

**BOARD OF MASON COUNTY COMMISSIONERS' BRIEFING MINUTES**  
**Mason County Commission Chambers, 411 North 5th Street, Shelton, WA**  
**Week of December 15, 2014**

Monday, December 15, 2014

9:00 A.M.

Department of Community Development – Barbara Adkins

Commissioners Jeffreys, Neatherlin and Sheldon were in attendance.

- Multifamily housing tax incentive program. The residential targeted areas were adopted a few months ago. Barbara Adkins has now drafted code updates to implement the program. This is tax incentive for ad valorem tax exemption. Options are eight or twelve years for the exemption. Cmmr. Sheldon and Cmmr. Neatherlin agreed to make the program as attractive as possible, therefore they support the 12 years. Cmmr. Jeffreys stated the idea behind the program is to increase the number of affordable housing units. Cmmr. Jeffreys requested a language change to state "must be served by sewer at the time an occupancy permit is issued." There was discussion about the sewer requirement.

Lynn Longan suggested the County explore CDBG grant money for the hook ups.

Cmmr. Neatherlin voiced concern with the suggested sewer language and would be more comfortable having a legal opinion.

Barbara stated she has obtained a legal opinion from MRSC and our legal staff concurred, must be served by sewer when designated.

Discussion of length of time allowed for exemption. Cmmr. Jeffreys suggested it be for eight years for rentals; up to 12 years if owner occupied. Her goal is encourage owner occupied.

Cmmr. Jeffreys asked Barbara to contact City of Tacoma to see how they manage their program.

Cmmrs. Sheldon and Neatherlin support making it 12 years for owner occupied and rentals.

Cmmr. Sheldon noted that City of Tacoma may have a different program because it's an urban area vs. Mason County is rural.

Cmmr. Jeffreys stated the incentive is to encourage people to live in the urban growth areas.

Discussion of building permit requirements.

Cmmr. Jeffreys asked if it will take 30 days to determine if they qualify for the program. She would like it to be a shorter timeline.

Cmmr. Jeffreys suggested a language change to Exhibit A, Page 1, 2nd paragraph, add "urbanized".

Melody Peterson, Assessor, believes the person would have to apply every year for the tax exemption.

- Cmmr. Jeffreys asked how the code compliance officer is prioritizing the workload. Barbara responded that she is working both ends, trying to close out the old complaints and also working on the new complaints. She will develop a relationship with the Sheriff's office. She is working with the Planning Department to know what a violation is and what is not. Cmmr. Sheldon stated when he receives a complaint, he contacts the department head or elected official.
- Cmmr. Jeffreys asked the status of the medical dispensary on Johns Prairie. Barbara stated it doesn't meet County Code because the Code doesn't address access points (dispensaries). There is a court decision pending and our Code may have to be revisited. County staff is working with the business owner. A warning has been issued stating they are in violation and the business owner has an attorney.

9:45 A.M.

Support Services - Bill Kenny

Commissioners Jeffreys, Neatherlin and Sheldon were in attendance.

- Economic Development Council funding request for \$68,000 from the .09 fund for 2015 and 2016. Port of Hoodspoint commented that they have no issues with application; Port of Allyn submitted a comment letter that was discussed. Port Commissioner Judy Scott was in the audience.

- Resolution naming the Applicant Agents and Alternatives for the WA State Emergency Management was approved for the agenda.
- Resolution establishing an interfund loan from ER&R to Current Expense to repay the vehicle cash out was approved for the agenda. Treasurer Lisa Frazier interjected that her office needs to review interfund loans before being approved.
- Levy resolution showing all the taxing district's levies was approved for the agenda.
- Cmmr. Neatherlin presented a funding proposal for the Belfair Sewer. The sewer is not running to full capacity. As of now, sometime in 2017, the system would be broke. The proposal includes forming a Utility Local Improvement District (ULID) with a \$195 fee per year, per parcel, only for those not hooked up to sewer. If you are hooked up, you do not pay. The ULID is for the entire Belfair UGA. This \$195 fee keeps the monthly rate at \$99 for the next 10 years and the moratorium would be lifted. At the end of 10 years, you must be hooked up. If you are on a failed system, you expand or subdivide, you must hook up right away. The proposal used very conservative projections.

Cmmr. Jeffreys asked what the true 2014 revenue is for the County Hook-up Program (CHP). The spreadsheet shows \$55,667. If everyone is current, the pay back is \$68,000.

The proposal includes an assumption of a 2% new growth starting in 2027. The assumption is that the entire UGA will have sewer lines in two years paid by 85% grant money.

The spreadsheet showing projected revenues and expenses was reviewed.

Cmmr. Neatherlin stated this proposal is in response to the State Auditor's audit finding.

Discussion of why operating expenses went up \$400,000 in 2014. Ongoing operating expenses is estimated to be \$1,000 per ERU but should reduce as ERU's are added.

