

CITY OF SHELTON, WASHINGTON - CITY COMMISSION

Business Meeting Minutes – December 21, 2009

Shelton Civic Center - 5 P.M.

Presiding: Mayor Tarrant, Commissioner Byrne and Commissioner Pannell

Staff Present: Dave O'Leary, Kathleen Haggard, Vicki Look, Steve Goins, Cathy Beierle, Mike Michael, Dennis McDonald and Lesleann Kangas

Executive Session - The Commission held an Executive Session at 5:00 p.m. to discuss potential litigation for thirty minutes with no action to follow. The Commission, Kathleen Haggard, Dave O'Leary, Vicki Look, Steve Goins, Terry Davenport and WCIA Attorney were in attendance. The Commission adjourned the Executive session at 5:23 p.m.

Executive Session - The Commission held an Executive Session at 5:30 p.m. to discuss the performance of a public employee for thirty minutes with no action to follow. The Commission, Dave O'Leary and Vicki Look were in attendance. The Commission adjourned the Executive session at 5:55 p.m. to begin the regular scheduled Commission meeting.

Mayor Tarrant opened the regularly scheduled meeting at 6:00 p.m.

Mayor Tarrant said he would be absent from the upcoming meeting of December 28, 2009.

Commission Reports - None

Public Comment – None

Mayor Tarrant announced that the Public Hearing for Ordinance 1757-1109 - An Ordinance of the City of Shelton, Washington, Relating to Discharges into the City's Sewer System, Requirements for Gravity Grease Inceptors/Hydromechanical Grease Inceptors; Adding a new Chapter to Shelton Municipal Code Title 14 – Fats, Oils and Grease (FOG) is to be removed from tonight's agenda.

Consent Agenda

1. Vouchers numbered 71489 through 71570 in the amount of \$350,442.48
2. Transfer and Banking Fees in the amount of \$506.97
3. Transfer and Banking Fees in the amount of \$520.62
4. Civic Center Rotating Art Recommendations – Jena Marks, LC Picknell and Timothy Ransom
5. Resolution # 990-1109 – A Resolution of the City of Shelton, Washington Establishing a Non-Discrimination in Community Athletic Programs Policy for the City of Shelton and Third Party Organizations Using City of Shelton Parks and Recreation Facilities

Commissioner Byrne moved to approve the consent agenda as read, Commissioner Pannell seconded the motion. A vote was taken and the motion passed.

Old Business

1. Ordinance No. 1758-1209 – First and Final Reading - An Ordinance of the City of Shelton, Washington, Adopting the Budget for the Year Ending December 31, 2010 - Director of Financial Services Beierle presented this revised Ordinance that the Commission requested at the meeting of December 14, 2009. This includes the saving of one police officer for six months and extends the animal control/parking enforcement officer position until August 6, 2010. This increased the budget by about \$50,000. DH Beierle requested a First and Final Reading of Ordinance No. 1758-1209.

The Commission requested a First and Final Reading of Ordinance No. 1758-1209 – An Ordinance of the City of Shelton, Washington, Adopting the Budget for the Year Ending December 31, 2010.

Commissioner Byrne moved to approve Ordinance No. 1758-1209, Commissioner Pannell seconded the motion. A vote was taken and the motion passed.

2. 2010 Work Plan and 2010 Strategic Plan – City Administrator O’Leary said his presentation is the same as last week and requested the 2010 Work Plan and 2010 Strategic Plan be approved.

Commissioner Pannell moved to approve the 2010 Work Plan and 2010 Strategic Plan, Commissioner Byrne seconded the motion. A vote was taken and the motion passed.

3. Resolution 981-0509 – A Resolution of the City of Shelton Accepting an Interlocal Agreement (ILA) Between the City of Shelton and Mason County Regarding the Processing of Development Applications within the Shelton Urban Growth Area (UGA) – Public Works and Community and Economic Development Director Goins presented this agreement that is intended to provide the framework to better coordinate and streamline the development review and permitting process of projects within the unincorporated Shelton Urban Growth Area. This has been presented at previous meetings and reviewed by members of the UGA Zoning Regulations Advisory Committee. This version includes edits intended to address the comments and concerns submitted and copies are attached for reference. DH Goins requested that the Commission move to adopt Resolution #981-0509 that would allow this to move forward to the County.

