

**Skagit County Planning Commission
Workshop: Latecomer Agreements Code
July 10, 2018**

Planning

Commissioners:

**Tim Raschko, Chair
Kathy Mitchell, Vice Chair
Annie Lohman
Mark Lundsten
Hollie Del Vecchio
Martha Rose
Amy Hughes
Josh Axthelm
Tammy Candler (absent)**

Staff:

**Hal Hart, Planning Director
Stacie Pratschner, Senior Planner
McKale Jones, Planning Intern**

Public Remarks

Commenters:

**Katie Rowland
Pam Doddridge
Bill Doddridge
John Flowers
Magdalen Baldassano
Krysta Verbarendse
Howard Gulley
Steve Verbarendse
Maddie Verbarendse
Brian Wetcher, Evergreen Islands**

Others:

Lisa Grueter, BERK Consulting

Chair Tim Raschko: (gavel) Good evening and welcome to the July 10, 2018 meeting of the Skagit County Planning Commission. Tonight's business has to do with the Skagit County Code to allow latecomers' agreements. Everybody has seen the agenda, I presume, and there are no changes desired?

(silence)

Chair Raschko: Thank you. We will have public comment at this point in time. Public comment will be limited to three minutes per person. That will be strictly observed. I apologize in advance for cutting people off but in fairness to everybody in order to keep the meeting moving along we have to limit it. I might add too that if you wish to address the Planning Commission about any specific issue that unless the comment period for that issue is open what you say will not become part of the public record. It will be recorded on the television, I think, but it won't be part of the

public record. But you are indeed welcome to make whatever comments you wish. So is there anybody who wishes to address the board?

(silence)

Chair Raschko: After all that, nobody wants to? All right.

Commissioner Annie Lohman: Did you ask them to say their name?

Chair Raschko: I will. Go ahead. Please take the podium and state your name and address.

Katie Rowley: Hi, my name is Katie Rowley. I live at 5737 Campbell Lake Road. I own Rural Reserve land on South Fidalgo and I am opposed to the P-12. I had a number of reasons I'm opposed to this. First of all I would like to point out that they are illogical. Many of the uses that are asked to be removed are still going to continue on South Fidalgo Island, so if the purpose is to remove them from South Fidalgo Island they are still going to continue on there. There's only one zone that's actually being targeted to have these removed. Also there has been no data presented up to this point as to why these uses are required. It blocks environmentally-friendly technology. The majority of people, of landowners, when they were asked last year said that they were opposed to it. Most of the people that are actually petitioning for this are not going to be affected this. They do not actually own this land. There is already an extensive permitting process in place and this – at any point, any specific thing could be blocked if people are interested in standing up against it or talking with the County. And for those of the – who have told me, Well, the County won't care what it is that you want, I would ask please stop stealing my yard signs because you are actually blocking me from being able to state my voice about that.

I am a supporter of science and logical planning, and so I think that it's very important that we have scientific basis and data for the things that we are actively trying to change, particularly if it is going to involve affecting thousands of acres, people's inheritances, hard-worked money – hard-worked-for money – and a lot of hard work going into this. I don't think it's something that should be done without any actually data to support it.

This is an arbitrary thing. It's against State law and County planning policies. If you look at the State law it says that we have a right for us to be able to keep our land without any clear reason for those things to be changed, and that was also Skagit County Planning Policies.

I also want to point out a few other things. I know recently some County staff have stated that there is a Growth Management Act mandate or order for a subarea plan, and I would like to point out that that is not accurate. There is not a Growth Management mandate for this. There was – were some zoning changes in the late '90s that the County had done that increased density. Some groups were opposed to that. There was also the Friends of Skagit County who were opposed to some rural character aspects of it based on signage and dimensional setbacks. And at that time the Growth Management Act Hearings Board stated that there could be no density changes unless there were – a subarea plan was completed. So what the County did was actually change some of those zoning things. They made it compliant with the Growth Management Act as well as changing the signage and dimensional setbacks. And that was closed in 2005.

Ms. Rowland: In 2007 they revisited this because someone put another petition out and they very explicitly –

(sound of timer)

Ms. Rowland: – visited this topic and said that it was closed and there were no violations.

Chair Raschko: Thank you. Next?

Pam Doddridge: Hi, my name is Pam Doddridge. I live at 13562 Islewood Drive in Anacortes. I'm here to speak in opposition to P-12.

I'm a homeowner, landowner. We pay taxes here on Fidalgo Island as well as Skagit Valley. We love where we live and, you know what? I think everyone – we think it's a special place, but I think everyone thinks where they live is a special place. I don't understand the changes, what these changes are for. We bought our property because we have a large family. We wanted a place for family and friends to get together. We use the property for recreation, farming, as well as simply watching nature. You know, we stock the lake. We watch the eagles steal the food but we still do that. And the ospreys!

I don't believe there's a problem that needs to be fixed. It almost seems like it was just made up.

The reasons given by the petitioner for each item, as I went through them, were all basically the same: mostly water and traffic. Well, the whole world deals with traffic. I don't think we're individual in that problem. As far as water goes, I don't think water is – I don't think for as far as – to my knowledge, I don't think there's been any studies identifying that there is a water shortage on Fidalgo Island or even that Fidalgo *is* a single source aquifer. That being said, I also know that some homes are on Fidalgo that are actually in the Rural Reserve are on city water. So obviously that's not even part of what comes out of the island.

As for myself, as a matter of fact, I have a lake on my property, and with that lake I'm entitled to use it for irrigation and I do. I irrigate my grass. I irrigate my gardens, my fruit trees. And, you know, with this new zoning, I mean, it's also – I don't know what the word is, but just open space. You know, it's like the new zoning – would my property or parts of it be considered a display garden because I like to make it look nice? I don't understand. It's all very vague, very open. And, you know, what's wrong with a dog kennel? I have dogs. I don't plan on operating a dog kennel but what if I wanted to? What if I wanted to train dogs? I don't understand why we're being limited to these things. There's no – there's just been no problem. A vet clinic: I'd love to have a vet clinic closer to me – not to have to drive to Burlington. That'd be awesome.

You can go down the list. There's a lot of vagueness to the list. Everything is broadly stated. And when you're talking about density, Rural Intermediate – they're already allowed one home for every two-and-a-half acres. Rural Reserve is only one home for every 10 acres. I believe that's the way it is. If this passes, those of us in Rural Reserve will be further limited to what we can do with our property while Rural Intermediate will still continue to be able to do the same things. And there is a lot of – on my street particularly, one side of the street's Rural Intermediate and one side is Rural Reserve. So my neighbors will be able to do things that I won't be able to do with my property.

On another note, several of us started a campaign to inform other neighbors that this was –

(sound of timer)

Ms. Doddridge: – coming up again. Our signs were stolen twice and it's very annoying.

Chair Raschko: Thank you.

Ms. Doddridge: Thank you.

Chair Raschko: Next, please?

Bill Doddridge: My name is Bill Doddridge. I live at 13562 Islewood Drive. I started – I come from California – I started investing up here in Washington 20 years ago. I put a business in Renton. Ten years ago we bought some hangars at the airport. I keep a boat in the marina. Six years ago we bought this property and we've since bought a seven-acre farm across from Skagit Airport.

Last year I hired Tom Moser – because I commute back and forth. I still work in Southern California and last year I spent some time out of the country – to represent my interests. And we had an interest with our – a problem with our next-door-neighbor. He was going to expand a rock quarry and he was going to bring it up to 60 feet within our property line and take out some old trees. And Tom was able to help us compromise with him and we worked out a deal where he agreed to a 200-foot setback, and so we have no problem with him running his rock quarry there. I also had him represent my interests at the meetings last year, and I want to thank the Planning Commission for letting some of our letters and stuff come in belatedly last year. And because we were new to this process we weren't getting notification, and now we're early on the process, _____ late last year.

At any rate, that's kind of how we evolved up here. I'm – I love this area. I'm very committed to it. And we spent millions of dollars in this community investing in the local – in the city with local people. And we don't want any changes in the zoning. It's very important to us. And we reviewed the law and from what I've seen, unless there's a compelling nature – some type of emergency – you're not supposed to be changing the zoning on these properties. And we're going to dig further into that. I haven't had a chance to talk to counsel about that yet. Everybody that we've come in contact with – *all* the neighbors – we haven't found *anybody* that lives here that's in support of it. And if you go down Campbell Road, you'll see sign after sign. All those signs are property *owners* that are against this cause. There's *nobody* that is for it, except for maybe Roger Robinson. And if you check his property and his neighbor to the right and left, they're one of the worst-maintained properties in this area. And so you've got someone who's proposing something that costs him nothing and costs everybody. And from what I understand, he comes down once a week to the Planning Commission. He doesn't have a job. The rest of us all work. We're busy people. We all have businesses. We all have families. We normally don't take the time to become civically-minded and do this. I was supposed to be at work tomorrow. I held back a day so I could speak here. I'll be – first thing in the morning, I'll be flying back down to California.

(sound of timer)

Mr. Doddridge: And that's all I have to say. Thank you for listening.

Chair Raschko: Thank you very much. Sir, are you next?

John Flowers: We have kind of an odd question here. John Flowers. I live at 6080 Campbell –

Commissioner Kathy Mitchell: Wait till you get to the mic for us, please.

Mr. Flowers: Oh. John Flowers. I live at 6080 Campbell Lake Road. And I think I speak for a lot of people when I would ask the Commission: Why is this even up for debate? I mean, from what we've seen on what's trying to be prohibited, it just doesn't make any sense to us. And like Bill

said, we all have a lot of vested interest in the property out here and we just hate to see our rights taken away.

Chair Raschko: Thank you.