Proposal includes \$5,445,456 from a bond to Mason County to borrow the money over 25 years but anticipate paying it off in 20 years. This is County Current Expense money. Lisa Frazier stated that right now we have \$7M in long term investments. The bond would pay off Mason County Revenue Bonds, the BOSS settlement and allow for \$1,000,000 in capital expenditures. The proposal anticipates .09 and REET 2 funds for 10 years but at a lower amount than what the system is currently using.

Ms. Frazier responded she prefers to lessen the Current Expense burden as much as possible.

Cmmr. Neatherlin would support increasing the .09 and REET 2 funds, if the Board supports that.

Cmmr. Neatherlin stated his recommendation is to ask the Belfair Sewer Advisory Committee to review and see if they will support a ULID.

The ULID fee would be used towards the hook up fee.

Cmmr. Sheldon asked if the current collection rate is being paid.

The internal bond was discussed. Ms. Frazier has talked to bond counsel. This is outside of the current investment policy.

Cmmr. Jeffreys would like an executive summary that outlines the assumptions. She is concerned with assumptions of construction costs, it seems low.

Cmmr. Sheldon would also like something in writing.

Cmmr. Neatherlin would like to present to the Belfair Sewer Advisory Committee on Thursday.

Cmmr. Jeffreys is okay with that and pointed out that the proposal is not approved by the Board at this point.

- Interlocal with the City for the Sewer Coalition. Cmmr. Neatherlin referred to section II (C). initial flat contribution of \$500 or \$.20/person of sewer service population. It needs to say Mason County's contribution is \$500.

10:25 A.M. 11:05 A.M. Break

10:35 A.M. 11:20 A.M. Public Health & Human Services – Vicki Kirkpatrick  
Commissioners Jeffreys, Neatherlin and Sheldon were in attendance.

Vicki Kirkpatrick reviewed recommendations for 2015 funding for House Bill 2163 Funds (Homeless Prevention) and HB 2060 (Affordable Housing) and for Mental Health sales tax.

- 1/10th of 1% Sales Tax Funds for Mental Health, Chemical dependency & Therapeutic Courts

For the Mental Health sales tax, it is \$157,260 for the two therapeutic courts and there would be additional costs to the Prosecutor's office and Public Defense if the therapeutic courts are expanded.

Cmmr. Sheldon requested the per capita costs for all programs.

Mental Health clients are proposed to be reduced from 45 to 30 clients. This is in response to evolving to a veterans court, anticipated the funding will be moved to veterans court.

Judge Sheldon spoke to Drug Court and a big part of the success is the UA tool, and there is a request to increase funding.

Cmmr. Sheldon is interested in knowing how the programs interact with VA and SSI. He wants to know the total number of clients and divide into the funding. He wants to know the cost of the program per individual served.

Ms. Kirkpatrick agreed with knowing the cost and there is also the factor of what it costs to not have the program.

Cmmr. Neatherlin supported Cmmr. Sheldon's request. He noted that the funding is always in question.

The approval process was reviewed. The contracts are not ready for approval and the Board is not comfortable approving until they see the contracts. Ms. Kirkpatrick stated she will not have the contracts ready until after the first of the year. She can extend the existing contracts to January 31, 2015 to allow time for the approval process.

Cmmr. Jeffreys stated she is willing to extend the contracts with the three contractors.

Judge Sheldon requested the County take a comprehensive look at mental health services. She referred to the mental health tax that is generated from the property tax. We have been contracting with Thurston County for mental health services and sending them \$175K and now collecting an additional \$500K. She wants to know how many are served by Thurston County and how many more with the additional \$500K. She recommended the County look at how mental health services are being provided.

Summary - extend the contracts with Northwest Resources, Mental Health Professionals and the MOU with the therapeutic courts and proceed with writing contracts for committee recommendations for 2015 funding.

Discussion of how to run the program. Cmmr. Jeffreys suggested the program be designed and then go out for RFP's. The timeline will be moved up earlier in the year for 2015.

Cmmr. Sheldon left at 11:58 a.m.

Noon - Break

12:05 P.M

Vicki Kirkpatrick recommended they review the programs and allow input and then draft contracts for Board review after the first of the year and extend the existing contracts until the contracts are renewed.

Commissioners Jeffreys and Neatherlin were in attendance. Commissioner Sheldon was absent.

- House Bill 2163 Funds (Homeless Prevention) and HB 2060 (Affordable Housing)

Crossroad Housing, rental assistance, \$90,375 for those in therapeutic courts or intensive case management.

Cmmr. Neatherlin voiced concern with narrowing the eligibility.

Vicki pointed out the funding is going down and the review committee's goal was to target the dollars to programs so there is long-term stability.

Carolyn Malanowski, review committee member, understands the concern and there is some other funding available for the immediate need of rental assistance without the requirement they be in a program. Part of this approach is to bring several programs together to serve the client as a whole. Patti Sells pointed out there is \$12,000 to leverage over \$100,000 for rental assistance.

Commissioner recommendation is to carve out funding from the \$60,000 for rental assistance without having to be in a program.

Discussion of case manager position. It is important that the paperwork is completed and accurate so it is in compliance.

Cmmr. Neatherlin is interested in knowing how much is spent total and how much is spent in North Mason. He asked who is on the review committee.

