

JEFFERSON COUNTY PLANNING COMMISSION

MINUTES FOR MARCH 1, 2006

- A. OPENING BUSINESS
- B. DISCUSSION ON HADLOCK/IRONDALE UGA DEVELOPMENT ISSUES
- C. DISCUSSION ON 2006 WORK PROGRAM
- D. ADJOURNMENT

A. OPENING BUSINESS

The regular meeting was called to order at the WSU Learning Center at 6:30 p.m. by Vice Chair Bud Schindler. Planning Commission members present were Phil Flynn, Dennis Schultz, Peter Downey, Edel Sokol, Bill Miller, and Mike Whittaker. Jim Hagen and Allen Panasuk were excused.

DCD staff present were Josh Peters, Kyle Alm, and Brent Butler.

The members of the public who signed the guest list were Duke Shold, Joe Lovato, Larry Crockett, Sandy Mackie, Jim Pivarnik, Michael Derr, Douglas Joyce, Carol Fletcher, and Kasia Pierzga of The Leader.

The minutes for February 15, 2006, were approved.

The Vice Chair invited staff updates.

Josh Peters reported that the BOCC had remanded certain sections of the UDC Omnibus back to the Planning Commission and staff. Their unanimous motion referenced particular sections. He reported that, since then, the DCD Director had conferred with the County Administrator on developing a plan of action. He discussed various options, noting that no firm plan had been developed. He stated that carving out some time in the Planning Commission and staff schedules, since the schedule for the year had essentially been planned for other issues including the 2006 Comp Plan amendment docket, to do the further work on the Omnibus was still an issue to be resolved. He thought there would be more to talk about at the March 15 joint meeting with the BOCC.

Bud Schindler expressed disappointment in this development, stating that it was a surprise to him given that the BOCC had had quite a few months to review the Omnibus and to ask questions of the staff and Planning Commission. Mr. Schindler stated that he would not expect something like this to happen that often. He guessed the Planning Commission and staff made a mistake, but he was not sure what that mistake was to get it remanded back to the Planning Commission. He thought it showed that there was a lack of communication somewhere along the line, which was disappointing. Josh Peters concurred with Mr. Schindler's last statement about a lack of communication, adding that staff was surprised at the BOCC's motion as well. However, he did not want the Planning Commission to feel like it had made a mistake. If there were any mistakes made in terms of process, it was staff's responsibility. That had to do with a decision made earlier on about documenting every issue area and providing some more explicit descriptions about why certain topics were being reviewed and what the decision was, etc., basically annotating the whole Omnibus package. He stated it was a staff decision to not do that because it would have made the Omnibus package even larger and would have been a lot of extra work. Instead staff made some blanket descriptions, which, in retrospect, was a mistake. He thought the BOCC wanted more documentation about certain kinds of topics because they were complex. One thing staff had learned was to do a better job of describing what happens in Planning Commission committee meetings, or making sure that documentation was forwarded to everyone who was interested. Part of the issues that came up was the result of staff turnover, which was out of staff's control. Mr. Peters stated that the point was that he did not want the Planning Commission to feel that it made a mistake. Mr. Schindler asked if staff was trying to gather the minutes and memos that basically annotated most of the major revisions, stating that Dennis Schultz had done that during the committee

process. It had been released to the full Planning Commission and he had assumed that it would have gone to the BOCC as well. Mr. Peters responded that he did not know, but he speculated that it might not have, or it may have gone to the BOCC sporadically during the process. It may have been better to gather all those minutes in one package for the BOCC. Mr. Peters stated that staff would accept full responsibility for that. He thought it was a good idea to make sure that all of that documentation was in the BOCC's hands.

Josh Peters stated that another issue that was raised and discussed was the legal noticing in the newspaper. He discussed the noticing requirements under the law, which allowed the county to summarize the proposed revisions. Apparently, the BOCC felt that the legal notice did not include references to specific issue areas that had come up. Therefore, there was the chance that interested members of the public did not have a chance to participate in the public process. While it was an issue that was open to interpretation, the county's policy was to err on the side of conservatism.

Josh Peters stated that staff had yet to formulate a plan of action and schedule for the Omnibus remand. Staff was currently focusing on the 2006 Comp Plan amendment cycle deadline of March 1.