Mayor Tarrant recognized Ms. Kristy Buck, Mason County Realtors Association, who thanked Director Goins for his continued work on the ILA and engaging in conversation with the committee. Ms. Buck requested continued work on the ILA.

Mayor Tarrant recognized Mr. Bob Stone who said this plan will bring suffering to county residents. Mr. Stone asked how the City could possibly do anything to help the county when it has troubles of its own. Commissioner Pannell provided Mr. Stone with a copy of the updated ILA.

Mayor Tarrant recognized Ms. Val Dickinson who requested a copy of the ILA. Management Assistant Look provided a copy for her.

Mayor Tarrant requested a reading of Resolution 981-0509 – A Resolution of the City of Shelton, Accepting an Interlocal Agreement (ILA) Between the City of Shelton and Mason County Regarding the Processing of Development Applications within the Shelton Urban Growth Area (UGA)

Commissioner Pannell moved to approve Resolution 981-0509, Commissioner Byrne seconded the motion. A vote was taken and the motion passed.

Commissioner Pannell noted that this does not finalize the document but allows it to move forward to the County.

4. City Services for Special Events – Management Assistant Look said that the festivals involved will not occur until spring. Ms. Look suggested this would be a better time to review the cost for services. She said that staff would be looking at meeting with applicants and public works crews to better define the needs of applicants. Ms. Look said it is possible the Special Event process would need to be revised. MA Look requested that the City Services for Special Events be revisited in the spring.

The Commission concurred to revisit the City Services for Special Events in the spring.

5. Listing of Shelton Memorial Park on Historic Register – Associate Planner Birk presented the request by the City of Shelton Historic Preservation Board to place Shelton Memorial Park on the Historic Register in detail at the meeting of December 14, 2009. Mr. Birk said he has received no changes, comments or opposition to this request so he is requesting approval of the Shelton Historic Preservation Board’s request to place the Shelton Memorial Park on the Historic Register.

Commissioner Pannell moved to place the Shelton Historic Preservation Board's request to place the Shelton Memorial Park on the Historic Register, Commissioner Byrne seconded the motion. A vote was taken and the motion passed.

New Business

1. Resolution #991-1209 – A Resolution of the City of Shelton, Washington, Providing for the Issuance of Installment Notes Payable from Various Funds to Various Funds, and Providing for the Mode of Payment and the Terms of each Note – Director of Financial Services Beierle presented this briefing to inform the Commission that the Regional Water Fund and the Regional Sewer Fund need Interfund Loans for additional cash flow in order to have a positive cash balance. This is due to the Regional Sewer loan and Partner reimbursements lagging into next year and cash flow needs for the Regional Water Fund while planning of the projects continue. The Regional Water Fund needs an interfund loan in the amount of \$29,000, and the Regional Sewer Fund needs interfund loans totaling \$1,000,000 in order to have positive cash balances. DH Beierle requested the Commission approve Resolution #991-1209 and authorize the Mayor and City Administrator to sign installment notes.

Commissioner Byrne moved to approve Resolution #991-1209 – A Resolution of the City of Shelton, Washington, Providing for the Issuance of Installment Notes Payable from Various Funds to Various Funds, and Providing for the Mode of Payment and the Terms of each Note, Commissioner Pannell seconded the motion. A vote was taken and the motion passed.

2. On-Call Engineering Services – City Engineer Michael said that the award of five consultants to provide on-call engineering services to complete simple designs, plan reviews, and other limited engineering services has an end date of December 31, 2009. CE Michael requested to add Amendment #1 to each of the five contracts extending on-call engineering services through December 31, 2010 and place on the consent agenda for December 28, 2009 authorizing the Mayor Pro Tem to sign.

The Commission concurred to place Amendment #1 to the five consultant's on-call engineering contracts on the consent agenda for December 28, 2009 and authorize the Mayor Pro Tem to sign.

3. Wastewater Treatment System Rehabilitation Project - PUD Power Pole Easement – Regional Projects Manager McDonald said this easement would allow moving a power pole and relocating power, telephone and fiber for the Wastewater Treatment Plant expansion and upgrade. With this new service Mason County PUD #3 has requested an Easement for access and maintenance of this new pole. Commissioner Byrne asked if there is land connected with this easement or if it just a written agreement to maintain the pole. City Administrator asked that City Attorney Haggard have time to review this.