Magdalen Baldassano: Good evening. Magdalen Baldassano. I live at 5617 Campbell Lake Road. I'm relatively new to the county. I come from Seattle and so I haven't lived in the county very long. A lot of the reason I moved to the county is for what it offers – the freedoms that it offers and the ability to live close to the land. And one of the things that I ask as a newcomer to the county is: What is broken? My mama often told me if it's not broke, don't fix it. So I fail to understand what's broken. There is a question that I ask of: What is the public safety that's at risk? What is at risk with these changes? I fail to understand that. And for that, I oppose P-12. I don't understand the advantage at hand. I don't understand the things that draw us to the county being taken away from us from someone who doesn't come from the county. And that is what drew me there, is being taken away. So I challenge what's broken because I don't think any of us that live there know it's broken so therefore we don't understand why these changes are being proposed. So I present that challenge to you today to answer that question. What is broken? What is trying to be fixed? And is it really an issue? Thank you.

Chair Raschko: Thank you. Is there anybody else who wishes to speak?

Krysta Verbarendse: I'm Krysta Verbarendse. I live at 6192 Campbell Lake Road. I'm in opposition as well to the P-12 rezone on South Fidalgo as I believe it's arbitrary and against the will of the majority of the community members in my community. I understand from recent correspondence from the Planning Department staff to one of my neighbors that the County's intent for the P-12 is to do two things: limit housing density and remove several currently approved Hearing Examiner special use allowances.

To address the first item: The Planning Department has chosen to limit the housing density on only part of South Fidalgo – all land in the Rural Reserve zone, but not land within the Rural Intermediate zone which allows for twice the density. You will note that most of the Rural Intermediate is – sits on the water with a water view where the majority of the Rural Reserve land is inland. So, effectively, the Planning Department will be encouraging growth along our shorelines with exclusive and expensive residential areas while discouraging growth on the more affordable inland properties, all in the name of saving South Fidalgo's character. Ironically enough, in a recent post by the P-12 petitioner Roger Robinson, he wrote "The naysayers to P-12 who are very concerned with saving our property rights should remember that they have neighbors who also have property values to protect." Is that the whole point of the rezone: to prevent affordable housing on Fidalgo Island while promoting more exclusive and expensive land? Have you looked at the proposed map? Could it be more arbitrary? It does not designate all lands west or south of a certain point but carves out only the Rural Reserve zone to save South Fidalgo. It's rather discriminatory that only one zone on South Fidalgo should be limited for growth and land uses. And I'd like to remind you that, per the RCW 36.70A.020, as well as the Skagit Countywide Planning Policies manual, it says: "The "property rights of landowners shall be protected from arbitrary and discriminatory actions." And furthermore the Growth Management Act is in place to *manage growth* – *not* stop it, *not* prohibit it or give it to one group of people over another.

And as far as the second item, currently approved Hearing Examiner commercial special use allowances, in the hearings last year when the proposal was rejected by a vote of seven to two, the Commission stated the following: "Property purchasers have expectations for the allowed

uses in the zone to continue to be allowed.” And the Countywide Planning Policies manual clearly states in section 6.2: “The rights of property owners operating under current land use regulations shall be preserved unless a clear public health, safety, or welfare purpose is served by more restrictive regulation.”

(sound of timer)

Ms. Verbarendse: Thank you for your time.

Chair Raschko: Thank you.

(applause)

Howard Gulley: Good afternoon. My name’s Howard Gulley. I live on Tibbles Lane. I want to congratulate Mr. Robinson. For 10 years him and his South Fidalgo group have been adamantly trying to change and control everybody else’s land, and finally they pushed hard enough that we got a group started that pushed back. So from that standpoint I congratulate him.

One of the things that’s in here that’s built around this is that, oh, you need 10 acres. Let me give you my case. I’ve got a 4,300 square-foot house, which is ridiculous, so that I can have all the grandkids and everything else, and we have had them all there at one time on this – on our piece of property. I’ve got more lawn than I care to look to do. I have an orchard. I give up part of the land on two sides for a concrete private road to serve the other people on the street. At one end of it I have a 30-hundred (sic) square-foot warehouse, which is leased out to Island Electric, and a large parking __ out in front of it. Except for the fruit trees, the rest of it is in pasture land where we fatten up two steers. This is slightly less than three acres. The 10-acre __ – we have to have that or the sky will fall – is just pulled out of thin air. There’s nothing that supports that. The only thing that supports it would be if we had a problem with water. And there are plenty of wells. Nobody’s ever had a problem with it. I have one of them but I also have city water. Water comes from Anacortes. There is a water line, compliments of the United States Navy, that runs through the middle of the thing and the water allotted in there. Anacortes right now is using less than 40% and the City of Anacortes is the number four user. In other words, Oak Harbor is number three after the two refineries.

So the ability to expand out and cover everything that’s on here is amazing. And if you try to lock things up you’ll do things like happens on Vashon Island. It starts to deteriorate over time and the actual values of the properties go up a little bit because you couldn’t get any, and then they start falling. You must have growth, and if we don’t want any growth – if we don’t want any growth then we have to do that as a country. We’ll have no more immigration and we’ll limit all families to two people so we don’t have any growth. That’s not going to happen. There will be growth. You want growth. You want that in there. The only thing you lose is the control. The same time, you don’t want to have something like Guemes Island where you drill so many wells that you all start getting seawater sucked into the bottom of the wells. So that’s a problem, but it’s not that way on Fidalgo Island. You’ve got more water than you know what to do with.

(sound of timer)

Mr. Gulley: So these are things that we’d have to think about. And I want to thank again the South Fidalgo group. For over a decade they’ve been trying to do this.

Chair Raschko: Okay. Thank you.

Mr. Gulley: Finally they're stirring up enough people. Thank you.

Chair Raschko: Yep.

(applause)

Chair Raschko: Does anyone else wish to speak? Okay.

Steve Verbarendse: Good evening. My name's Steve Verbarendse. I live at 6192 Campbell Lake Road and I'm against P-12. I don't understand the reasoning that the County's taking this up again. I think the County's done a really poor job of keeping the taxpayers and the landowners out there informed of what's being proposed. It seems the petitioning minority interest is trying to legislate against the majority of the property owners out there on Fidalgo and trying to dictate what we can and can't do with our land. Again, as we've heard tonight, where's the evidence? Where's all the complaints of why this is necessary, why these are necessary changes?

There's a long list of things, you know, that are on the petition for the rezone – too many to go over in three minutes. Motorcycles is one. I was a big bike rider as a kid. My family was. These are things, like, from what I hear, in jeopardy – you know, that can't – I guess they're going to have some zoning to limit motorcycle use on the larger land parcels out there and whatnot. Motorcycle riding on the forestlands in Anacortes used to all be open to ride. Now down to, like, one or two trails. Not allowed anymore. It gets kids out off the video games, gets them out in the outdoors and enjoying, you know, the outdoors, out in the woods.

Another one that I was shocked to see is anaerobic digesters being stricken from that. I don't know if that's on a large scale or a small scale. There's a lot of technology out there for small scale anaerobic digesters that are coming online that can be used for small parcels, individual homes. You've got a lot of aging septic systems out there, you know. If they don't have land to update their septic system or expand their septic system to, is the plan to condemn homes? You know, take people out of their property? Anaerobic digester on a small scale like that is something they could really benefit, and EPA talks about that actually on the EPA's website. Real good information on that for individual septic systems.

So to finish up, I don't support P-12. I've developed and used our property with the current zoning out in the county. We enjoy it that way. It's why we live in a rural area. It's why we don't live in the city. We live on, you know, six acres. Got another six acres up on the hill behind us.

(sound of timer)

Mr. Verbarendse: We enjoy those rights. Thank you.

Chair Raschko: Thank you.

(applause)

Maddie Verbarendse: My name is Maddie Verbarendse. I live at 6192 Campbell Lake Road. So I just want to reaffirm that I am also against P-12. I grew up on Campbell Lake Road my entire life in the Rural Fidalgo Reserve, and I've enjoyed, like, everything that you can do. I rode bikes with my dad growing up and I'd go over and do decorative gardening with the flowers, and I don't understand how that's a problem at all. It's decorative gardening. I also grew and picked plums and sell them at our driveway, and that's something that's potentially in jeopardy which, as a kid,

was super awesome. I got to make money, and it just supported the community. Everyone would go and buy my plums. And then I recently went to college and I came back and there were signs all down the road and I was, like, Hey, Mom, what's going on? And I haven't spoken to anyone that's been for this. I haven't heard of anyone that's for it. And there's signs everywhere – if you drive Campbell Lake Road you'll see these signs – so clearly there's a movement and people are against it.

So in summary, I moved away. I have come back for the summer. I live – I'm a voter here, and I can't believe that they're trying to change, you know, something that everyone's enjoyed. And I hope that when I have kids I can send my grandkids to be on, you know, Campbell Lake Road with my parents and they can enjoy it as well. And it's a shame that that's being taken away. So I'm against P-12. Thank you.

Chair Raschko: Thank you.

(applause)

Chair Raschko: Are there any others?

Brian Wetcher: Good evening, Commissioners. My name's Brian Wetcher and I live at 814 26th Street, Anacortes, and I am the Vice-President of Evergreen Islands and I also sit on the Anacortes Community Forest Advisory Board. And one correction that I'd like to make is that of the 50 or more miles of trails in the city forestlands we have nearly 20 of them opened seasonally to motorcycles. And they are all through routes so we do afford motorcycles and all of our users _____ in the forestlands as much opportunity as possible.

That being said, I'll take off my Forest Board hat here and speak as the Vice President of Evergreen Islands, and I'm sure most of the Commissioners and staff and many of the people in the room know that we have a long-term interest in South Fidalgo zoning and subarea plans in general, both within and without the UGA of the City of Anacortes. I really appreciate all the public comment and the sentiment that I've heard here. I've lived on Fidalgo Island since 1976. When I first moved into the city of Anacortes we had two operating dairies in the city of Anacortes and R Avenue was crushed rock. I've seen a lot of changes both in the city and outside the city. I've helped participate in both City environmental regulations, land use planning and zoning, as well as GMA development. And I'm very familiar with the GMA standards and UGA and what I've found over the years, over the almost 40 years of dealing with these kinds of regulations, is that the debate is best done when we actually have a draft document in front of us to see what's actually being considered. I've heard many comments both on the video, in the newspaper, and in person here that seem contradictory to the language that I see posted within the County's website, and that I see posted in the media, and I see contradictions in the media from what's posted on your website. And I would ask any of the Commissioners, staff, or anyone here tonight if they have in front of them a draft document which they can review for final review. Is there such a document right now?