Dennis Schultz suggested that, in future, the Planning Commission should do a summary of proposed revisions along with an annotation of the revisions, including their intent.

Brent Butler reported that the county had received a Comp Plan amendment application that was substantial, stating that it was for a Master Planned Resort. Josh Peters stated that the next task was to compile all the applications that comprised the Preliminary Docket. He noted that site specific applications automatically went forward to the Final Docket. He stated that staff would compile a list of all applications on the Preliminary Docket for publication to the public, Planning Commission, etc. He stated that the Planning Commission would have some first hand knowledge of the proposals at the next meeting (the joint meeting with the BOCC). The proponents would be invited to present information on their proposals.

Josh Peters stated that there were also a couple of suggested amendments. In answer to Peter Downey's question, Kyle Alm reported that there were about four other site specific amendment applications.

The Vice Chair invited committee reports.

Brent Butler reported on the TDR Committee meeting of February 14, handing out minutes for that meeting. He reported on the February 28 committee meeting, stating that he would send out draft minutes soon. Bud Schindler stated that there was one issue discussed at the committee meeting that he wanted to be part of the record, and reiterated it for the record of this full Planning Commission meeting. It had to do with the matrix of Planning Commission projects the commission had developed at its February 15 meeting. The Planning Commission thought the TDR effort was complex and that the time was not ripe to introduce the issue. At issue was the fact that, if you had transfers from rural areas to a UGA or MPR, you would expect that the UGA or MPR would be doing something concurrently on TDRs as well. It took two players to be able to transfer and receive. He would expect the City of Port Townsend to be doing something on the issue if they were going to be a receiving area, but they were not. He guessed it did not hurt to break

ground, however. Brent Butler reported that he had spoken with the City's staff about the TDR issue. The City staff had explained that they were working on their 2006 Comp Plan amendment cycle and they thought the 2007 cycle would be the appropriate time to address the TDR issue. Mr. Butler stated that it was still possible for the City to come on board with the program. He stated that the City had expressed interest in having one of the City Planning Commissioners attend a TDR Committee meeting.

Bud Schindler reported that the WRIA 17 planning group was working on finding a facilitator.

The Vice Chair invited public comments. There were none received.

B. DISCUSSION ON HADLOCK/IRONDALE UGA DEVELOPMENT ISSUES

Kyle Alm set up a video recording for the UGA proceedings. He introduced himself, stating that he was the staff designated for the UGA Task Force. He provided a summary of the UGA process to date, stating that the area was currently in a Rural status with two crossroads and a Rural Village Center [RVC]. He displayed a map of the area designating the Rural designations. He noted that the County-wide Planning Policies stated that the area was characterized by urban growth, which was one of the criteria under the GMA for establishing a UGA. He stated that the county had been planning for urban growth in the area for some years. Mr. Alm explained that the purpose of this meeting was to provide a forum for those people from the UGA area to talk about some of the issues affecting them and development in the area. He asked the members of the public who were from the UGA area to introduce themselves.

Joe Lovato, Hadlock Building Supply, stated a concern about their ability to expand their business. He briefly described their expansion plans. Karen Russell stated that she was from Kala Point. Chuck Russell stated that there was a need for sewer for the businesses in the area, but also for affordable housing. Duke Shold, resident and business owner in Hadlock, stated that he served on the latest Task Force in the UGA. Michael Derr, Assistant Director of Real Estate for QFC, stated that they had a vital interest in how the UGA would proceed and what the vision for Hadlock/Irondale was. Larry Crockett, Director of the Port of Port Townsend, stated that the Port owned property in Lower Hadlock. Christina Pivarnik stated that she was contracted by Jefferson County for public outreach. Jim Pivarnik, Port of Port Townsend, stated that he was a county resident. Carol Fletcher, Realtor and business owner, expressed concern about a designed septic system that was now suddenly a problem for the county. Craig Smith, Peninsula Video, stated that he had opened his business 22 years ago on this date. He stated that he had seen a lot of changes over the years in the center of East Jefferson County. Kasia Pierzga stated that she represented The Leader. Bill Brock, representing the Northwest School of Wooden Boatbuilding, stated that they had not participated in a lot of the planning activities in the past. Sandy Mackie, attorney representing Paul Christensen and the ownership of The Inn at Port Hadlock and Marina, stated that they were very interested in the planning process. Frances Rawski stated that she was an interested citizen. Craig Smith stated that he owned Peninsula Video. Douglas Joyce stated that he had been a resident of Port Hadlock for 40 years. Margaret Matheson, Port Hadlock, stated that she had been involved in the South Seven affordable housing project. Ray Serebrin stated that he represented the Jefferson County Library.