The Commission concurred to place the Mason County PUD #3 Power Pole Easement on the agenda for next week pending City Attorney review.

4. Satellite Water Reclamation Plant – Sprayfield Forest Management Plan – Regional Projects Manager McDonald reported that the City of Shelton has established a lease agreement with Department of Corrections (DOC) for use of the their sprayfield for unused reclaimed water from the newly functioning Satellite Wastewater Reclamation Plant. In this lease agreement the City agrees to conduct a forest management plan and discuss with DOC future management needs. The City has selected a qualified forestry-consulting firm, International Forestry Consultants, Inc., to conduct a forest survey and provide a plan to the City. The contract amount is for \$6,500 which will be a part of the Satellite Water Reclamation Plan operations and maintenance costs. Mr. McDonald requested the Commission approve the contract with International Forestry Consultants, Inc., authorize the Mayor to sign when received from contractor and place on the consent agenda for December 28, 2009.

The Commission concurred to place the contract with International Forestry Consultants, Inc., on the consent agenda for December 28, 2009 authorizing the Mayor to sign when received from contractor.

5. Wastewater Treatment System Rehabilitation Project – Boundary Line Adjustment – Regional Projects Manager McDonald said that to facilitate the construction of the Wastewater Treatment Plant the City started a process to

combine two parcels and boundary line adjustment. The Commission authorized the Parcel Combination Application and Declaration of Parcel Combination December 7, 2009. The final step is to establish a boundary line adjustment to define the Wastewater Treatment Plant expansion area. Mr. McDonald requested that the Commission authorize the Mayor to sign the Boundary Line Adjustment and the Declaration of Boundary Line Adjustment and place on the consent agenda for December 28, 2009.

The Commission concurred to place the Boundary Line Adjustment and Declaration of Boundary Line Adjustment on the consent agenda for December 28, 2009 and authorize the Mayor to sign.

6. Wastewater Treatment Plant Outfall – Sediment Sampling Contract – Regional Projects Manager McDonald reported that the City is starting the process to expand and upgrade the Wastewater Treatment Plant. A portion of this project is to extend the plant's outfall by 96 feet into Hammersley Inlet. To complete the City has two state requirements to meet. The Aquatic Lease with the Washington State Department of Resources is requiring sampling at the outfall to "closeout" the existing lease and a new baseline sampling for the new lease. At the same time the new Ecology discharge permit requires that a "Sediment Sampling and Analysis Plan" be developed and sampling conducted before February 1, 2010. This contract for services with Cosmopolitan Engineering Group will meet both agencies' requirements by developing a plan, have it reviewed by both state agencies for approval, and then conduct the actual sediment sampling and produce the required report. The contract amount is \$29,770 to conduct this service. This will be charged to the Wastewater Treatment System construction costs. Mr. McDonald requested that the Commission approve the contract with Cosmopolitan Engineering Group and authorize the Mayor to sign when received from contractor and place on the consent agenda for December 21, 2009.

The Commission concurred to place the contract with Cosmopolitan Engineering Group on the consent agenda for December 21, 2009 authorizing the Mayor to sign.

Administration Reports – None

Public Comment - None

Administrative Final Touches

- DH Beierle – Chief Davenport will be bringing forward a Budget Modification
- CA O'Leary – Timberland Regional Library – Amended Promissory Note
- RPM McDonald – City/County meet with State Legislators
- RPM McDonald – Inter-Governmental Agreement #17

Announcement of Next Meeting

Mayor Tarrant announced the next regular Commission meeting of Monday, December 28, 2009, 1:30 p.m.

Adjournment

As there was no further business the meeting was adjourned at 7:20 p.m.


Mayor Tarrant


City Clerk Look

RESOLUTION NO. 981-0509

A RESOLUTION OF THE CITY OF SHELTON ACCEPTING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHELTON AND MASON COUNTY REGARDING THE PROCESSING OF DEVELOPMENT APPLICATIONS WITHIN THE SHELTON URBAN GROWTH AREA (UGA).

WHEREAS, The City of Shelton received a grant from the Washington State Department of Community, Trade, and Economic Development (CTED) to aid the City of Shelton and Mason County in planning efforts relating to the City of Shelton Urban Growth Area (UGA); and

WHEREAS, the City and County have jointly drafted an Interlocal Agreement addressing joint planning for the UGA, and facilitating consistency between city and county comprehensive plans and development regulations; and

WHEREAS, the Interlocal Agreement endeavors to remove potential ambiguity in the multi-jurisdictional land permitting process and ensure an efficient process for growth and concurrency within the UGA by enforcing Development Regulations in the UGA that are consistent with urban development..