(silence)

Mr. Wetcher: So we are debating language that has not been yet published. Am I correct?

(silence)

Mr. Wetcher: So...Evergreen Islands will reserve the right to make further comments on this but we won't (sic) subject our comments to the Commissioners and to staff when we see a draft document in front of us so we can be sure of the exact intent and language that is there. And sometimes we may disagree with both the intent or the language or we may disagree with the language and not the intent, but we will certainly be involved in the process. But we look forward to seeing the draft document so that we may engage with the people on Fidalgo Island to see what is the best solution.

(sound of timer)

Mr. Wetcher: Infill is going to happen. Our decision is how it will happen water-wise, traffic-wise
–

Chair Raschko: Okay, thank you.

Mr. Wetcher: – and rural character-wise. Thank you very much.

(applause)

Chair Raschko: Does anybody else wish to comment?

(silence)

Chair Raschko: Okay, I want to thank everybody very much.

Mr. Flowers: One comment before –

Chair Raschko: Well, we've got a few minutes left.

Mr. Flowers: One of the concerns – and, again, I think I speak for many here – is the lack of communication from the County on just where are we, what exactly is being proposed, and what are the timelines for making any changes. I have not received anything in the mail and I certainly am in the affected zone. So I would just ask the County to be very upfront and communicate very clearly to the property owners and anyone else affected in the P-12 zone that we are clearly communicated to in advance before any changes are made. Thank you.

Chair Raschko: Thank you.

(applause)

Chair Raschko: That will close the public comment part of the meeting. Everybody is welcome to stay for the rest of the meeting if they wish, but if you do not wish to remain we can wait a minute here or two while everybody exits and resume our meeting. Thank you.

We'll ask you please to converse out in the atrium so we may continue. Thank you.

No, you're welcome to stay. Okay, let us continue. Next on the agenda is a workshop regarding the latecomers' agreements. And, Stacie, you had an announcement?

Stacie Pratschner: I do, yeah.

Chair Raschko: I'm sorry to –

Ms. Pratschner: Oh, no, not at all. Not at all, Commissioner. Thank you so much. Yeah, I wanted to go ahead and introduce a new face here at the table this evening. Planning Commission, this is McKale Jones. McKale is going to be interning with me in the long-range planning team here at PDS. She was one of our Western students who worked on the setbacks reform project through our interagency agreement with Western Washington University's Sustainable Communities Partnership. And she has excellent academic and work background that's going to be very helpful to our team over the next half-a-year. So I just wanted a chance to introduce her and – yep, you'll put a name to a face.

Chair Raschko: Right.

Mark Lundsten: Happy – what's the term of this? I'm sorry. Is that for six months?

Ms. Pratschner: Yeah, we've got a certain amount of hours budgeted and so McKale will probably be with us through December.

Mr. Lundsten: Okay.

McKale Jones: Thank you.

Chair Raschko: Okay.

Ms. Pratschner: All right, thank you. Thank you, Planning Commissioners. This evening we are holding the second workshop with staff and also our consultant, BERK. Lisa Grueter is the principal for BERK Consulting. Our last workshop was a kickoff to discuss the adoption of latecomers agreement code into Skagit County Code. So this evening Lisa is going to do a brief presentation. We also this evening have addressed some of the questions and comments that came up at the previous workshop, as well as an example of some draft code for us to look at. With that, I'll turn it over to Lisa.

Lisa Grueter: Okay, so just as a reminder: The latecomers code is something that is addressed in State law. The County does not presently have such a code. It's a tool really for property owners or developers to request the County to allow them to install improvements ahead of time and then the County collect reimbursement over 15 or 20 years, or, as we mentioned last time, the State law was amended in those two times to allow the County to either participate in a latecomers and be reimbursed as a private owner could be, or could also initiate it. So that's the reason why we're here, is we're trying to respond to some changes in State law and to allow a process to consider latecomers code.

So I'll just go through the process that's outlined in the law real quick, and just as a context for those who may not have been here last time, and then we'll get into responding to your prior questions and to the preliminary code. So again, an owner of real estate requests construction or improvement of a road or utility, or a municipality – a County or a City – or, like, a water or a sewer district could participate or initiate one. And then you determine which properties would benefit from the extension of that infrastructure and then they would pay a share of the cost of extending that infrastructure over time. And then the County or City would send certified mail to those within that defined reimbursement area. The law says that the process should allow for someone to request a hearing if they want to appeal the reimbursement area or some aspect of the proposed assessment. And then after it's approved, if it *is* approved, then it would be recorded with the

County Auditor. And the collection period is specified in the law, so for roads it's 15 years and for sewer or water it's 20 years. So that's the overview of the process that we're trying to consider here.

So some of the comments or questions last time were: Can finance costs be included in the cost of the infrastructure? The law isn't especially clear on that point. Some of the example codes seem to allow for construction finance to be added in as part of the cost. And then we'll talk a little bit later in the draft code – Bellingham seems to apply an interest rate to the assessment fee over time. So it seems like the law doesn't expressly prohibit it but it's kind of silent, so we need to do a little bit more work in terms of talking with Municipal Research Services Center and the County prosecuting attorney to make sure that we're approaching this appropriately.

Ms. Pratschner: Lisa – pardon me for interrupting – the assessment fee that Bellingham charges, what – where does that fee go? Is that – am I asking the right question or –

Ms. Grueter: When they assess the fee – so if someone that's going to be in the benefit area comes in and wants to connect to –

Ms. Pratschner: Yep.

Ms. Grueter: – like, the sewer. Like, let's say in Edison or whatever.

Ms. Pratschner: Right.

Ms. Grueter: They pay a fee. The County collects that fee and then gives it to the initiating – the entity, the developer, the property owner that extended the infrastructure.

Ms. Pratschner: Right, right.

Ms. Grueter: So the County is collecting it. If the County did the extension, the County could collect it and keep it because you're acting –

Ms. Pratschner: Right.

Ms. Grueter: You're initiating.

Ms. Pratschner: Right.

Ms. Grueter: Or if you are contributing County funds towards an improvement, as a partially contributing you would – you'd get a share of what's collected back.

Ms. Pratschner: Thank you.

Ms. Grueter: One of the other requests was to show some example agreements, so we did put a couple in your packet. They're both related to sewer. We were searching high and low for some road agreements. We're still searching. We wanted to talk more with Bellingham because they have the most detailed requirements and process, and so we wanted to see what their agreements look like. They kept referring us to their checklist of their process and we're hoping to get a real agreement.

And then there was a request to clarify. We had several case studies in our previous report about how this could work in Skagit County. One of them was the Blanchard-Edison Water Association, and we want to clarify that that case study wasn't exactly like a latecomers because the agreement was between – or *potentially* between; it wasn't ever executed – between six or seven property owners and the Association as sort of an extension. In a draft agreement that was never executed, there was a draft provision that the Association could initiate a latecomers because there were a few other property owners that potentially benefitted. But it was no more than that so – and it didn't appear to go further so it was really for those initial – at least from the correspondence and draft materials we saw that were given to the Association at that time. And we may not have the full record in front of us but that's basically what we understood.

Commissioner Lohman: I appreciate your clarifying that, but my question is there isn't anything in State law now that prevents, like, a Group A water utility from having a latecomers – a privately held one. Is there?

Ms. Grueter: Well, the law is written for water and sewer districts to say that they must consider that request if someone asks. And so they would have a process to consider it, or a – based on the – at least the 2015 amendments to the State law, it seemed like that was the latest. And that postdates, I think, what the timing of what was considered at that point or for that association.

So the law is a little different with the roads. It says the County or City *may* consider a request from a property owner, but with the utilities it says they *must* consider it. So it's a little bit different language in the two State laws. So you'll see that reflected in the preliminary code.

And I wanted to mention that we're really early in this code development process, but we thought it might be useful to at least start with a rough draft. We're interested in some of your thoughts and we also want to do more work with PDS and Public Works. But it's kind of useful to say, okay, if we were to start somewhere, you know, what might a process look like, and highlight some of the questions that come up. Yes?

Mr. Lundsten: Can you explain again the 'must' and 'may' that you just explained to us?

Ms. Grueter: Yes.

Mr. Lundsten: Could you do that again, please?

Ms. Grueter: Yes, and I'm going to – on page 4 of 37 of the packet we kind of mimicked the language in the State law under – it's 14.43.020(B) is the street one and (C) is utilities. So here it says "The County may contract" –

Mr. Lundsten: Oh, I see.

Ms. Grueter: – "with owners...." And then (C) is "...the County must contract...." And the language, so it's really parroting that legislative language. One of the thing that I think is clear from the procedures that the other Counties and Cities have followed is there's a process by which the County or City reviews to make sure that the agreement is in the interest of the public and that agency. So one of the things we probably want to do with – like the attorneys and whatnot – is kind of add a second sentence here because they have to go through the process, they have to show they've met the criteria. And so to say you must contract, it's really if you meet all these things. But it does parrot that legislation right there.

Commissioner Lohman: But you have to read the sentence all the way to the period on the utility one.

Ms. Grueter: Right – “...that the owner elects to install solely at the owner’s expense.” The other corollary – you know, the other part of that is consistent with the County’s standards. And you’ll see there’s other requirements that are written in the law that the extensions or the improvements have to be consistent with the comprehensive plan or the system plan. So there’s more to the story. This is sort of – this is sort of the beginning of Applicability, so we put it here. Who is able to do this? So the first part of this is who can request of the County, basically, and then it states that the County can partially participate or initiate. So that’s what this section is trying to do under Applicability.

You’ll also see there’s a paragraph in there about WSDOT that’s straight out of the State law, where they get to participate and the County gets to collect and give them the funds. And it makes sense in the sense that the County is the land use authority and permitting authority for development so the County’s in the best position to collect on infrastructure.