Ray Serebrin described the Library's expansion plans, stating that they were very preliminary at this point. They hoped that the expansion could be complete by 2010. They thought sewer service was key to the expansion and they were willing to pay their fair share.

Larry Crockett, Port of PT, stated that the Port was a government entity. He stated that one thing the government did very poorly was think ahead about what the second, third and fourth order effects were for the laws that we created and passed. He stated that it happened at all levels of government. He stated that one of those second, third or fourth order effects that took place was when the UGA suddenly hit a roadblock. He explained that the Wooden Boat School and the Port entered into a partnership a couple of years ago to seek Interagency Committee [IAC] grants. He stated that the Port applied for a grant so they could purchase part of the Wooden Boat School property for a parking lot. He stated that the Port's boat ramp in Lower Hadlock was in very poor condition; it had been there a number of years and was in great need of repairs. It was about a \$750,000 project. He stated that the state was prepared to provide a grant, with the project ranking third in the state, of \$93,000 in initial funding. The Port was prepared to buy the property from the boat school. When the UGA "went south on us", the Wooden Boat School lost its ability for the rezoning and use of that property. Therefore, they were not able to sell the property to the Port. Therefore, they had to give the \$93,000 back to the state. He stated that the \$93,000 was the seed money for a larger grant the next year of over \$300,000, which would have provided the money to start construction on the new boat ramp, parking lot, etc. The Port would have provided matching funds. So, a \$750,000 project that would have serviced not just Port Hadlock but the entire East Jefferson area for both commercial and recreational boating did not happen and probably will not happen for a long time. He stated that grant funds had to be applied for several years in advance. Even if the entire UGA was approved right now, it would be several years before they could get back into the grant funding cycle. What really worried him was that the county had a reputation that we could not get things done. So the next time they went to Olympia to make a presentation, that would be in the back of the minds of the grant managers. He thought they would question why they should provide the grant money if the county could not make it happen, knowing that there were many other organizations in the state that needed the money also. He stated that it was an example that was magnified many times. He stated that, as a citizen, he thought at some point we needed to get on with it [the UGA].

Kyle Alm stated that part of the problem he saw was that some uses would have to go through a conditional use process. He stated that the RVCs were all based upon the built environment in 1990. He stated that staff had tried to come up with a regulatory fix through the UDC Omnibus, but that effort had stalled right now.

Bill Brock stated that the Wooden Boat School basically had a conditional use permit up until the UGA that allowed them to be there. With a UGA commercial designation, the school would be a "Yes" use instead. He stated that they were a little upset when the UGA designation was lost. He stated that they had spent a lot of time and money on the conditional use process. He did not know where the school stood now. He guessed it was kind of in limbo. The school was there, but whether they were allowed to be there was the question. He stated that the commercial designation through the UGA had its positives and negatives for the school. It did say they were allowed to be there. He stated that when they purchased the property, it was half residential and

half RVC. They had gotten a rezone so that it was all RVC now. He stated that their future changed a lot. As a nonprofit, they were always looking for ways to generate funding. They had considered some alternatives for their property, with the sale of the lower property to the Port being an option. However, that did not come to pass. If that option came up again now, the school would probably not be amenable to it. However, he stated that they were considering selling some of their property in order to relieve some of their debt and they were discussing how to do that. He stated that they had enough septic capacity to take care of their immediate needs. Growth wise, it depended upon what they did. He stated that student housing would be impossible now, so a sewer would be better for them. He knew that brought up a whole set of issues about development. He knew the Planning Commissioners had different ideas on that. He admitted that they had not "kept their ear to the ground" on the sewer issue. He stated that at first they were happy because they had commercial zoning under the UGA, but now they did not know what they had.