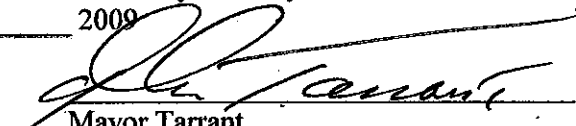
NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Shelton, Washington, as follows:


The City Commission agrees to adopt and sign the Interlocal Agreement Attached as Exhibit "A".

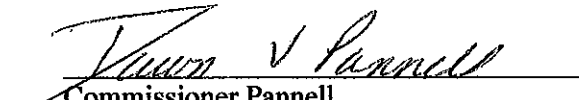
INTRODUCED by the City Commission of the City of Shelton on the December 21 2009, **AND PASSED** by the City Commission of the City of Shelton on the December 21 2009

ATTEST:


City Clerk Look


Mayor Tarrant


Commissioner Byrne


Commissioner Pannell

**INTERLOCAL AGREEMENT BETWEEN MASON COUNTY AND
THE CITY OF SHELTON
REGARDING URBAN GROWTH AREA ZONING
AND
DEVELOPMENT STANDARDS**

THIS AGREEMENT is entered into by and between Mason County, State of Washington and the City of Shelton for the purpose of adoption and implementation of Shelton Urban Growth Area zoning and development standards.

WHEREAS, the City of Shelton has adopted a Joint Plan to guide the character of future development within its Urban Growth Area;

WHEREAS, Mason County has also adopted this Joint Plan and made it as part of its Comprehensive Plan;

WHEREAS, the Washington State Growth Management Act requires Mason County to enact development standards consistent with its adopted Comprehensive Plan;

WHEREAS, Mason County and the City of Shelton will each adopt development standards intended to implement the Joint Plan for the Shelton Urban Growth Area; and

WHEREAS, Mason County and the City of Shelton find that the adoption of such standards by the County will contribute to the achievement of the long term objectives that the City of Shelton has for the development of its Urban Growth Area;

NOW THEREFORE, Mason County and the City of Shelton do hereby agree that,

I. Zoning Standards

Mason County will develop zoning standards for the Shelton Urban Growth Area (UGA) that reflect land use classifications on the city's pre-annexation zoning map and the county's future land use map, except that review procedures under each of the standards will be modified to conform to existing County review procedures. The County shall also adopt development regulations that implement all provisions of this Agreement. The City and Mason County acknowledge certain parcels within the Shelton UGA having been identified by the Port of Shelton and the Economic Development Council of Mason County as having an Industrial or Commercial/Industrial future land use designation that should be amended in the near-term to better align with the anticipated future land use.

II. Critical Areas, Shoreline and SEPA Administration

Mason County will be the lead agency for State Environmental Policy Act (SEPA) review for projects within the Shelton UGA, unless another agency has lead agency status. Mason County will maintain administration of its Critical Areas Ordinance and Shoreline Master Program within the UGA.

III. Review Procedures for Applications

All applications for development in the unincorporated Shelton UGA will be submitted to and processed by Mason County. Mason County and the City of Shelton recognize the benefits of utilizing systems that take advantage of existing investments in knowledge and training, and therefore agree to develop specific policies and procedures for concurrent, joint review of development proposals within the unincorporated UGA. For instance, when projects would receive service from the city water or sewer systems, it is anticipated the city would review portions of the application concerning water and/or sewer system extensions or connections.

IV. Commercial Project Review

Commercial, industrial and multifamily (two or more attached units) development within the Shelton UGA shall require approval of a binding site plan by Mason County.

1. The binding site plan shall be reviewed and approved by the County Director of Community Development or designee for conformance with adopted development regulations;
2. The binding site plan shall address the following: buffers, landscaping, traffic access and parking standards, sewage disposal provisions, height and scale in relation to surrounding uses and future uses, vegetation removal, storm water, potable water, and lot coverage.
3. Development of the site shall be consistent with the approved site plan. The Director may allow minor modification to the site plan, provided that all other regulations and conditions placed on the approval are met.