So the other sort of early parts of this code are getting at what – you know, who can apply and then what’s involved in the application itself. What do they have to provide, and then who reviews? Now most of the codes that we’ve seen, or all the ones that we’ve looked at so far, refer to the public works department, and that’s because they’re the one – the portion of the county that’s responsible for that infrastructure. However, Stacie and I discussed that in one of her former communities the planners worked very closely with the public works department because the planners are often processing permits. They’re used to evaluating permits and making sure all of the public meeting notices and all this stuff happened. And so, Stacie, I don’t know if you want to comment on it, but there are other ways in terms of determining how this could work.

Ms. Pratschner: Sure, sure. Yeah, the way this example code has it, it has the public works department be the primary administrators of those reimbursement contracts. We can do a mix between planning and public works; planning can take over doing that work. What we’re doing right now after we complete this workshop is myself and the attorney in Public Works as well as Public Works staff are going to be working on redlines of this code and make sure that whoever wants to be responsible gets to be responsible. But yeah, there’s different iterations of who can be the primary administrator of those contracts.

Commissioner Lohman: Well, don’t you also need to include the utility, especially if it’s a private one?

Ms. Grueter: For the?

Commissioner Lohman: For when you’re drawing up these contracts? Aren’t they part of the designee?

Ms. Grueter: So the way we’ve handled this so far is the County would initiate where it’s the provider of service for roads, and in Edison – well, we don’t say *only* Edison, but wherever the County is the primary utility provider, which, right now, is only in Edison for sewer and wastewater treatment; however we do allow for the County to participate. And then the way this is written so far is the County would enter into an interlocal agreement with that entity. It’s that entity that would have to also have a latecomers process that’s they’re the provider. That’s the way we’ve written this so far.

So in terms of the process, the sections of the code that talk about preliminary determinations and notice and then the agreement and recording, it gets at how to formulate that reimbursement area. And so similar to what's stated in the law, this section is talking about who's benefitting. When we looked at example codes, we saw a couple that we thought would be interesting for the County to consider further. Bellingham and Renton offer four or five different ways to determine benefit area. That makes sense. For roads you might be looking either at linear frontage or you might be looking at trips – the demand that the future development will put on the roads. And for water and sewer it might be linear. There might be other ways to get at it but it seems like both of those Cities offer those ___ few different ways, and then it says or another method that's determined to be applicable. So we put in a few examples in this draft and County staff, as Stacie mentioned, would go through and determine what's the best range of techniques that should be mentioned in the code.

And then there would be a determination of what's the per rata share of the costs by those property owners that benefit and there'd be notice. And we included, per law, that there be a way for someone who gets this notice of being included in this reimbursement area that they could appeal. And right now we've written that the appeal would go to the Hearing Examiner. Now if the County's initiating the reimbursement here we've said there *must* be a hearing. But otherwise it would be based on whether – if it's a private entity that's initiating it, the County believes it's a good application to carry forward, there'd be an opportunity to appeal and have a hearing. And then there'd be a recording within the 30 days.

Commissioner Lohman: On the reimbursement –

Ms. Grueter: Yes?

Commissioner Lohman: – area –

Ms. Grueter: Yes?

Commissioner Lohman: – for example, if you're talking a water main that's going to go by. So what triggers whether you're in the benefit area? Is it when you hook up?

Ms. Grueter: That seems to be how the entities collect. So when someone comes in for a hookup for sewer and water, that's when that fee gets assessed, and for roads I believe it's when there's development in the way that Pierce County identifies it. They say if you're putting at least as many trips as a single-family home, because they don't want to pull in – if it's another agricultural activity or something, that's really not new development in the sense that it's creating enough demand for that road. So that seems to be the trigger: Is the hookup fee or a development permit related to roads?

Commissioner Lohman: Because how do you protect somebody from – they're on the way to somebody's property that they want to do a big project on. They have no intention of doing anything with their property. They have their single-family residence or it's a farm or whatever it is. How do you protect *their* interest? *They're* not going to –

Ms. Grueter: Well, they would only pay if they're coming in for a development. So –

Commissioner Lohman: Well, just because – so it wouldn't be just because it's going to go past their property, like in the case of a utility, whether it be a fiber optic or a water. Just because it's linear feet going by them they're not going to get snagged with a –

Ms. Grueter: I think one thing we need to look at is – and, Stacie, you may or may not know this – but in some – like, Edison is what I’m thinking about because that’s the only –

Ms. Pratschner: Right.

Ms. Grueter: – one that the County serves right now. When the line is within so many feet of a property, some Counties or Cities will say if it’s within 200 feet you’ve got to connect.

Ms. Pratschner: Yes. Yes.

Ms. Grueter: So that may be what the exception is – if there is a requirement elsewhere that says if the line is in proximity you must connect. But I think what the intent is of this is if someone’s developing and they’re benefitting from the size of the road or the sewer or water that’s sized for the future development – because it’s consistent with the comp plan, it’s anticipating what growth – I think it’s primarily meant for when this area develops you pay in.

Ms. Pratschner: Right.

Ms. Grueter: And it’s –

Commissioner Lohman: Oh, yeah.

Commissioner Mitchell: Go ahead and finish that thought and I’ll ask the question.

Ms. Grueter: Well, it seems like, you know, there’s an expiration date, right? So if the development doesn’t happen at the pace that was anticipated, they’re not going to get a full recovery. So they’re kind of taking a risk, you know, because they want to develop maybe sooner than everybody else. So the agreements that we’ve seen or the language we’ve seen or the language we’ve seen says the County or City’s not liable to pay the difference between what was collected and what the total cost was. Whatever’s collected it was collected faster than the agreement expires. If the development happens slower and then it expires, that’s it. The County’s not going to keep collecting costs for a developer or owner.

Commissioner Mitchell: So I guess to both of you then: So is the logic for the proximity thing – so if you’re within 200 feet you must hook up. Is that because of future potential owners? Let’s say, for instance, we’re old fuddy-duddies and we’re not techie, and the fiber optics come through and we’re saying, nah, we don’t care. But then the County would say because you are that close, somebody in the future might do it now. Is that why?

Ms. Pratschner: Well, in the context of a City you’re having people hook up so that you can get everyone on those City services, you know, so that you’re phasing out septic systems within urban areas. Lisa, do you want to comment on that?

Ms. Grueter: That’s generally – it is. The systems designed in – especially in urban areas – so that you’re having the treatment level that you would expect, the collection and treatment level. So there’s often that distance requirement. And in rural areas, like in Chelan County where we’re working with them to address rural water issues and one of the issues they were having is even within a Group A water system area someone would get a well permit because they didn’t want to pay the expense of the connection. Well, in this – for Chelan, you know, if there’s limited water they’re – with the *Hirst* case and whatnot – they’re *wanting* people now to hook up. So they’re considering in the future changing – you know, working with the health department to say if you

are within x-feet of a Group A water line you need to hook up because water's precious. And this entity has enough water rights so it's a different question, but it's kind of related.

Commissioner Lohman: But the trigger, though, is going to be different than a development because it may be that their well is failing or – you know, so it isn't a *development* that's the trigger. It's – the people have already developed, long been developed, but their water source has failed or their – you know, in a sewer situation their septic has failed and they have to change. But it isn't going to be a development permit.

Commissioner Hollie Del Vecchio: I mean, it seems to me like that's either you have a voluntary – okay, this is we now have access to this service because it's been – it's now running in front of our house. What we currently have is now failing so we're going to opt to hook into whatever's there. And then sure, I mean, it seems to me like all right, if you're opting you pay to connect to the services that are provided. That's a *voluntary* thing, it sounds like, as opposed to the trigger that we're talking about that would be for development that, all right, if you're wanting to develop, now we're going to *require* it.

Commissioner Lohman: But you're not requiring it of just the development. You're requiring it of everybody on the way.

Commissioner Del Vecchio: Well, as they develop, though. I mean, that's ___ – correct me if I'm wrong there.

Ms. Grueter: The primary purpose of this is to, you know, encourage development that's consistent with County or City plans.

Ms. Pratschner: Right.

Ms. Grueter: And so it's saying if somebody goes in first they're not going to be penalized for going first. They're going to be able to recover. I think what we were talking about is these sort of other situations by which a code might require somebody to hook up and what does that mean when the – you know, if they're in one of these assessment areas. And that's where, I think, we'll do a little bit more research for you and say, okay, we understand the big picture. If somebody comes in for development, they're going to pay their share at the time of permit. And it seems like the Pierce County roads one makes sense because they're saying if you put more than a single-family trip on the road, then we're going to, you know, charge you. And that to me is related to development. I think when we talk about if you're within so many feet of a sewer line or a water line, that's where we need to find out more – like have those folks been assessed in these reimbursement areas? They're not adding more development. They're just hooking up a current home. Do they have to pay that full fee? And that situation I haven't seen come up in the examples or in the example agreements, and that's where I think we need to do just a little bit more due diligence on, like, What does it mean when you've got an existing home?

Commissioner Del Vecchio: Can I – for clarification purpose: I think fiber optic was thrown into that whole discussion of sewer _____. There's no requirement, to my knowledge, that you must connect to fiber optic if you are within 200 feet. Fiber optic is a different situation than sewer. I hope?

Commissioner Lohman: But is it – would it be thrown in with a utility?

Commissioner Mitchell: That's what we were wondering.

Commissioner Del Vecchio: Yeah. I mean, is there a distinction between those two?

Commissioner Mitchell: Utility, utility, utility. Yeah, what is?

Commissioner Lohman: Yeah, but if you have a functioning septic, why would you – and you're out in the country and you've been tested and everything – why would you have to be – you're not in the city. And so –

Commissioner Del Vecchio: I think it raises another question. I mean, we threw fiber optic into the sewer question and I went aaah!

Commissioner Lohman: Well, because isn't that part of a – it could be a utility.

Ms. Grueter: I think, you know, except for places like Edison where you have this limited area of more intense rural development that had some environmental issues there needed to be a system, you're not going to see rural waste – you know, requirements to hook to a sewer in an area that has a functioning system. The Cities tend to do it within the city limits or in unincorporated urban areas. Like, I think, last time we talked about Thurston and Lacey – unincorporated UGA hadn't yet been annexed by the City, failing systems. The County said – the County Health Department – said this area needs to have a system, so the County went and got funding and built a system kind of like Edison and the City agreed to take it over. But for water, that's where we'll do a little bit more review. Because the Chelan case is pretty interesting because of the *Hirst* case and the lack of rural water. And you've got some issues with closed basins and so on, right? So we'll do a little bit more review of that because – to see, you know, if other Counties have addressed this scenario.