Sandy Mackie stated that he worked with Mr. Christensen on the Old Alcohol Plant project and marina. He stated that they were very much in support of a UGA and provision of urban services. He stated that he had been involved in growth management planning for many years and had been involved in UGA planning. He stated that the provision of sewer services was one of the challenges. He stated that Mr. Christensen, who was part of the ownership group, was very interested in putting in additional resort services. He stated that their lots currently had vested septic tanks, but that was not the way to develop a first class resort. He stated that they supported the sewer process and would be happy to work with the county on the capital facilities planning and its funding.

Michael Derr, QFC, stated that they were in support of a UGA designation and urban level services (sewer). He stated that the Port Hadlock QFC served people from Poulsbo to Port Townsend and beyond. He stated that they were limited and not able to expand the store to the degree they wanted to serve that population without sewer. Until then, they were stuck with a physical facility that was limited in its potential. He stated that they planned to put a number of investments into the property, knowing that it would have to last for five, ten or twenty years. He stated that they would be putting some substantial money into the physical facility later this year. Also, they would be doing some interior remodeling to freshen up the store and make it more pleasant. He stated that their bottom line was that they thought their customer base deserved a larger store and they would like to be able to do that at some point in the future. On a broader planning note, the downside of a UGA was what it could do to Port Hadlock and what Port Hadlock wanted that end result to be. He stated that we could drive all of the commercial development out to the highway and take traffic out of the downtown area. Or they could enhance what was going on downtown. It would add dwelling unit capacity and people into the downtown area. He stated that he was not saying one was right or wrong or better or worse. He stated that, obviously, they would like to have more people patronize their store. But, as the UGA discussion occurred, the people needed to decide what they wanted the UGA to look like, considering the second, third and fourth steps into the future would be.

Kyle Alm discussed the septic land capacity, stating that there would be square footage limitations. He stated that another issue would be impervious surface area. He stated that rural standards were usually more restrictive than urban standards. He stated that urban standards allowed for more

flexibility on impervious surface. There was a lot of low impact development stuff that people had been trying to use to allow people to develop more intensely.

Joe Lovato, Hadlock Building Supply, pointed out their property across the road from their business. He described their desires for that land. He described the limitations on development of that land using septic systems. He stated that the community was growing and they wanted to be part of it.

Chuck Russell, Valley Tavern, stated that his interest in the sewer as a business owner was obvious because he would be able to expand the food service at the tavern and the number of employees. He stated that he was also a hospital commissioner. He stated that they had been talking for several years about having a presence in the Tri Area. They would like to have a very large presence there. But they did not want to invest in that sort of thing the way things were right now. They could not have more than a small clinic for a couple of doctors without having sewer service. He stated that they would become very interested very soon if they had assurances of a sewer system. In answer to a staff question, Mr. Russell stated that the Valley Tavern had been in business for over fifty years and that he had owned the business for 27 years. It had provided employment for all that time and had become a gathering place for the community. He stated that it would be more of a gathering place if they could have more food service.

Jim Pivarnik raised the issue of land use in Chimacum. As a resident, he stated that he wanted more services in the county. He stated that he was tired of going across the bridge and leaving his money there. He stated that he wanted it on the public record, because the Port talked about an issue six or eight months ago that never went anywhere. He stated that as we looked at land use throughout the state, one of the things they found was that most airports were in a UGA. He stated that the Port had 400 acres of essential public facility [EPF] very near the UGA boundary. He stated that could benefit a community so much better by including it in the UGA than not including it. They could site a sewer system at the airport, and put a sewer system on an EPF and not take property off the tax roles. He stated that the Port could work with the county in developing some of that, and they [the Port] could develop an airport that would service the community better than it was right now. He stated that he knew no one wanted to talk about changing the green line [the UGA boundary], but it was a big issue that should be considered by the community.

Craig Smith, Peninsula Video, stated that he had come mostly to listen and to get information. He questioned why we did not have a sewer. He stated that people had been talking about it since 1969. He stated that years ago, two-thirds of the county's population lived in Port Townsend and one-third was out in the county. Now it was the opposite. He stated that retail leakage had been discussed. He stated that there was a new WalMart and Home Depot in Poulsbo, which was pretty close. He offered the opinion that it did not really serve us. He stated that there were a lot of people here and emphasized that Hadlock was not rural, and it had not been rural for a long time. It was not rural when he opened his business 23 years ago. He stated that he had looked into Port Townsend when he was considering opening his business, but he liked it better in Port Hadlock. Now there were four video stores in Port Townsend, including a Hollywood Video, but his business was doing alright. He did not believe a sewer system would completely change the quality of life and the kind of rural aspect of the community that some people wanted to retain. He thought it would increase their quality of life

in that their children would not have to move away to get a job, they could have more lower income housing, and people could come to Hadlock and receive more urban services. He thought it was inevitable that we would be forced to have a sewer system at some point. He stated that it would cost less now than if we waited twenty more years. He thought it was time to have a positive outlook on it. He realized that it would cost money and we needed to come up with ways to pay for it, but it was inevitable and it was time to realize that we needed to do it and go ahead with it.