If the development is proposed on interim sewer facilities, the binding site plan shall also:

1. Demonstrate how the proposed development would be transitioned from the interim sewer facilities to a municipal wastewater system in an efficient, cost-effective, minimally disruptive fashion that meets regulatory standards;
2. Demonstrate that development at the minimum density allowed within the zone could be achieved once public sewer and/or water would be available to serve the project site.

V. Applications in Process

All fully complete applications for projects in the UGA that are in the County review process at the time this Agreement is adopted shall not be subject to the terms of this Agreement.

VI. Street and Utility Design Standards

Mason County will adopt City of Shelton street design and utility design standards for new development in the Shelton UGA. All utilities, including all private, on-site water systems for fire protection, in the Shelton UGA will be constructed and installed to City standards. Most new public streets internal to a development will be constructed to an urban standard, as defined in the City of Shelton Design and Construction Standards (Standards), which may include curb, gutter and sidewalks. Streets internal to properties owned by the Port of Shelton may be constructed and maintained according to approved Port design and

construction standards. External to a development, exceptions to the standard may be granted by the City or County engineer based on criteria that will be contained within the Standards

VII. Stormwater

Mason County will adopt the Department of Ecology 2005 Stormwater Management Manual for development within the Shelton UGA.

VIII. Plan Review and Inspection

Coordination of plan review and inspections for projects in the unincorporated UGA would be provided by Mason County, providing a single point of contact for applicants. Mason County and the City of Shelton recognize the benefits of utilizing systems that take advantage of existing investments in knowledge and training, and therefore agree to develop specific policies and procedures for concurrent, joint civil engineering plan review and inspections for streets and utilities, including private, on-site water systems for fire protection, related to private development projects. Within these procedures, it is expected city staff will lead the review and inspection of public utilities and private, on-site water systems for fire protection, and Mason County staff will lead the review and inspection of public roads and other utilities including, but not limited to electricity, telecommunications, cable television, and natural gas.

IX. Plan Review and Inspection Fees

The City of Shelton and Mason County will establish reasonable plan review fees for development within the Urban Growth Area. The jurisdictions will share the review fees paid by applicants within the Urban Growth Area commensurate with the work being completed by each jurisdiction's staff. Mason County shall adopt an updated fee schedule outlining all applicable review and inspection fees.

X. Reciprocal Mitigation of Transportation Impacts

Mason County and the City of Shelton recognize that development in the Shelton UGA can have impacts on City streets and that development in the City of Shelton can have impacts on County roads. In order to mitigate adverse impacts under Chapter 43.21C RCW (SEPA) for impacts on City streets, Mason County will route all SEPA checklists submitted to the County for projects within the Shelton UGA to the City of Shelton. If the City determines that a development in the Shelton UGA will impact the City's transportation system, the City shall notify Mason County of specific measures reasonably necessary to mitigate the impacts, and the City shall require that the developer take reasonable measures to mitigate the impact identified, consistent with SEPA Mitigation fees shall be paid directly to the City of Shelton and a receipt for payment shall be provided to Mason County.

In order to mitigate adverse impacts to County roads, the City of Shelton will route all SEPA checklists submitted to the City for new development that would impact County roads to Mason County. If the County determines that a development in the City will impact the County's transportation system, the County shall notify the City of Shelton of specific measures reasonably necessary to mitigate the impacts, and the City shall require that the developer take reasonable measures to mitigate the impact identified, consistent with SEPA.

For all projects within the Airport Overlay Zone, as described in Shelton Municipal Code 20.70 and Mason County Code 17.40, the SEPA checklists shall be routed to the Port of Shelton for comment.

XI. Requirement to Connect to Public Water Service

Consistent with the Growth Management Act, the City shall be the provider of urban services, including water, for all new development within the UGA, except for those parcels already served by an existing approved water purveyor. An approved water purveyor would be a public utility, mutual water company, county water district, or municipality that delivers drinking water to customers. To this end, the County shall adopt an ordinance that is consistent with Shelton Municipal Code 15.08.050, requiring the use of City water, adopting a prohibition on new exempt wells if City water is available on a "timely and reasonable" basis, and allowing for an appeal/review procedure of "timely and reasonable" determinations. The City shall provide input into all "timely and reasonable" determinations made by the County, and no appeals shall be decided unless the governing authority as designated by the county has considered the testimony of the City Public Works Director or Engineer.

