

Cmmr. Sheldon stated the City has a moratorium for new sewer hookups but this proposed agreement states that if you are within 300 feet of a sewer line you would be forced to hook up when the property is sold. That is a large burden and could reduce the selling price. What about the moratorium?

Ms Adkins stated that is a question for Mr. Goins at the City.

An audience member asked who pays for the new hook up and what does that tend to run.

Ms. Adkins stated there would need to be a statement from the city because they use different standards.

Steve Goins, City of Shelton, stated the current hook up fee is \$7,200 and it varies per situation. The cost for piping for collection would be paid by the private party and would exceed the \$7,200.

An audience member asked if there is a map that shows where the Urban Growth Area is.

Ms. Adkins stated maps are available in the Planning Department.

Public Testimony

Matt Matayoshi, Economic Development Council of Mason County, stated he has been observing the discussion this morning and the questions show there is still a lot of work to do. A lot of questions need to be answered before this can move forward. He is in favor of utilities in the Urban Growth Area. Water, sewer and transportation are needed to attract new companies to the community. Going through the document in the current version it is clear that the Urban Growth Area is unique. In order to develop the area there needs to be a bridge, which would be a third standard specifically for the Urban Growth Area. Each of the issues needs to be addressed separately. There needs to be other alternatives rather than just tweaking what is on the table today.

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Steve Goins, City of Shelton, stated this effort commenced in 2008 by securing a grant from CTED. The grant funding has expired and they are now trying to complete this work with staff time. Staff time is limited at both the City and the County. The City is firmly committed to finishing this effort. It is valuable work and they believe it would be a waste of public funds not to see this work through. It is a good approach to table this until the City has a recommendation. There needs to be more time to review public comments and to work with stakeholders. There have been a number of comments raised without solutions and they would like time to address questions and find solutions.

Cmmr. Sheldon asked when the City might pass this.

Mr. Goins stated they have not seen additional comments. They hope to see more comments in the next few weeks and then it can be brought back to the City's Commissioners for recommendation.

Cmmr. Gallagher asked if the hearing were continued to September 15th would there be adequate time for a recommendation.

Mr. Goins stated he believes that would provide adequate time.

Christy Buck, Mason County Association of Realtors, stated the Realtors have been at the table throughout this process. They appreciate the opportunity to be part of this but they still have a lot of questions. One of their big questions is about the point of sale connect. The Realtors don't want to see that happen. They would rather have it with the failure of a system or within seven years. At the time of sale would add undue pressure to the seller. Many times people do not have the equity to do that work. Like the EDC, they also have thought about having a third set of regulations for the UGA. They are in favor of postponing this. They are still working on their recommendations.

Will Stakelin, Olympia Master Builders, stated inter-local agreements are nothing new, but what makes or breaks and agreement is the language of the agreement. The language in this agreement needs a lot more work and a lot more consideration, which should make it a deal breaker. Tabling this agreement is a good idea, but it can't be done by September 15th. The agreement refers to a lot of work that has yet to be done. That work must be completed before an agreement is adopted that will place additional regulation and restriction on the Urban Growth Area. The area is still under County control and what may be appealing for the City is not always the same vision for the County. The first page states the County shall also adopt development regulations that implement all provisions of this agreement. The GMA is clear that it seeks consistency in regulation between the City and County, however he hasn't found anything that would require the County to adopt all provisions in this agreement. When grant money is handed out we don't want to be wasteful of public funds, however additional regulation would waste public dollars. Costly connection fees upon the sale of a home immediately raises a red flag. Where it stands right now this isn't a workable document and isn't something that should be adopted. The ultimate goal would be a document that would give staff flexibility, but this is way too vague. He encouraged the Board to table the item and consider that September 15th may not be enough time.

Larry Robertson stated he is a property owner in the Urban Growth Area. He is in agreement of wanting to postpone this. Some of this information he didn't get until yesterday. He is in the process of a building project that has been approved. He will be spending upwards of 1 million dollars in the County over the next couple of years and he has thought about bailing on his plans because this has so many additional regulations. This will affect the generations to come. There needs to be something to encourage people to take a risk and spend money in the county. He agrees with everyone else to let this go until the restrictions are figured out.

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Jay Hupp, Port of Shelton, stated he would also like to see this tabled. It is not in an acceptable condition at this point. The Port's perspective is that the requirement to hook up to the sewer system within 300 feet violates a letter agreement with the City. Their current agreement leaves it up to the Port on when they will hook up to the sewer system. Under Chapter 53 Ports are prohibited from hooking up to a sewer system that is administered in a discriminatory manner. The conditions under which the Port would be allowed to hook up to the system are discriminatory and unreasonable because the State Patrol Academy and the Corrections Center are essential public facilities that are being treated differently than Sanderson Field. For those reasons they are recommending tabling this item.

Cmmr. Gallagher moved to continue the public hearing to consider adopting the Interlocal Government Agreement (IGA) between Mason County and the City of Shelton regarding Shelton Urban Growth Area Zoning and Development Standards to September 15, 2009 to allow more opportunity for public comment.

Cmmr. Ring Erickson recommended the hearing be tabled until all public and agency concerns have been addressed. This has been revisited a number of times. It would be best not to review it again until the City has had time to make a recommendation.

Cmmr. Gallagher withdrew his motion.

Cmmr. Ring Erickson/Gallagher moved and seconded to table approval of the agreement until such a time when all public and agency concerns have been addressed. Motion carried unanimously. S-aye; G-aye; RE-aye

11. Other Business (Department Heads and Elected Officials) –

11.1 Cmmr. Ring Erickson commented that the County was notified a week ago from Thursday that she was hospitalized. At this point she is under doctor's orders to take some time off.

12. Board's Reports and Calendar - The Commissioners reported on meetings attended the past week and announced their upcoming weekly meetings.

13. Adjournment – The meeting adjourned at 10:32 a.m.

BOARD OF COUNTY COMMISSIONERS
MASON COUNTY, WASHINGTON

Tim Sheldon, Chair

ATTEST:

Lynda Ring Erickson, Commissioner

Shannon Goudy, Clerk of the Board

Ross Gallagher, Commissioner

