January 18, 1973

Mr. Douglas Millard
Rauscher & Kieffer Lawyers
1313 Washington Building
Seattle, Washington 98101

Re: Mutiny Bay Riviera, Inc.

Dear Mr. Millard:

Thank you for your letter of January 11, 1973. In reviewing our files concerning Mutiny Bay Riviera, Inc., we have found that the following points need to be taken care of:

1. Your letter of January 3, 1973 indicates that Mutiny Bay Riviera now has funding in an escrow account from its construction lender for the sewage treatment facility. However, we note that there are on file no plans for the construction of such a sewage treatment facility and no engineering estimates have been supplied. Therefore, it would appear that there is a lack of information as to the possible costs of the proposed facility. In turn, there is no indication as to how much money should be held in account for this purpose. Further, it is our feeling that an escrow account is not sufficient. We feel that a minimum securityfor the county and the state regarding this matter would involve an agreement by the Mutiny Bay Riviera, Inc. and the escrow agent, in writing, that the funds held in the account are pledged to Island County to secure the construction of the subject sewage treatment facility. As an alternative, the lending institution could execute an agreement in the form attached to this letter which would hold the funds in trust for the benefit of Island County and/or the State.

2. On November 3, 1972 Mutiny Bay Riviera, Inc. received a letter from Mr. Wilson M. Bow, District Engineer of the Department of Social and Health Services, Division of Health and Environmental Facilities, concerning the approval of the water source for the condominium. In view of the extended review and discussion of the potable water system involved on this site, we would like to ask that you obtain an updated letter of approval from Mr. Bow.

3. Mr. Robert H. Russell of the State of Washington, Department of Ecology, has prepared a geohydrology report of the Mutiny Bay area dated January 5, 1973. One of the recommendations which he made was that two or three observation wells and two water quality stations be selected, and water samples collected and analyzed periodically to monitor water quality changes that develop in the shallow ground water body, the unnamed drainage ditch, and Mutiny Bay near the drainage ditch outfall. The Island County Health Department recommends the expense be born by the developer. We are advised that the State Health Department intends to establish such stations and conduct tests. Mutiny Bay Riviera should be aware that the results of these tests will be the data which will be used by the State in determining whether or not conditions governing the requirements of the construction of a sewage treatment facility as contained in William C. Collins letter of December 11, 1972 under the letterhead of the Attorney General of the State of Washington.

Respectfully,
Larry Nacht, M.D.
Island County Health Officer

Joe Beckley, R.S.
Environmental Health Specialist III

JB:dlw
cc: County Commissioners
Ralph Main
Sidney Glover
Gary Plews
Wilson Bow
Prosecuting Attorney, Island County
William Collins, State Attorney General's Office

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
DIVISION OF HEALTH

January 25, 1973

Mr. Douglas Millard
Attorney at Law
1313 Washington Building
Seattle, Washington 98101

Re: Mutiny Bay Riviera Water System

Dear Mr. Millard:

This will acknowledge receipt of your letter of January 3, 1973, wherein you requested an exemption from that portion of WAC 248-54-350 which requires the purveyor of public water to control all land within a radius of 100 feet of his well.

As you know, the water system for Mutiny Bay Riviera has already received the approval of the Department of Social and Health Services for up to 24 condominium units.

I have reviewed the information you submitted to me, and I note particularly that there is only a small arc of 16.5 feet at its maximum depth which is not subject to your control. I note further that the well has been providing water for public consumption for several years, apparently without serious problems.

In view of the above, as indicated by the original approval of the water system by the Department of Social and Health Services, this agency has no objection to use of the well without your being able to control the small area in question. It should be clearly understood that approval of this water system in no way is intended to waive the Department's right to assert its powers under WAC 248-54-460, should subsequent developments indicate that the quality of the water being provided by your

client at Mutiny Bay is being actually or potentially adversely affected by the area not within your control.

To summarize, this agency has no objection to your utilizing the water system as previously approved, subject to our right to require further water purification or other improvements that may become necessary in the future.

I hope you find this response satisfactory to your request. A copy of this letter is being sent to the Island County Health Department.

Sincerely,
Wallace Lane, M. D.
Assistant Secretary

WL:AG:gl
cc: Island County Health Department
Wilson Bow
Gary Plews

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
HEALTH SERVICES DIVISION
P.O. Box 1788
Olympia, Washington 98504

February 2, 1973

Island County Commissioners
Island County Courthouse
3rd and Main Street
Coupeville, Washington 98239

Re: Mutiny Bay Riviera Sewage Disposal System

Gentlemen:

This letter is a follow-up to our telegram of November 9, 1972, wherein we requested that you delay final plat approvalof the Mutiny Bay Riviera development pending clarification of problems regarding the sewage disposal system.

Since that time, several discussions have been held between representatives of the developer and the Department of Social and Health Services, with the result being that the developers of Mutiny Bay Riviera have agreed to comply with the conditions outlined in a letter of December 11, 1972, from William C. Collins, Assistant Attorney General, to Mr. Dale Kremer. I have enclosed a copy of that letter, and a copy is also attached to and incorporated by reference in an Order entered in Mutiny Bay Riviera, Inc. v. Island County, Island County Cause No. 7295.

Given the acceptance of the conditions in the December 11 letter by the developers of Mutiny Bay Riviera, the Department of Social and Health Services hereby withdraws any objections in regard to issuance of final plat approval. Of recent concern to the Department was the problem of hauling sewage and of an approved dumping site. This matter has been resolved to our satisfaction.

It should be understood that the removal of any objections the Department of Social and Health Services might have to final plat approval should not be seen as a limitation on the power of the local health department to raise additional concerns.

Representatives of the Department and of the Island County Health Department will continue to monitor the conditions in the drainfield area in order to insure compliance with the December 11 letter.

On behalf of the Department of Social and Health Services, I wish to express my appreciation for the cooperation we have received from you and your predecessors in this matter.

Sincerely,
John A. Beare, M.D.
Acting Assistant Secretary

JAB:AG:gl
Enc.
cc: Joe Beckley
Gary Plews
Douglas Millard
William C. Collins
Emil Jensen

1ST FEDERAL SAVINGS
MOUNT VERNON OFFICE
Second and Montgomery Ave.
Mount Vernon, Wash.

January 24, 1973

Mr. Joe Beckley
Island County Health Department
Coupeville, Washington 98239

Dear Mr. Beckley:

At the request of the principals at Mutiny Bay Riviera Condominiums I wish to advise you that we are setting aside in a pledged savings account the amount of $20,000 to guarantee the possible construction of a sewage disposal plant for the Mutiny Bay Riviera Condominiums development. This amount was determined by a qualified engineering firm to be in excess of the amount necessary to construct