Board of Mason County Commissioners Briefing Meeting Minutes  
December 15, 2014

Tyler Music, North Mason Resources, spoke to the rental assistance program and stated that it did work well this year with having a contact in Shelton who did the inspections and Tyler helped with the documentation.

The 2015 recommendation is the same as 2014 with the exception that \$20,000 is available in North Mason County.

Vicki Kirkpatrick explained that this year they followed a RFP process. The review committee did not include anyone who receives the funding. The review committee did discuss how to provide equitable services in North Mason and that's why the 30% was designated to North Mason for direct rental assistance.

Patti Kleist, Faith in Action, stated that in the past they have received funding for emergency assistance and for case management clients. Her understanding is that utility assistance has been removed from 2163 Funds. They requested \$30,000 in 2015 and there is no recommendation for funding.

Cat Ross understands the utility assistance would be through Community Action Council (CAC) and there would be rental assistance.

The recommendation is to extend the date of the original contract with North Mason Resources to January 31, 2015.

Kim Klint stated the unfortunate truth is there is not enough money to fund all the requests. The review committee made the very difficult decisions to get the biggest bang for the buck. CAC brings in over \$500K in utility assistance and the committee made the decision to not fund five programs. She spoke to the Youth HOST Home program which the committee believes has the biggest potential to draw in outside dollars to augment the programs and the committee believes this is the most important program. The hope is to expand the program to North Mason.

Discussion of how to make sure that North Mason County is receiving its fair share of services. Kim Klint suggested that Vicki and a Commissioner meet with CAC on how to better serve the community for utility assistance.

11:30 A.M. — Public Defense – Susan Sergiojan  
Rescheduled to 3 p.m.

Commissioner Discussion – there was no discussion.

BREAK

- 2:00 P.M. Public Works - Brian Matthews & Melissa McFadden  
Utilities & Waste Management - Brian Matthews  
Commissioners Jeffreys and Neatherlin were in attendance. Commissioner Sheldon was absent.
- News Releases for Solid Waste Facility & Drop Box Station Rates increase per Resolution 105-07 and the Christmas tree drop off and recycling at Shelton Transfer Station and Belfair drop-off facility were approved for release.
  - Request approval for the Public Works Director to sign Supplement #5 for KBA Construction Management, Inc. for their service on the Belfair Water Reclamation construction project. Brian will be bringing forward an extension for Inslee Best.
  - Commissioner Sheldon joined the briefing at 2:12 p.m.
  - Cmmr. Sheldon brought up the hauling contract and the impact of Wilson Recycling taking in garbage. An executive session is being scheduled for next Monday.
  - Recycling Box Contract Renewal. Brian requested a three month contract extension and review to see if the service should be put out for bid. Cmmr. Neatherlin commented that if the contract terms are changing, the contract should be rebid. If it's just a contract time extension, he is okay with extending the contract.
  - Landfill Ground Water Monitoring Contract has expired and the bidding process has to be followed.

Commissioner Discussion

Board of Mason County Commissioners Briefing Meeting Minutes  
December 15, 2014

- Cmmr. Jeffreys brought up a request to support a legislative bill from WA State DOH for an on-site O&M program that would be billed at the state level.  
Cmmr. Sheldon cannot commit to this bill at this time.  
Cmmr. Jeffreys asked how the county will support the PIC (pollution identify & control) and on-site O&M programs. The shellfish industry stated these programs impact the shellfish industry and stable funding is important.  
Cmmr. Neatherlin sees some benefits to this legislative bill because he is a supporter of the PIC program. He suggested the fee be lower at \$10 to \$15. He suggested forming a regional clean water district for a PIC program.  
Discussion of shellfish protection districts.  
Cmmr. Sheldon stated most people take care of their septic systems and doesn't see it as fair to charge everyone a fee.

3:15 P.M.

Public Defense – Susan Sergoian

Commissioners Jeffreys and Neatherlin were in attendance. Commissioner Sheldon was absent.

- Interagency agreement with State Office of Public Defense for \$66,714 for 2015.
  - Renewal of District Court Attorney Services Contract with FT Law for 2015.
  - New Superior Court one-half contract with FT Law for 2015.
  - New Superior Court one-half contract with F. McNamara Jardine for 2015.
- All of the above were approved for the agenda.

Commissioner Discussion


- Commissioners Jeffreys and Neatherlin had further discussion on how to fund a PIC program. Cmmr. Neatherlin has a problem with ineffective education programs.
- Belfair Sewer proposal was discussed. Cmmr. Jeffreys is concerned with forming an ULID without a vote; the reality of sewerage the UGA; will a hook up loan program be needed. She needs to see the proposal in writing to really study it.
- Concern of how to make sure the Sheriff budget for 2015 reflects what the Commissioners intended to be budgeted.

Respectfully submitted,

Diane Zoren, Administrative Services Manager

BOARD OF MASON COUNTY COMMISSIONERS

  
Terri Jeffreys  
Chair

  
Tim Sheldon  
Commissioner

  
Randy Neatherlin  
Commissioner