Duke Shold stated that he was born and raised in Hadlock. He stated that they built Kivley Center about 25 to 30 years ago. He stated that they were maxed out on size using a septic system. He stated that they could do some further development of that site if there was a sewer system. He stated that they needed a UGA.

Craig Durgan, a business owner in Chimacum [Chimacum Storage], stated that he had purchased a then-commercial property one month before it was down zoned. He pointed out the parcel on the map, which was near his existing business. He had anticipated doing a commercial business in the front with industrial in the back, which was the zoning at the time of purchase. One month later it was down zoned to residential. He pointed out other nearby commercial and industrial uses, stating that it did not make sense to have a house there. In his storage business, he stated that he saw a lot of people who moved here and needed storage. He stated that this area was growing whether we liked it or not. There were more and more houses going up, but we were not seeing the commercial businesses to serve them. What happened was that people went across the bridge or to Sequim. He stated that they were building in the Poulsbo, Silverdale, and Sequim areas too, and they were taking all the money out of our area. He stated that he had gone to Sequim today, stating that they had a lot of nice amenities there. He stated that our children were suffering because we did not have the tax money here to provide the things we should have.

Margaret Matheson stated that she had lived here for 57 years and her husband had been here longer than that. She stated that they liked the smallness of the area, but it was growing, and if it was growing, we had to manage the growth. That was why she pursued the issue. She stated that we had to have the tax base for our schools. We needed low cost housing. She stated that they were opening the low cost senior housing soon, but they needed to plan for an additional 40 units on the same property. She stated that they could not do it because there was no sewer. She stated that you could not tell her that we did not need the housing. She stated that they had studied the issue for several years and we needed low cost housing in this area. She stated that it was just really important that we get this sewer. She stated that the county was spending a lot of money to study it over and over again. She questioned why we did not put that money we spent into studies into a sewer, stating that we could have had a sewer by now.

Kyle Alm stated that he had brought some informational material on the status of the sewer planning. He agreed that it had gone around and around. He referred to two Leader articles from 2000. One was about Hollywood Video and the other was about whether the Tri Area planning process was repeating itself. He agreed the Tri Area process had been an ongoing issue for the county. He reported on the current status of the sewer planning, stating that things were moving forward although he agreed that it was slow.

Sandy Mackie stated that the sewer plan was all that was required to reach compliance; the sewer did not have to be built. He referred to Mr. Pivarnik's comments. He stated that it was absolutely possible to draw a line around the airport, call it a UGA, link it to the capital facilities plan for the Hadlock/Irondale area, and zone it for airport industrial. He stated that being identified as an essential public facility qualified it for UGA status, but it had to be designated in the sewer service area. As a technical matter, there were several smaller lots to the East that were urban in size but were currently on septic. If you included them in the UGA and zoned them in a higher density, it would help provide an additional source for funding the sewer. The risk was changing the UGA boundary. He stated that he had done that in another area and had successfully defended it.

Carol Fletcher stated that she had sat on the Citizen Task Force and they had tried to bring some more area into the UGA. They had tried to include areas that were already built up and platted out in higher densities. They had tried to include areas down towards Chimacum. However, that was not allowed to happen. She stated that there was a property bordering the UGA that was nine acres and was zoned 1:5, but it had been suggested that the property should be zoned 1:20. She stated that those were examples of things that had not gone well in her opinion. She referred to her particular septic system issue for her hotel. She stated that the system was approved for 3,300 gallons per day. Her water usage receipts showed an average of 1,275 gallons per day. That provided a surplus availability of around 1,800 gallons per day. She explained her controversy with the Environmental Health Department concerning the hotel's septic system. She did not think it was right that she had to go back to a septic designer. She stated that they definitely needed sewers.

