

Jefferson County  
Board of Commissioners  
Agenda Request

**To:** Board of Commissioners  
Philip Morley, County Administrator

**From:** Frank Gifford, Public Works Director *FG*

**Agenda Date:** January 14, 2013

**Subject:** Administrative Settlement for Property Acquisition  
Port Hadlock Wastewater Treatment Project

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**Statement of Issue:**

A resolution directing the Department of Public Works to administratively settle property acquisition for parcel #901112010 and the westerly half of parcel #901112002 comprising approximately 13.5 acres in the amount of \$651,812.

**Analysis/Strategic Goals/Pro's & Con's:**

Negotiations with the property owner have resulted in an indication that this matter can be settled for the aforementioned amount. It is in the interests of both parties to avoid a condemnation process which will incur substantial legal fees, require up to a year to complete, and which may ultimately result in higher costs to the County.

**Fiscal Impact/Cost Benefit Analysis:**

\$651,812. Funded by 2011 LTGO Bonds with Public Infrastructure Fund (PIF) repayment.

**Recommendation:**

Sign the attached resolution directing the Department of Public Works to administratively settle this matter without further delay in the amount indicated.

**Department Contact:**

Will Butterfield, Right of Way Representative 385-9350

**Reviewed By:**

  
Philip Morley, County Administrator

*1/19/13*  
Date

STATE OF WASHINGTON  
County of Jefferson

In the Matter of Approving an Administrative }  
Settlement for the Purchase of Property Required }  
For the Port Hadlock Wastewater Treatment Project }      **RESOLUTION NO. \_\_\_\_\_**

*WHEREAS*, the Growth Management Act requires that urban levels of service, including sewer service, be in place prior to allowing urban zoning to be implemented within the Irondale/Port Hadlock Urban Growth Area (UGA); and

*WHEREAS*, the Port Hadlock UGA Sewer Facility Plan (“Plan”) has been adopted by the County and has been approved by the State Departments of Health and Ecology; and

*WHEREAS*, the Plan calls for construction of a gravity wastewater collection system leading to a membrane bioreactor plant for wastewater treatment to Class A reclaimed water standards and for infiltration of the reclaimed water into the Chimacum Creek aquifer to supplement base flows in the Creek (collectively, the “Project”); and

*WHEREAS*, hydro-geologic studies show the reclaimed water infiltration area must be sited in low-lying areas near Chimacum Creek and that property identified as Jefferson County parcel #901112010 and the westerly half of parcel #901112002, comprising approximately 13.5 acres (the “Property”), is required for Phase I of the Project; and

*WHEREAS*, the County has had the subject property appraised and reviewed and has been in negotiations with the owner of the Property; and

*WHEREAS*, the Property currently supports a legal non-conforming use associated with an industrial/commercial operation, including a concrete batch plant and rock processing facility and has also been mined for mineral resources in recent years and continues to contain commercially useful mineral resources; and

*WHEREAS*, the Property owner has rejected the County’s offers, and indicated that the County’s appraised value is not adequate to compensate for the value of the property, remaining mineral resources, and damages to the remainder of the owner’s property, and has provided his own appraisals prepared by an experienced and licensed appraiser to support his position; and

*WHEREAS*, negotiations have resulted in the potential for administrative settlement of this matter and acquisition of the necessary interests in the Property for \$651,812; and

*WHEREAS*, the County has investigated all alternatives, including alternative sites, and the exercise of the County’s right of eminent domain; and the County has determined that it is in the best interests of the County to avoid condemnation which may require many months to over a year to conclude, subject the County to payment of substantial legal fees for both parties under

Resolution No. \_\_\_\_\_ re: Administrative Settlement Parcels 901112010 and 901112002

*WHEREAS*, completing the Property acquisition in a timely manner will facilitate formation of a Local Improvement District (L.I.D.) to fund the Project by demonstrating Project readiness to the L.I.D. participants; and

*WHEREAS*, completion of the Property acquisition will facilitate the pursuit of State and Federal funding during 2013 which is intended to reduce the overall costs of the Project and future sewer rates to the customers; and

*WHEREAS*, an administrative settlement of \$651,812.00 is within the range originally budgeted for land acquisition costs for the Project; and

*WHEREAS*, in 2011 the County sold bonds to finance sewer design and land acquisition for the Project, and adequate bond funds remain for this purchase with repayment committed through Public Infrastructure Fund revenue; and

*WHEREAS*, the Jefferson County Board of Commissioners determines that it is reasonable, supportable and in the public interest to administratively settle the Property acquisition; *NOW, THEREFORE*,

*BE IT RESOLVED*, that the Jefferson County Board of Commissioners hereby approves the administrative settlement for acquisition of the Property in the amount of Six Hundred Fifty-One Thousand Eight Hundred Twelve Dollars (\$651,812) together with all costs of closing, and hereby directs the County Department of Public Works to take such necessary actions to implement this authorization and to acquire the Property, without further delay.

*APPROVED AND ADOPTED* this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

SEAL:

JEFFERSON COUNTY  
BOARD OF COMMISSIONERS

\_\_\_\_\_  
John Austin, Chairman

ATTEST:

\_\_\_\_\_  
Phil Johnson, Member

\_\_\_\_\_  
Raina Randall  
Deputy Clerk of the Board

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David Sullivan, Member