Commissioner Lohman: How does all that fly with GMA where you can't just extend a water line?

Ms. Pratschner: Well, we have the provisions in GMA for the sewer. You're not supposed to extend those outside the city's UGAs because we don't want to encourage urban levels of development. For the water, Lisa?

Ms. Grueter: It's not considered an urban-only service – if you're urban or rural.

Ms. Pratschner: That's right. That's the distinction. It's not urban or rural. Sewer's very much considered urban.

Commissioner Lohman: Because I know if the property is within your service area, if it's a Group A, then – if you have to do an extension, well, they have to pay for that extension but you can give them the water if it's in your service area.

Ms. Pratschner: Right.

Ms. Grueter: And I think that's really what we're talking about is within water service areas. But the County right now isn't a water provider. So right now this code wouldn't apply. The only part of it that would apply is if the County wanted to participate in a water line extension in an area – be a contributor and get reimbursed along the way like someone else. But it has to be consistent with that water system's plan for that to happen.

Commissioner Lohman: So then in that case, the County would be basically acting like the bank?

Ms. Grueter: They would be – yeah, in a way. They’re putting some money upfront to help get it extended and then they get reimbursed over time. And there is a provision that the County can initiate an infrastructure improvement, but since it has to be consistent with the local provider’s plan I would think they’re not going to do it in an area that – you know, where it’s inconsistent. They have to be consistent with that water provider’s plan. So there’s always a check and balance in that case. But so we’ll research in – I think, based on what we were just talking about is within rural water system areas in rural areas. And if there’s been some issues with other utility districts where there’s a latecomers’ agreement, what happens if someone’s just hooking up that wasn’t previously hooked up? Do they get charged the assessment?

Commissioner Lohman: And then that’s what kind of confused me because on Section 14.43.090 where you talk about the conveyance it’s talking only about the County having the ownership.

Ms. Grueter: Right, and maybe what we need is to clarify that’s where the County is the provider. So they’re conveying the road to the County or they’re conveying – if there’s a wastewater improvement in Edison, let’s say, it’s when they’re conveying it to the County; they’ve met the County standards; it’s been constructed; the County’s accepting it. That’s really what it’s meant for.

Commissioner Lohman: I think what’s confusing in some of this is you’re mixing privately-owned utilities with County-owned utilities and they’re not distinct – distinguished very well, especially when you get all the way to the end on the Conveyance section. It’s, like, well, wait a minute.

Ms. Grueter: Mm-hmm. We can clarify and work with staff, but maybe what we need is a sentence where the County is contributing but it isn’t not the provider. It’s that other entity where that infrastructure’s going to be needing to meet that entity’s requirements and be conveyed to that utility. So I think we just need to make sure we have a parallel because we’re kind of doing two things in this code, and that’s a good comment and we can work on that.

Ms. Pratschner: That *is* a good comment.

Ms. Grueter: One of the things that we saw in the examples was in terms of final costs. Some – *most* example codes will say because the assessment notice – the preliminary assessment notice – has gone out and whatever, when the cost comes back some codes will say, well, it can be lower, in which case we’ll redo the assessment so that people don’t pay, you know, the original amount. They’ll pay less because the construction cost is less. But if it’s higher, too bad. The assessment was made preliminarily, you know, at this certain cost, so that’s it. Bellingham – and you’ll see that in this draft here – says, well, we’ll let you amend the assessment by a small percentage. So if the costs were *slightly* higher, we’ll let you factor that in. If it’s lower, we’ll let you factor that in. But most will just say if it’s less great, but they won’t necessarily redo the assessment if it went higher. So that’s something that the County and the Planning Commission can consider, you know, how you want to handle that.

One interesting thing – it gets to back to this, you know, boy, if this takes 15 or 20 years, we knew what the costs were in year one but by the time, you know, year 14 comes around – are they paying that same amount? Because, you know, dollars don’t go as far later. What happens? It looks like Bellingham collects interest on the assessment, and we’re trying to get hold of them. We’ve been trying for a few days now. But it seems like what they do is when the agreement is recorded they say they’ll apply the interest that was – so whatever interest was identified at that point, they’ll apply that later to the assessment. But we want to do a little bit more research, and this might be a good question for the County prosecuting attorney staff. This is where the law isn’t

crystal clear to us, you know. And Bellingham has tried to fill in details and it looks like they've done that for a long time, like not just since they amended their code to match the amendments to State law. It looks like they did it as far back as, like, 2004, from what we could see. So it'd be interesting to hear more from them.

Ms. Pratschner: And maybe this is why we need to hear more from them. Where is that interest going? What's its intention?

Ms. Grueter: The way I interpret is that they're – when they're collecting the fee, they're applying that interest rate that was established at the time that the agreement was recorded.

Ms. Pratschner: Okay.

Ms. Grueter: And so I am assuming that that's getting turned over to the owner or developer that put in the infrastructure.

Ms. Pratschner: I see. Okay.

Ms. Grueter: So but it's a little unclear because it's in two separate sections of their code. It's not in the same place as the costs section that says here's what you get to consider the costs before you divvy it up by the benefitted property owners. It's way later. It's more like when they're collecting – it's in a section where they're collecting the fee.

Commissioner Martha Rose: And that's actually the fairest way to do it because a developer would otherwise be able to invest that money in something else and get interest on it. So I'm glad that's in there.

Ms. Grueter: Yeah. Since they've done it for a number of years I think it would be interesting to hear their __. Now Clark County and Bellingham both allow in the costs upfront that you're divvying up, they allow for construction finance expressly in their codes to be considered in the costs. Renton expressly excludes interest on the assessment. They've stated it directly. And then Pierce County has something interesting. They're just saying you don't get interest on unpaid balances, so it's like if the term expires and not all the money is collected and returned back, you don't get interest on the part that was never paid. So then I think, Well, do they put interest on the part that was paid? But they don't put that in their agreements so, like, when they're collecting it it seems to imply that they do it *while* they're collecting the assessments in the benefitted area until it expires, but it's not clear what they – and we looked at – we gave you an example agreement. We looked at a few of theirs and it's not very clear.

Commissioner Amy Hughes: One of the things that I keep pondering on this is variable interest. You're talking about a 15, 20-year period of time. Interest does a lot of different things sometimes, sometimes not. And so even though it might look like a great idea, it depends where the interest rates are at the beginning and where they are at the end. And I'm just having trouble coming to grips with this whole puzzle.

Ms. Pratschner: Right, well, and maybe if we get some more communication with Bellingham we'll understand how they – yeah, do they use a variable interest rate or is it flatter?

Ms. Grueter: So what we've seen is on page 13 – at least what they've documented here – is that – it's that 14.43.150: "Each assessment..." under establishment of "...this chapter must bear interest from the date of recording...", and they have a fixed interest rate. And the reason why I

think they must do this is because they're trying to give certainty to people in the benefit area, right? They're trying to say, We're not – things aren't going to shift around. You know, that's kind of my interpretation, but I'm not sure.

Commissioner Lundsten: I think it's also a – like Martha said, I think it's fair. That's the only fair way to do it. If you're a consumer and someone says, I'll sell you this thing – solar panels or a water heater – interest-free for five years, 15 years, 20 years, you're going to take it and say, Wow, I'm saving a lot of money. And that's what this thing is if you don't put finance charges on it. And if you're the developer, you're saying – if you don't allow finance charges, you're saying you have to offer your compadres who are going to be on the street with you or where this development is going to be – your latecomers – you have to give them a really good deal. And that's what that is. If it's in the market it's like no money down, no interest for 15 years or ever. So to me it seems – it just seems like that *has* to be considered for a functional system. If it's part of the law that you can't, well, that's another matter. But as far as functioning, it seems to me it only makes sense.

Ms. Grueter: It seems like the law is silent in some places and so some of these agencies have tried to fill in some details. Bellingham and Clark, to some degree have done more, I think, to try to get at the nuances of how this works in fairness, I think.

Commissioner Lundsten: Well, 43.150 says it pretty simply, I think.

Ms. Grueter: Right, and that's from the Bellingham example.

Commissioner Lundsten: Okay, and that's what your – that's your draft now?

Ms. Grueter: We started with Bellingham and then you'll see we put some discussion notes where we were throwing in some other ideas that appeared applicable or gave some options because – but we started with Bellingham because after looking at about six or seven different codes they seemed to be the most clear. And since the County hasn't had this code in place before it seemed like a good place to start. But there's other ways, I think, that that could be done.

Commissioner Hughes: And another question then: We're talking about Washington state. This is new. There's some vagueness. What about across the United States? Are there other case studies to work from?

Ms. Pratschner: Sure. There may be other examples we can look at in other states.

Ms. Grueter: Yeah. I mean ultimately we have to hold to at least the strictures.

Ms. Pratschner: Sure.

Ms. Grueter: And then I think we mentioned in our first workshop that there are other ways to do this in terms of, like, developer agreements. So like Clark County, for example, has done far more developer agreements for road improvements and far fewer latecomer agreements. They found it easier because they're just working with the party that's ready to go, and then they don't have to get into, you know, defining a benefitted area and bringing in other folks that may not be ready. So from their experience, yes, they have a code, because the law is saying you have to have a code, but they just found other tools. So we have to do something here. It's not that it's the only tool that the County could use. But we can see, you know. There's some good – you know, since

the other Cities and Counties here have tried to fill in some of the gaps, it would be useful to see well, like, what do they do in Oregon or California or wherever else.

Ms. Pratschner: Yeah.

Ms. Grueter: Because it might inspire.

Commissioner Lohman: Well, and especially when you're talking about the part of the agreement on if there's a difference between what you assess and what the actual cost (is). Because when you think about our current tariff situation and the price of steel and what that might mean, some of our raw materials might be on a really volatile roller coaster for a bit. Depending on when the bids are put out and when the project actually gets started and completed, I mean, there could be a fair amount of time delay and it's not anybody's fault. And so if you have a hard cap it might be really unrealistic.