Michael Derr asked staff to comment about likely sources of funds and percentages of funds, how those funds would be collected, and what would be needed to get started. Kyle Alm responded that the General Sewer Plan that was prepared during the last UGA process detailed that general information. He provided a summary.

Michael Derr asked staff's opinion about capacity. Kyle Alm responded that there was an issue about how much vacant land there was to grow in Hadlock. There were some assumptions made about whether or not the development would occur. The buildout analysis used a really broad stroke. He agreed that there were plenty of areas that might be added that would add density and therefore capacity. Those were issues for the consultant to work on. A key was a projected population of just under 6,000 people.

Chuck Russell stated that the state budget allocated money for cleaning up Puget Sound and Hood Canal. He asked if it would be possible to get some of that money for a sewer system. Kyle Alm replied that he did not know. He stated that there were plenty of funding sources.

Carol Fletcher stated that they owned property in Allyn in Mason County. She stated that Allyn had a sewer system, even though they did not have water. She thought it was interesting that they would put a sewer system in and not also provide water.

Craig Durgan wondered about the current status of the sewer plan. And when the plan was done, he asked what would happen then. Kyle Alm replied that he understood a sewer plan had to be approved by the Department of Ecology. He did not know about appeals, other than the appeal currently before the

Hearings Board. He thought that once those two approvals were met, we could start construction. Mr. Durgan asked if it could be further appealed. Josh Peters explained that the reason for this current stall in the process was because of a Hearings Board appeal. He stated that the external UGA boundary had been adopted previously. Then the county took an action in 2004 to designate the internal zoning and development regulations for the UGA. That action was appealed to the Hearings Board, which was the right of any person or entity with standing. That appeal was consolidated with an appeal on the UGA that happened in 2002. So we had this ongoing appeal that even goes back to 2000 and the 1990's. So, the county was following an ongoing compliance process with the Hearings Board.

Margaret Matheson questioned why someone who did not live in the area could appeal and stop something like this. It seemed to her that someone who did not live here had no business stopping what the local people wanted to do. She thought it was common sense that the people who lived in the area should determine what they had, not someone from Port Townsend.

Joe Lovato stated that Nancy Dorgan from Port Townsend had tried to put every obstacle she could in front of the planning for the area, including complaints to the Department of Ecology about the water system.

Concerning his comments about the second and third order effects, Larry Crockett stated that Olympia did not think about such things when they passed things like the GMA. They had good intentions, but in practice, this was what you got - someone who had very specific interests that were against what the majority wanted. Mr. Crockett referred to Mr. Pivarnik's comments earlier, stating for the benefit of the newer Planning Commissioners that the Port Commissioners sent a letter to the BOCC offering a partnership with the airport. He stated that they had the land there and were willing to host the sewer facility, which would save the county money from having to buy property in someone's backyard. He stated that they could develop their land so that you would never know it was there. And the Port could help with the funding, stating that they had sources the county did not have. He stated that the Port was still willing to partner with the county.

Carol Fletcher stated that there was a law seminar coming up. It would be taught by several attorneys on April 21 and 22 in the Seattle area. The seminar would discuss the GMA and issues related to it. She thought it was a timely seminar.

Sandy Mackie stated that one of the things about the GMA Hearings Boards was that it was an endless loop, but there was an end, and counties usually prevailed. He stated that the Hearings Board had not invalidated the UGA boundary. He understood the ruling to be that the county could not put the zoning in place because the county did not have the capital facilities plan to provide the services. He stated that, as the county had the capital facilities plan in place and as the county had a realistic planning capability, it would be the time to consider a partnership with the Port for the airport. He stated that was why he had said to staff and the commission that he was willing to work with the county on behalf of Mr. Christensen - to get to the capital facilities plan. He stated that the Hearings Board said we needed three or four things and then the zoning could be put into effect. They did not say that the zoning was inconsistent with the GMA; they said the county could not put the zoning in place without the actual capital facilities plan. He stated that, while it may feel like we were going backwards, we were actually making progress, although we were missing a key

piece. He understood that a contract had been awarded for that key piece. He stated that there were a couple of pieces to the puzzle. He stated that the GMA was not going to be changed anytime soon, so basically anyone could file an appeal if they had participated in the process. But at the end of the day, the county and citizens could achieve the desired result. He reiterated that the UGA was in place and the capital facilities plan was coming. Once we had those in place and the Hearings Board said we were in compliance, we could proceed. Even though the petitioner had filed a lawsuit with the DOE, it would not invalidate the Hearings Board's finding of compliance. Another issue to consider was the population data, stating that the BOCC allocated the population to the urban and rural areas. He suggested reviewing the population data. He stated that Thurston County just lost a case because they forgot to update their population data from 1996 to 2004.

