At 2:30 p.m. CHAIRMAN HUSTON opened the continued public hearing to consider submission to the voters, a ballot issue creating a Kittitas County Rail District, pursuant to RCW 36.60.

LOUIS MUSSO reviewed supplemental information regarding the formation of a County Rail District. He explained how the citizens group had gone as far as they could without having a credible entity formed such as a Rail District. He said the initial responsibility of a Rail District would be to conduct a “Volpe study”, which is a rider ship/marketing/financial feasibility report. A Volpe study compares to a private sector business plan, and the information is used to determine eligibility for most state and federal grants, loans, and other assistance programs. CHAIRMAN HUSTON questioned if they had funding available for the election costs which would run between $7,000-8,000. MR. MUSSO explained how the citizens group did not have the means to pay the election costs and said they have to fundraise privately. COMMISSIONER GOLLADAY asked who would underwrite the bond issue. MR. MUSSO said according to RCW 36.60.060, the issuance of revenue bonds to fund revenue generating facilities which it (the County Rail District) is authorized to provide or operate. He explained there was no recourse against the county or county taxpayers if the revenues are insufficient to service the debt. CHAIRMAN HUSTON felt non-recourse revenue bonds were implied that the municipalities have their assets attached, which they do not, so the bonds must be marketed with very specific language.

THOSE PRESENT & TESTIFYING: JIM TOBONI spoke in favor of forming a Rail District. He commented on refined products and felt rail systems were fuel efficient. THERE BEING NO OTHER TESTIMONY, THE PUBLIC PORTION OF THE HEARING WAS CLOSED.
COMMISSIONER GOLLADAY said a solution was needed, but was not satisfied a Rail District would remain revenue neutral to the county. COMMISSIONER COE felt forming a Rail District was worth investigating. He was not adverse to having the County pay the costs of placing the issue on the ballot. He thanked Mr. Musso and the other citizens for their hard work researching the proposal.

CHAIRMAN HUSTON said he would be in favor of placing the proposal on the ballot, but explained his expectations. He said he would like to see some fundraising efforts on behalf of the committee, additional volunteer efforts and information relating to equipment. He addressed the additional work that may be required including staffing, administering grants and applications, legal opinions, etc. He said he wanted to see a scope of work (business plan) prior to any grant application being submitted. COMMISSIONER GOLLADAY was concerned with the lack of plan and associated timeframes. CHAIRMAN HUSTON said he was counting on a lot of volunteer efforts and he was not going to spend a lot of county resources in staffing a Rail District, but did offer some assistance possibly with minute taking etc.

COMMISSIONER COE moved to approve placing the issue on the November election ballot, and to direct staff to prepare the necessary language for the ballot to include “should a Rail District be formed in Kittitas County”, in accordance with the appropriate RCW. CHAIRMAN HUSTON seconded. Motion carried 3-0.

The meeting was adjourned at 3:25 p.m.