Ms. Grueter: Right. Bellingham seemed to take a fair approach in the sense like if it's a small percentage difference, you know, they're willing to go back to the folks that are in the benefit area.

Commissioner Mitchell: Lisa, is this – since we're under Conveyance and Collection, is it an okay time to ask about some of the costs on this?

Ms. Grueter: Sure.

Commissioner Mitchell: For either you or Stacie or both of you. So if we're looking at this proposal, how does the County look at this? Is it expected to be revenue-neutral; to cost some things; to bring in some money on some instances or something like that? How do you sort through that to know where you're going to be?

Ms. Grueter: The State law seems to say that the County can collect fees that are reasonably related to the effort required to review these applications – is roughly the translation of what it says.

Commissioner Mitchell: So kind of breaking even for manpower?

Ms. Grueter: Right.

Commissioner Mitchell: Is that right?

Ms. Grueter: Generally, yeah. So I think that's where you'll see we put in XXX and yellow shading and shaded some areas where – you know, Bellingham had, for example, an administrative fee (of) 1%. Well, we don't know what the County thinks is necessary and reasonably ___.

Ms. Pratschner: Right. So, for example, someone comes in and they're – you know, they're getting ready to do final approval on their subdivision, their long plat, or something like that. And that would possibly be some kind of processing fee associated with that application. But I think maybe the other part of your question – and you just correct me if I'm wrong – is, Is it revenue-neutral in terms of the money that the County's holding onto for the contract? If I understand Lisa's, yes.

Ms. Grueter: Yes, and I think that there's some of these codes that suggest that when the County's taking in the money it has up to 60 days before it sends the money to the developer-owner.

Ms. Pratschner: Right.

Ms. Grueter: And I think that some codes state it's in an interest-bearing account for that 30 or 60 days that it's held in the account.

Commissioner Mitchell: Okay, thank you.

Ms. Pratschner: Good question.

Ms. Grueter: So County fees to be determined. Now we put in a provision on mapping. This isn't – this is something that's not in the State law but it seems like to be transparent with property owners and the public – you know, doing online maps, the County has a good Skagit County iMap. We put in a provision that there be – that it be mapped. Pierce County is the one we've seen that definitely maps it. Tumwater has a very nice website that lists every latecomer that they've done over the last few decades. They don't map them but at least, you know, you can find them.

Commissioner Mitchell: So is there a ballpark for expectations on something like this? Do you think there's a few of these; some of these; a lot of these; or is that to be determined?

Ms. Grueter: I think it's to be determined. So it looks to me like – gosh, there were 17 or 28 sewer latecomer agreements still in effect in Pierce County, and it looked to me like – I think I spoke with their County engineer at one point. I think it's two to three a year –

Commissioner Mitchell: Okay.

Ms. Grueter: – that they do. Clark, I think they said they've done a couple for roads in the last five years and they've done way more developer agreements. It seems like there's other utilities where it's just in use more, like the Clark Regional Wastewater District. You know, there's some that where you can see that they appear to process this quite a bit. Or Bellingham seems to have honed in over the years. We did look at some of their council records but we weren't able to find super-recent things. So we'll find out more. I think it's really situational.

Commissioner Mitchell: Okay.

Ms. Grueter: So then in these final sections, appeal to the Hearing Examiner is allowed, and then again if the County were to initiate its own, the hearing would be required. For enforcement, this is per the law. The developer has to notify if they changed address, or the owner – whoever installed the infrastructure. It's on them to tell the County they've moved so that the right address is in the County records for the County to send the money back.

Chair Raschko: It seems to me a little severe, though, to punish them by the full balance still owing and taking that and putting it in the County capital fund. I mean, that's pretty severe for forgetting to send your name in.

Ms. Grueter: Well, I think that – I think it was intended – I don't know. My guess is that they wanted Counties and Cities and districts to try to work with folks to do these agreements so they

wanted to limit the exposure that the County or City or district would have, you know, and put the onus on the owner to say, Well, tell me where you are. That's my guess is they wanted to at least remove an obstacle or impediment for municipalities to do these.

Commissioner Mitchell: Well, it does say several times about the liability thing.

Ms. Grueter: Yes. Yes.

Commissioner Lohman: You're not creating extra work for long-established folks that have been here for 80 years and have no intention of leaving the country. It seems that you should have a provision that if you move that you have to do that. Otherwise, it's just busywork for everybody. If you haven't changed and you're not going to change, I think you're just creating a pathway to some busywork.

Ms. Grueter: We can see what the experience has been for those that – like Pierce County – that have done this for a long time, and see if they've had any issues.

Commissioner Lohman: I mean if – I can see it if it's, you know, a small developer but some of these long-established Group As, for example, or the Edison Sewer District, they aren't going anywhere.

Chair Raschko: It seems to me, too, that these people are entitled to the money, okay? So it isn't like preventing somebody from doing something evil. Because basically they forget – after two years they send a little letter and saying you changed your phone number and suddenly thousands and thousands of dollars you're entitled to now belongs to the County and goes into the – or am I reading this wrong? It goes into the capital fund?

Commissioner Lohman: Well, especially since a lot of these Group As are manned by volunteer board of directors and there's potential for turnover – or not – you know, whoever the managing person is – I think you shouldn't be so punitive on everything like that. You know, it's one thing if it's a – you know, somebody's done something terrible – shoddy work or something – but just forgetting to say, Hey, we're still here.

Commissioner Mitchell: How about the – because in other places where we've had dilemmas like this. We've asked, for instance, for the County to send notices and then put something in final writing for people. If there's a situation like this, could there then be x-amount of time later where if they say, Oh, yeah, I forgot – because it *is* in the capital funds _____ for another x-number amount of time – months or whatever it is – that they can come back and tell us and yes, and they still get it?

Ms. Pratschner: And I just want to point out to you in 14.43.190(B) it says "...the County may collect..." – not "must," not "shall." So I think there's some nice wiggle room built in there that the County wouldn't automatically be punitive. We may – *may* – choose to do something like that. But I appreciate the comments about, yeah, not penalizing someone because they forgot to let you know that, yes, the address I've been at for 50 years is still the same address.

Commissioner Rose: You know, people move around all the time but they keep the – they generally keep their same e-mail address. So I don't see anything about e-mail in here.

Ms. Grueter: You know, it's interesting. I mean, we can talk with attorneys and so on. With electronic funds, you know, like, you could see where a lot of this could be avoided if there was such a process.

Commissioner Del Vecchio: It is pretty standard, though, too, to say that there's going to be a penalty associated with a missed payment and mean that, you know, following written notice then the County may collect. You know, that's a pretty – all right. And then you define written notice _____ e-mails. Does it include – even if you change mailing addresses, usually you set up a, you know, a mail forwarding.

Ms. Grueter: Right.

Commissioner Del Vecchio: So if somebody mails you a notice then you're likely still going to get it. It's just going to take a little bit longer to get to you. And especially, you know, somebody buys a new entity that happens to be a developer, or ownership changes hands, and – or even if it doesn't. Like, I would lose track of something. I shouldn't say that, but I would likely _____ only happens every two years and really there's no recourse for it until – yeah, until somebody decides that they're going to, say, use "may" as a "shall" instead of a "may" and actually do something. Yeah, it seems like some form of written notice would be nice.

Ms. Grueter: That makes sense. So a couple other provisions on annexation. So this identifies, you know, if the area were to annex to a City then the County would need to execute an agreement with the City to kind of basically, you know, make sure that the moneys can still be collected, even with the new government.

And then, as we just discussed, the liability limitation is in every code that we looked at. So we kind of went through that fairly quickly. I did want to point out that one of the main things that we'll need to work on is the Definitions section. You'll see we threw in some of the definitions that Bellingham uses. The County has some similar definitions already in its code in 14.04. So there needs to be some nuanced work with the definitions to make sure, you know, that it works. There's a definition of what's included in a road in the State law, but a lot of it also defers to the County standards. So that's one area, for example, where we want to make sure that the definition of "road" makes sense. That might be an area where, you know, ___ fiber optics in the road. That may be something where fiber optics come into play. I think we talked about at our last workshop that Mount Vernon has a latecomers policy for fiber optics but we haven't seen any others. But anyway, we have to be careful.

Commissioner Mitchell: Yeah, and that's where I would like – after the earlier discussion, I would like – I don't understand yet – so talking about fiber optics, and there is where you have discussions. That's another thing. So are fiber optics a utility, or is that only a utility is something that you absolutely have to have? Is that why it's not under "Utility"?

Ms. Grueter: Well, it's not defined in the law, the two laws in roads, and water and sewer.

Commissioner Mitchell: So where does that baby fit? That's going to be the question, right?

Ms. Grueter: Yeah, I don't know if there's a duty to serve with a –

Ms. Pratschner: With fiber optics?

Commissioner Mitchell: We have to find some way to –

Ms. Pratschner: Right.

Commissioner Mitchell: – pigeonhole it.

Commissioner Del Vecchio: Utility system improvements define – I guess – okay, I don't know what this means – “potential amendments or additions.”

Commissioner Rose: Electricity's not included either.

Commissioner Del Vecchio: Yeah, we have “_____ improvements means public water, sewer, and storm drainage....” That seems pretty –

Commissioner Mitchell: Limited.

Ms. Grueter: And that's in that State law. It basically talks about –

Commissioner Mitchell: It comes to the old thing. Here we've got more in the future coming to us and we have to be prepared but we're not sure how to do it because we don't know where to pigeonhole it.

Ms. Grueter: Right. This may be something where we can speak with Mount Vernon because they seem to be one of the only ones that has such a policy. And I think they were trying to encourage people to, Hey, why don't you help extend the system? So they were trying to say we'll help establish a recovery if you do that, so we can put a little more research into that one.

Commissioner Mitchell: Well, especially if the buzz is around that fiber optics are being looked at for the county it's going to be a big deal soon anyway.

Ms. Grueter: Other questions?