Margaret Matheson stated that we had accepted the UGA twice and had been before the Hearings Board and had won. So she thought we were behind. Sandy Mackie responded that he was not saying we were not behind. His point was that the county was on the downhill slope to final compliance.

Carol Fletcher asked if there was any truth to the rumor that the BOCC was thinking about making the UGA smaller. The reason for that was that the current area was too large to sewer. If they made the area smaller, only those who were served would pay for it. Kyle Alm stated that he had not received any direction from the BOCC to do that. He stated that the county was going to look at the capital facilities costs for the entire area within the UGA boundary. They were going to look at the core area as the 6-year first phase. He explained that a capital facilities plan was divided into a 20-year plan and a 6-year plan. The 20-year plan was a forecast of needs for that 20-year period. The 6-year plan was the same except that we had to show that we had the funding for it. Sandy Mackie provided an example from Whatcom County where the plan was to serve a core area first and allow a higher density. The area outside that core area would have a lower density until such time as the services were extended.

Bud Schindler stated that he had heard a lot of very positive comments. He asked if there was anyone in attendance who was against a UGA, asking for a show of hands. No one responded.

Bud Schindler thanked everyone for their participation in the workshop.

C. DISCUSSION ON 2006 WORK PROGRAM

The commissioners raised the work projects depicted on the matrix developed at the previous meeting. Mike Whittaker stated that the Planning Commission had asked staff to review the matrix of projects and provide their input. Josh Peters stated that staff had wanted to wait to see how many Comp Plan amendments were actually filed, which was not completed until late this date.

Josh Peters stated that he believed the Planning Commission had indicated that they wanted to continue the 2006 work program discussion with the BOCC on March 15. He suggested that staff would be more prepared to discuss it at that time as well. He thought the matrix was useful, but he did not currently have anything to report back to the Planning Commission.

Bud Schindler agreed that the matrix was done in preparation for a discussion at the joint meeting. The commissioners thought it should be used in the decision process concerning which projects the Planning Commission should

take on each year. His opinion was that the matrix exercise would be the beginning of a process to base resources upon and to use it as the beginning of project management on everything. It was something that was done in the business world, but he had not seen it done in the county. It could be used to make decisions on what projects to take on.

The Vice Chair invited public comments. There were none received.

Dennis Schultz stated that the project matrix was the Planning Commission's view as of the last meeting. He stated that certainly things had come in since then which would probably change the priorities. Bud Schindler stated that was the beauty of doing something like this exercise. He stated that now that we knew the Brinnon MPR application had come in, we would have to adjust the priorities. He acknowledged that it would certainly affect the staff workload.

Brent Butler stated that he had recently gone to the West End and found that there were particular issues for that area, with fish and wildlife issues being an important one. He thought the TDR proposal could help that area.

D. ADJOURNMENT

Bud Schindler stated that the next meeting would be the joint workshop with the BOCC. Dennis Schultz asked that the applications for the Comp Plan amendments be provided prior to the March 15 meeting so the commissioners could review them. He stated that a summary would be sufficient. He suggested that the Planning Commission's project matrix be provided to the BOCC prior to that meeting as well so they would be informed on the topic.

Edel Sokol stated for the record that there was no one present tonight opposing the UGA or sewer. She stated that ICAN nor Ms. Dorgan were present, although they had been invited. Bud Schindler stated that did not mean that they could not continue their appeal. Ms. Sokol agreed, but stated that if it came up, it should be noted that they had had a chance to say something.

Kyle Alm asked if the UGA session had been helpful and informative. Peter Downey thought it was more helpful to the citizens because they got to vent. Dennis Schultz stated that it also reinforced the Planning Commission about the work the commission did. Mr. Alm stated that it seemed that the UGA issue had been going on for a long time, and it had. However, he agreed with Sandy Mackie that the county was just a few steps away from completing the UGA.

