



**SHELTON CITY COUNCIL – PORT OF SHELTON COMMISSION**  
**Joint Leadership Breakfast – The Ridge Motorsports Park**  
**February 17, 2023 – Meeting Minutes**  
**9:00 a.m. – 11:00 a.m.**

City Councilmembers:

Mayor Eric Onisko  
Deputy Mayor Joe Schmit  
James Boad  
Miguel Gutierrez  
Kathy McDowell  
Deidre Peterson  
Sharon Schirman

Port Commission:

Sue Patterson  
Dick Taylor  
Kristy Buck

Port Administration:

Executive Director Wendy Smith

City Administration:

City Manager Jeff Niten  
Community & Economic Development Director Jae Hill

**CALL TO ORDER**

Call to Order: 9:00 a.m.  
Pledge of Allegiance

**WELCOME AND PURPOSE**

City Manager Jeff Niten and Executive Director Wendy Smith welcomed everyone to the meeting. Both the City and the Port are interested in sharing information in order to plan for the future.

**AGENDA ITEMS**

A. Annexation

- Tax increases
- City and County differences in overall property tax rate
- City B&O Tax goes into the General Fund
- Port does not pay property tax, but charges leaseholders excise tax and remits to state
- Port property is in Mason County jurisdiction. If Port property is annexed the tax benefit would go to the City
- What services would City provide if the Port area annexed:
  - Police/Fire Services
  - Snow plowing services
  - Street maintenance
- Wastewater Treatment Plant:
  - Indebtedness is paid through rates from sewer customers
  - Capacity at the Wastewater Treatment Plants to handle Port properties
- What are potential areas for annexation:
  - Sanderson Field/Airport
  - John's Prairie area
- Building Regulations & Requirements:
  - County has different requirements, e.g., no sidewalks
  - City requires curbs and gutters in order to direct stormwater
  - Port's infrastructure requirements. City's capacity to handle industrial waste
  - City water hookup requirements
  - Chlorinated vs non-chlorinated water

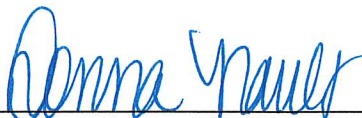
- Well water rights, e.g., prior tribal lawsuit shut down wells forever
  - A City/Port combined water system benefits both parties for economic development purposes
  - Fire codes and fire-water flow requirements
  - Latecomers Agreement
  - City vs County permitting process/system
  - Could the Port negotiate a different water and sewer rate:
    - The city has a cost to maintain the entire system
    - A negotiated lower rate for one user would mean other users would have to carry the cost difference
    - City would require garbage and recycling services
  - What is the benefit to the City by annexing the Port area:
    - Economic development
    - Increased housing for businesses with employees
    - Increase in commercial opportunities
    - Attracting customers in a defined trade
- B. Land Exchange**
- Port's Strategic Plan for economic development opportunities:
    - The Port proper areas
    - The Port's strategic plan is currently under review
  - City timeline for annexations:
    - Peacock Ridge – Currently in process
    - Tractor Supply Area/Multifamily Development – Unknown
    - No Protest Agreements – Unknown
    - Zone 5 area has 3-4 acres not for high density uses. Potential for land swap with the Port
  - Satellite Treatment Plant:
    - Protect Oakland Bay area
    - Protection of the Wastewater Satellite Treatment Plant
    - Expand the footprint to support future economic development opportunities
    - Use of property along the airport runway is reserved for businesses needing aviation services, e.g., FedEx, Hangers with condos
    - Federal Aviation Administration (FAA):
      - City expansion needs would support the growth of the Port's expansion needs
      - The Port has existing facilities and economic efficiencies
  - Port Revenue:
    - Revenue from airport hangers is minimal
    - Surrounding buildings are FFA guided and contribute to the support of the Airfield and provides revenue
    - Revenues from Sanderson Field can only be spent at the field
    - General aviation is not a primary source
  - Industrial Zoned Land vs Residential Zone Land:
    - Every acre of residential zoned land the city has that cannot be built on takes away the ability of the City to grow in the future
    - The Office of Financial Management has information on ratios used for determining how many residential homes will fit on an acre
    - Updates to the City's Comprehensive Plan will be available in the near future
    - Opportunity for joint grant applications

**MEETING ADJOURN**

Adjourned at 10:42 a.m.



Mayor Eric Onisko



City Clerk Donna Nault