Chair Raschko: I do. I wonder if you could explain – my not being an attorney – 14.43.120?

Ms. Grueter: Oh, yes. So this refers to when somebody subdivides a property the County will split the assessment basically. So if you – yeah, that's basically what it's getting at.

Chair Raschko: But – can I ask another question?

Ms. Grueter: Sure.

Chair Raschko: So let's say a developer has finished his project, sold all his lots. Would that money be entitled then to each segregated lot owner rather than the developer? Because an argument can be made that they paid for those improvements with the price of their house, although there's other arguments can be made as well.

Ms. Grueter: Right. Well, it seems like in the water and sewer world they would pay at the time they hook up. That's when the assessment's collected. It's the roads that I'm curious about because I would think that the developer when they're doing the subdivision they're basically creating the opportunity for x-number of homes. So that's where, I think, that that could be collected at that point.

Chair Raschko: Right, but I guess what I'm referring to is, okay, the developer's on the County road. He's upfront. He builds four houses and they're sold out.

Ms. Grueter: Oh, I see what you're saying.

Chair Raschko: Now somebody else builds 20 behind. Then the developer's clipping coupons each time they sell a house. And the lot owners have – an argument can be made that they've paid for those improvements through the purchase price, although an argument may also be made that they just paid market price for the house. They didn't pay for a list of all the things that were done to create it.

Ms. Grueter: Right. It seems like the initial developer – you know, they're paying for the road extension and they're only going to get reimbursed for those who haven't yet developed elsewhere on the road system. So within their own development, I would imagine that at least for their share of demand on the system, that's built into the value of the lots. I think this section on segregation – I was thinking about it earlier – is somebody hasn't fully yet developed. Maybe they've split one lot off. They've sold that one lot. It could be further subdivided. So they're saying, County, can you split this assessment so that for this new lot they're going to pay their fair share? That's kind of how I interpreted it. But we can ask more – this is where we were not able – in all of the places where we could find copies of these agreements, we couldn't find a road one. So I think we need – because I think that really is interesting in response to your question.

Commissioner Josh Axthelm: On some of those residences up in the hill, like in the city itself, they have – it's wrapped into their sale agreement that they actually have to pay those fees back. So it's passed on to the house purchaser.

Commissioner Rose: I want to talk to Tim's thing too. Yeah, so if you have – because I've seen these examples where the road improving had to happen for the development but there were lots in front of that development, not beyond it, that got to benefit from that road going in. And this person did not get the increased value from this stuff leading up to it. You see what I'm saying?

Chair Raschko: Right, right.

Commissioner Rose: So that's how I've seen it work. But that was before the state made the law and so these people didn't get reimbursed but they should have. And that's probably why the law got created in the first place – because enough people squawked about this stuff. Also the same thing with the water main extensions when a whole city block, like, within city limits didn't have a water main, or because of the quiriness. The water main had to be done for a whole city block for property near the end of it that then benefitted all those ones leading up to it, you know? And they then all of a sudden realized a huge increase in their own property values because now they're fronting on a water main. So I understand your point that theoretically I think that's popular belief that the developer recoups those costs by selling the lots or the finished product for a higher price, but it doesn't always work out that way. In fact, quite often it doesn't. So it's kind of hit and miss. Anyway, I think that this addresses when the undeveloped lots are in front of the one – you know, at the end. You know what I'm saying?

Chair Raschko: Yeah.

Commissioner Lundsten: So when the State passed the legislation that established in 2013 and then again in 2014 it took effect, I guess, the incentive for that was to address the problem that Martha's talking about, that developers were not getting a fair shake for parts of their development

and they wanted the ability to recoup that. Or was it an incentive for people to do more developing? Was it a matter of equity between a developer and other developers – the latecomer developers? Or was it a matter of establishing a system that was more flexible and nimble to work difficult – you know, develop a difficult neighborhood where it would have been hard to figure out who was going to do what to get water to these places without everybody drilling a well and having a septic field or _____ or whatever? Which way – where did the incentive come from for the legislature?

Ms. Grueter: I think what was happening – from what I've seen in comments – is that there was a road latecomers legislation for a number of years. But because it said you *may*, I don't think every agency had a code in place. Most did but not everybody. And then I think what changed was really more in the water and sewer side where they said – and for a while I think – and it may have been in the roads, too, where a County could participate or initiate. That seems to be where there was a change. And in the water and sewer legislation it not only said you *may* contract. It says you *must*. So then it just created this impetus for all the Cities and Counties to go in and amend their codes, because if you're a utility provider you *must* respond and if you're doing roads you *may* respond to someone, and you may also participate or initiate. So I think it just gave more tools in the toolbox and I think it was to say, like, Let's get the infrastructure built that matches your plans. So I think it was more removing some barriers and creating more incentive for these tools to work, is the way I was seeing the discussion.

Commissioner Lundsten: And I assume the County followed suit more or less with just seeing that that was a wise course of action and, therefore, we should have our code reflect the law. Okay.

Ms. Grueter: So I put on the screen the schedule that Stacie had gone over last time, but I'm not trying to close off questions. I'm just – you know, if there's – I just wanted to mention that _____ on the master plan _____.

Ms. Pratschner: Yes, I always make very nice charts that schedule everything perfectly and then my schedule –

(laughter)

Ms. Pratschner: – seems to follow my plans? Yeah, we were hoping to run these code updates in concurrence with our Capital – our yearly Capital Facilities Plan and Transportation Improvement Program updates mostly because staff – Public Works and Planning Staff – already put time aside to work together on the TIP and CFP updates, and latecomers is another code where we would be working together. So we'd be looking probably at one more workshop before going to a public hearing with the Planning Commission, and then possibly looking at adoption in November or later towards the end of the year.

Ms. Grueter: So based on the comments so far, we're going to do a little more research on what happens in a utility service area and there's a requirement to connect if you're within so many feet. How does that happen if you're not really adding more development? Does that kick this latecomers in or not? And then we're going to try to find another example street agreement.

Ms. Pratschner: I have some ideas on that.

Ms. Grueter: Oh, good.

Commissioner Lohman: So there is another workshop for us?

Ms. Pratschner: Yes. There would be at least one more workshop before going to public hearing. We can do as many workshops as we need. I didn't mean to –

Commissioner Lohman: There's no drop-dead date? I mean, we can self-impose one, but there isn't any State law one?

Ms. Grueter: Well, a lot of entities were required to do so within a certain amount of time, you know, after the legislation was passed, and I think the County's past that date. So it's been on the County's list to respond to the law. But there's no active, you know, request coming. It's really that the County's trying to, you know, dot i's and cross t's.

Commissioner Mitchell: They're letting us do our thing.

Ms. Grueter: Right.

Chair Raschko: Well, are there any more comments or questions?

(silence)

Chair Raschko: No? What?

Commissioner Lohman: I do have a question. 14.43.190, the enforcement of latecomers and obligations. Is that just plucked right out of the RCW, particularly number A? Page 14 – sorry.

Ms. Grueter: Let's see. I believe there's similar language in the law. We'll quote that. And we have seen that in nearly every example. But basically it seems like the County's going to do its best, but that if somebody hooks up or does, you know, something, that the County's not liable I think is kind of the way it's gone.

Ms. Pratschner: Right.

Ms. Grueter: But we'll find that. I seem to recall that language being in some way, shape, or form in the legislation.

Commissioner Mitchell: This was very, very helpful since the last session. Thank you.

Ms. Grueter: Oh, good.

Commissioner Rose: However, on that same – so if somebody comes along and has a – does a development where they are theoretically bound to pay a latecomers agreement, can't the title of their property have a lien placed on it to ensure the payment will be made?

Ms. Grueter: I believe that's done, so we'll – I think Pierce County does that, but we'll see if there's more examples.

Commissioner Rose: So in other words, where the County planning department or government isn't going to necessarily go after that person who has defaulted, but there's still a mechanism where the person who's owed the money could go and call on the lien. You know, like basically it seems like there could be a way to make it so that they can have recourse.

Ms. Grueter: They can recover, yeah. I think that would make sense. I think that's the purpose of recording it: notifying everybody they're within the benefit area recording that agreement.

Commissioner Rose: But then if they actually do develop their property where they're actually obligated to pay, then to further place a lien on their property until it's paid for, right? And so the – just like you would if you got a bank loan against your property, right? Because that's kind of what it is: it's a loan.

Chair Raschko: 14.43.080 _____.

Ms. Grueter: "...notice to title of each property...." Right. So it would be on the title.

Commissioner Lohman: But title insurance drops a lot of things, unfortunately.

Commissioner Rose: Say that one more time.

Commissioner Lohman: Title – just because it's on there doesn't mean it's going to show up in a title search.

Commissioner Rose: It should.

Commissioner Lohman: A lot of things should and they don't.

Commissioner Del Vecchio: Title companies should catch that.

Commissioner Lohman: In a perfect world.

Ms. Pratschner: I mean, that's what the County has to depend on when we're doing any kind of subdivision or doing any kind of development. We have to trust that the title company who did the full title report is giving us the _____.

(several people speaking at the same time)

Ms. Grueter: And then State – this is where I think we need to do some work with the County attorney, because the word "lien" doesn't appear in the legislation. But I do believe that Pierce County has some kind of provision so we'll try to find best practice, but I think – I think that's the idea, is record it so that the property owners would know. But theoretically it'd be interesting to see the exact title notices. This is where operationalizing this code would be interesting – to see what does it say on the title notice. Because it's got to expire within that 15 or 20-year period as well.

Commissioner Lohman: Because depending on the type of property, there could be some turnover in ownership. So you need some way to have some continuity for that assessment and not to get an out-of-jail-free card on your obligation.

Ms. Grueter: Right.

Commissioner Del Vecchio: A notice to a subsequent buyer – that would be different than a lien allowing somebody to then actually enforce. So enforcement is the question. You could have your notice to subsequent owners but then is it something that can be enforced or, you know, can we effectively foreclose on this property because this lien hasn't been paid off? I mean, but I think

that if that's in the intent – and I don't know; I'm not arguing one way or the other here. I'm just raising the issue. If the intent is for that to be a foreclosable lien, if we enforce sale of the property on it, then I think that needs to be stated in the code. Maybe – I think that's going back to the statutes too – what the statutes allow for or not. Just being knowledgeable what we're doing there.