Peter Downey asked if the Hearings Board would be positive once we got the capital facilities plan done. Kyle Alm offered the opinion that he thought so, because it was a very significant step. It depended upon what issues came up, because then we may be looking at the development regulations.

Bud Schindler stated that what he heard was that there could be continual appeals, which could continually delay the UGA. Kyle Alm stated that when the county took an action, they could appeal that action. He stated that the Hearings Board had basically told the county that this was a *comprehensive* planning process and the county should not piecemeal it; it should be done all at once.

Phil Flynn stated that the big issue with the capital facilities plan was the funding. He asked about the funding options. Kyle Alm replied that there

were lots of options. Edel Sokol stated that Commissioner Sullivan wanted to put the sewer to a vote. Mr. Alm responded that was an option, depending upon the size of the Local Improvement District [LID]. Ms. Sokol stated that the City of Port Townsend residents were paying for water and sewer upgrades that were mandated by the state. She offered the opinion that, eventually, the state or federal government would mandate something similar for the Tri Area. Mr. Alm stated that it had been pretty clear from our elected officials that they did not want to "soak" our residents like that, but he understood what Ms. Sokol was saying. He stated that the direction for Hadlock/Irondale was that the development would pay for it and the users would pay for the operation and maintenance.

The commissioners and staff discussed the delaying effect of the appeals and the individual's right to appeal. Kyle Alm pointed out that, ultimately, the law and policy was on the county's side and the UGA was moving forward.

Phil Flynn stated that the county's size presented a challenge because the same rules applied to small counties as well as large counties, but the resources of the small counties was much more limited. He thought that we had received some poor advice from some of our consultants as well. Kyle Alm pointed out that the General Sewer Plan consultant had told the county that we needed a preferred alternative, a selected location, and a firm financing plan. None of those things were in the plan that was finally adopted; the preferred alternative was removed from the plan and we did not replace it with anything. He stated that it made it tough for the Hearings Board to say that the UGA was ready to go. He pointed out that the consultant had told the county that the plan fell short and those issues were the ones that "bit us".

Edel Sokol commented that including the airport in the UGA was common sense from a land use perspective, although she knew it would not happen. Bud Schindler stated that it could not be done this cycle. Kyle Alm stated that it needed to be studied in the sewer plan. He stated that the video tape would be sent to the consultant for their information. He stated that the issue would be brought up again. Phil Flynn stated that the issue was that the sewage would have to be pumped to the airport and then pumped back again, because the plan was to use the treated water for irrigating the ball fields and parks. He stated that the issue was brought up, however.

Bud Schindler asked what the implications of including the airport were or even having the sewer plant residing at the airport. Kyle Alm responded that you could have a non-contiguous UGA. You just could not have service in the area between, even though you would have to run the sewer line through that area. You could link two non-contiguous UGAs with infrastructure, but you could not serve any of the area outside the UGA boundaries. Then the problem was who would pay for the infrastructure if no one was hooking into it. It could create pressure for development in those areas outside but in-between the UGA boundaries.

The commissioners discussed extending sewer service to the Chimacum High School area and the more densely developed area along Rhody Drive. Phil Flynn stated that the commission had been told that any area outside the UGA boundary could not be served. Kyle Alm stated that cost was an issue as well, because you would have to run the infrastructure a couple of miles with limited density to pay for it.

The commissioners discussed the airport topic. Josh Peters reminded the commissioners that the Port had extended the offer, but it was late in the General Sewer Plan process and the Planning Commission did not want to introduce that item into the sewer plan draft at that time. He stated that he remembered that it had come up that the airport would be serving its own purposes as an EPF; it would be an EPF within an EPF. Phil Flynn stated that the Port had not wanted to modify its Airport Master Plan either. However, he thought it was an issue worth exploring. Kyle Alm stated that it was all time and money. We would have to pay a consultant to determine whether it was worth it to run that line and maintain it.

Staff agreed that they would provide at least a summary of the Comp Plan amendment applications prior to the next meeting.

The meeting was adjourned at 8:30 p.m.

E. APPROVAL OF MINUTES

These minutes were approved this _____ day of April, 2006.

Bud Schindler, Vice Chair

Cheryl Halvorson, Secretary