The County shall exempt properties from the requirements of this Section when:

- a. The property is owned by the Port of Shelton and the Port has obtained regulatory approval to serve the property with water from its own water system, pursuant to RCW 53.08.040; or
- b. The property is a small, undeveloped parcel that has an existing commitment for water service from an approved community water system.

The City and County will work together to develop a coordinated water system plan for the Shelton UGA. The County shall require that developers execute a utility extension agreement consistent with Shelton Municipal Code Chapter 17.10.

XII. Development of Parcels Not on City Water

Proposed development in areas where City water is not available in a timely and reasonable manner must be developed in a manner that utilizes a cluster design. Projects must also provide documentation that demonstrates that future development at urban densities can be achieved once water can be provided in a timely a reasonable manner. Projects that do not use City water must meet the following requirements:

1. Subdivisions utilizing a separate public water system are limited to a maximum of nine lots and lots shall be clustered. For the purposes of this agreement, clustering is defined as a development design technique that concentrates buildings on a part of the site to allow the remaining land to be used for future development at urban densities;
2. Subdivisions and short subdivisions shall have a statement on the face of the plat or short plat that developments within the subdivision shall connect to the City water

system, at the expense of the property owner, when city water becomes available within 300 feet and the following factors are met:

- a. The City's water utility has sufficient capacity to serve the development with water in a safe and reliable manner,
- b. The service request is consistent with adopted local plans and development regulations, and;
- c. The city has sufficient water rights to provide service.

This requirement shall also be provided for in protective covenants that are filed with the subdivision;

3. The Washington State Department of Health or Mason County Public Health shall review and approve plans for all proposed private or public water systems within the Shelton UGA.
4. To ease future connection to the city water distribution system, Mason County may require new development to design and install on-site dry water lines when appropriate and the required infrastructure to serve the new development is included in the City of Shelton Water System Comprehensive Plan Six-year Capital Improvement Plan.

XIII. Requirement to Connect to Public Sewer Service

New development within the Shelton UGA which is within 300 feet of a public sewer is required to connect the development to the public sewer. The County shall require that developers execute a utility extension agreement consistent with Shelton Municipal Code Chapter 17.10. On-site sewage systems may be allowed temporarily in some parts of the UGA as discussed in Section XIII Development of Lots Not on Public Sewer.

Existing development in the Shelton UGA shall be required to connect to the public sewer system in lieu of construction or major repair, as defined by Mason County Health Department, of private septic systems, or upon the failure of an existing on-site sewage system, if a sewer line is located within 300 feet of the parcel.

The 300-foot distance set forth above shall be calculated along the shortest route in road rights-of-way and easements from the existing public sewer to the nearest point of the property or properties to be served.

XIV. Development of Parcels Not on City Sewer

The City and County agree to coordinate and adopt policies to help ensure development occurs in a manner that maintains long term potential to achieve minimum required densities and efficient provision of sewer once sewer becomes available. The City agrees to update the City of Shelton Sewer Comprehensive Plan by 2010, incorporating a six-year plan for serving portions of UGA with a permanent public sewerage system.

XV. Review of Home Occupation/Cottage Industries in Shelton UGA

The City and County will work cooperatively to establish home occupation regulations within the Shelton UGA.

XVI. Future Code Amendments

Mason County and the City of Shelton agree to develop a process for the joint consideration and adoption of future code amendments affecting the Shelton Urban Growth Area.

XVII. Dispute Resolution

Disagreements between signatories over implementation of this Agreement shall be resolved first by informal resolution meetings, then by mediation, then by arbitration, the result of which shall be appealable to the courts. The prevailing party shall be entitled to reasonable attorney fees.

ADOPTED by the City Commission of the City of Shelton, Mason County, Washington at a regular open public meeting held the 4 day of January **2010**, the following Commissioners being present and voting in favor of this Agreement.

ATTEST:

Nicki Look
City Clerk Look

[Signature]
Mayor Tarrant

[Signature]
Commissioner Byrne

[Signature]
Commissioner Pannell

ADOPTED by the Board of County Commissioners, Mason County, Washington at a regular open public meeting held the _____ day of _____ **2010**, the following Commissioners being present and voting in favor of this Agreement.

ATTEST:

County Clerk

Tim Sheldon

Ross Gallagher

Lynda Ring Erickson