Ms. Grueter: Right, and I think there's enough silence there where I think we have to kind of look to practice. I haven't seen any of the codes say that there would be a foreclose –

Commissioner Del Vecchio: An enforceable lien.

Ms. Grueter: Right.

Commissioner Del Vecchio: Yeah, this is just the assessment that goes on, and hopefully when it changes hands it gets paid, everybody needs to get paid and, yeah. I think the issue is where if it's *not* changing hands – if you actually are changing ownership then, a lot of that could be dealt with as part of the transfer of ownership. But if it just never changes hands, it just keeps on and, you know, being inherited down through generations, I mean –

(several people speaking at the same time)

Commissioner Del Vecchio: But, anyway, you get my point. If it – you know, if there's not a sale of this property then it just kind of sits there.

Commissioner Lohman: Well, there has to be some way if you have a – I want to say “scofflaw,” but I can't think of the word – you know, somebody not paying, that it hasn't changed hands, it's just an uncollected debt, how – what's the mechanism if it's going to be foreclosed?

Ms. Grueter: Well, it seems like the County's collecting it, you know, at the time there's a permit. And so that's – you know, the County's not going to approve a permit if they're not paying the necessary fees to cover the costs, you know, of the infrastructure that benefitted them.

Commissioner Del Vecchio: As in a lump sum? Is the idea that when they are applying this is a lump sum payment – they are paying off the entire thing out?

Ms. Grueter: That's the way I've seen it –

Commissioner Del Vecchio: Okay.

Ms. Grueter: – is that it's based on their –

Commissioner Lohman: Oh, I thought it was like an installment.

Ms. Grueter: No, it's their share and that's why determining the formula for how does the reimbursement area – the drawing of the reimbursement area –

Commissioner Lohman: I take back some of my concern then. I was thinking you had it on an installment option.

Ms. Grueter: No, it's –

Commissioner Del Vecchio: Yeah, I think the word “assessment” –

(several people speaking at the same time)

Commissioner Hughes: I've been afraid to bring this subject up, but what's the definitions between impact fees and latecomer agreements? You know, is it –

Ms. Grueter: They're kind of similar in the sense that, you know, you're saying that to meet a County standard this infrastructure's necessary for development, somebody's putting it in, here's – you're drawing an area saying these are the benefitted properties, and then they're paying a fee at the time of development because the infrastructure was designed to accommodate their development. It's similar, but it's not quite the same. Impact fees are more systematic, right? They're typically jurisdiction-wide or they might be a larger area – you know, it might be, like, all of a UGA, and you're saying that over 20 years we're going to get 1000 new dwellings or however many; some level of new growth. We know our standard for roads is to meet this level of service. We know we need these connections. The cost is this. When development comes in they're going to pay on a per-trip basis. That's the usual. And so every permit that comes in would pay that amount. And it gives certainty to the owner or developer because the homework's been done upfront. So it's kind of similar, just this is a micro-area where somebody's ready to go. They're willing to put the infrastructure ahead.

Commissioner Hughes: Or individual.

Ms. Grueter: Yeah.

Commissioner Axthelm: The impact fees don't – you don't see the result directly sometimes, so it's just a general – it's a general fee, where your latecomers is specifically for you hooking up to a sewer line.

Ms. Grueter: Something that's already been installed, right?

Commissioner Axthelm: Right, yeah, so an impact fee might be just overall sewer and water impact fee to allow for more money for a school or for a sewer system or something like that. But you might – they might not do it directly to your house\ so you might not get any benefit to that.

Ms. Grueter: And impact fees are only for certain services. The equivalent for sewer and water, I think, is general facility charges – kind of you're paying it for system improvements.

Commissioner Axthelm: Mm-hmm.

Chair Raschko: Okay, have we got anything else without going over things we've talked about already?

Commissioner Del Vecchio: Well, I *am* going to go over something I've talked about already. Sorry. Is that okay?

Chair Raschko: Go ahead.

(laughter)

Ms. Pratschner: It's okay, Commissioner!

Commissioner Del Vecchio: Thank you! So just to ___. I just kind of double-checked some of the language after my discussion just to see, and it does seem pretty clear that these assessments, but the notice to subsequent buyers is just that *if* you are to develop this after you purchase it, this is going to apply and these fees are going to be assessed against your property. But the assessment – the actual payment of that assessment is required before the development happens. Right? So that – so, yeah, it seems like there's nothing to enforce because by the time they're actually required to make the payment they're having to do that in order to get approved for the development. So, yes, that all makes sense. My brain now _____.

(laughter)

Chair Raschko: Do I dare ask if anybody else has anything _____?

(laughter)

Commissioner Lohman: We're scared now!

Commissioner Lundsten: Yeah, right!

Chair Raschko: Okay, well, thank you very much. That was very, very helpful.

Ms. Pratschner: Thank you, Lisa.

Ms. Grueter: You're welcome.

Chair Raschko: And that'll end our workshop for tonight.

Commissioner Mitchell: Oh, Department Update.

Chair Raschko: I said the workshop. So, Department Update, please.

Ms. Pratschner: Yes, just two – yeah, two quick things. First, in September – I will send around the notice to everyone if you haven't it already – Anacortes is going to be hosting the Short Course if any of you want to go up and take that or are in need of the refresher on that. And your favorite long range planner's going to be teaching part of that course so if you – feel free to attend if you need an update on that.

On July 24th there is a scheduled network outage here at the Continental Building – that's a Tuesday, and that'd be a Tuesday that we would meet – between 6 and 7 p.m. I will talk to our TV crew to find out if that would somehow impact our schedule. But just FYI, I'll be following up with an e-mail with you. I don't think it will affect anything, but I'll double-check before I start scheduling anything out.

And then lastly for me, the Board of County Commissioners has requested that the Department hold a workshop with them to discuss in advance of a public hearing with the Planning Commission on the docket, specifically to discuss P-12, and that workshop discussion is scheduled for July 24th, Tuesday, between 9:30 and 10:30 a.m., during their regular meeting time. That meeting will be here in the – or that workshop; excuse me – will be in the hearing room here. Certainly anyone's welcome to attend. The public's welcome to attend, but there won't be public comment involved at the workshop. There'll be discussion between the Department and the Board of County Commissioners. Hal, did you want to add anything about that planned workshop?

Hal Hart: Not specifically yet.

Ms. Pratschner: Okay.

Commissioner Lohman: Is that us?

Ms. Pratschner: Excuse me, I will be doing the presentation during the workshop and Hal and I will be interacting with the Board of County Commissioners about P-12.

Commissioner Lohman: Mm, okay.

Commissioner Lundsten: And the idea of that is that they would be approving the docket for release on that date possibly? Or do you know?

Ms. Pratschner: And, Hal, maybe you can give a little –

Mr. Hart: The deadline is the 31st, right?

Ms. Pratschner: Mm-hmm.

Mr. Hart: Isn't there a deadline for the release?

Ms. Pratschner: No, there's not a deadline for release. The July 31st deadline is the deadline to submit for any policy or code amendments for citizens for the 2019 docket. If we do decide to adopt any changes to our code through the docket it would need to be adopted by the end of the year, December – the last business day of December. I believe the purpose of the workshop is for the Department to receive direction from the Board on P-12 before the docket is released. And it's also an opportunity for staff to put together the entire history of the project going back to 2001. Yeah.

Commissioner Lundsten: So you won't know the answer to my question anyway until after the thing's over?

Ms. Pratschner: That's correct, Commissioner.

Commissioner Lundsten: Okay, gotcha.

Ms. Pratschner: Those are all the announcements I have. Any announcements from –

Mr. Hart: So just a couple of updates that might be somewhat helpful. One of the things that we're spending a lot of time on right now – I think I mentioned it before – we have a big loss of staff team. So if you hear complaints about timelines to get things done on the current side of the planning world, it's because we lost our plans examiner lead, our plans examiner, and the building inspector. And what is really going on is we are in a full employment economy and those positions can get you 15 or 20,000 above what our wage is anywhere down the I-5 corridor right now. And so people said, Hey! You know, labor is mobile and labor's in a good position and they took advantage of that, and so we are busy trying to hire for those positions. So we've got some good candidates but we are bringing – they are actually flying in from other states to – those positions you can't get them in Washington very much. They're really sought-after. We are seeing, you know, across the state, especially in the Puget Sound region, record construction rates going on. So, you know, they're seeing labor like this – it's pretty unprecedented. So we have brought in

contractors from around the area, people working kind of a second job essentially that work for local Cities, but they're filling in right now. And so we've had people doing inspections as late as 7:30 or 8 in the evening and driving to look at infrastructure projects. Really we want them to have eyes on any concrete pourers and stuff like that right now.

But we've really been hurt that way. We are reducing the wait and we're doing the best we can. It's not acceptable to me that it's this long to, you know, get in that line so we're doing everything we can to take care of that. But again, it's not something you deal with every day but I just want to get that out there. We're doing everything we can to address the issue and fill those seats again. So that takes a long time and it's pretty time-consuming of my time right now to get those seats full. But we are rocking it with the interns, I will say that! So we're going to get a lot of stuff done there and I thank the Commissioners for offering to do that. And they did that. They know that we're short-handed with all the stuff that they're throwing your way. So that's just an update you wouldn't normally get but I think it *is* important.

Chair Raschko: Thank you. Anything else?

(silence)

Chair Raschko: Okay, the Planning Commissioner Comments and Announcements.

Commissioner Lohman: I have the card for Carol. So we haven't signed it on behalf of the Planning Commission.

Chair Raschko: And by the way, thank you for doing that. Anybody else?

(silence)

Chair Raschko: Have we a motion to adjourn?

Commissioner Lundsten: So moved.

Commissioner Del Vecchio: Second.

Chair Raschko: Second. All in favor, say "aye."

Multiple Commissioners: Aye.

Chair Raschko: And so we're adjourned (gavel). Thank you.