

**SUMMARY OF THE MINUTES
SAN JUAN COUNTY (SJC), WASHINGTON
COUNTY COUNCIL
July 7, 8, 2008**

Monday, July 7, 2008 - Council Hearing Room, Legislative Building, FH

CALL TO ORDER – REGULAR STAFF MEETING AND WORK SESSION

Council Chair Howard Rosenfeld called the staff meeting to order at 10:03 a.m. Council members Kevin Ranker, Rich Peterson, Gene Knapp, Bob Myhr, and Alan Lichter; Ron Henrickson, Community Development and Planning (CD&P) Director; Clerk to the Council, Ann Larson; Deputy Clerk, Lisa Brown; and interested members of the public were present.

EXCUSED ABSENCES

Moved by Myhr, seconded by Lichter, to excuse **Pete Rose, County Administrator**, who was in attendance at a Department of Ecology meeting. Motion carried.

CITIZEN ACCESS TIME

Peter DeLorenzi, SJC citizen, respectfully requested Council agenda time to discuss the VAB history, formation, duties, and accounting. He provided documentation from American Legion Posts 93, Orcas Island, and 163, Friday Harbor, endorsing him to represent them in this matter, adding that dignitaries from Olympia, King County, and Snohomish County also wished to attend. Mr. DeLorenzi stated concerns regarding whether membership was appointed or selected according to the governing RCW. Mr. Ranker suggested this item be placed on the agenda. Clerk Larson offered time on the August 5th, 2008, agenda and it was agreed.

CLERK UPDATE

Clerk Larson presented a draft of the Facilities Use policy for review and suggestions. She is also in communication with George Johnson, Information Services Manager (ISM), regarding upcoming changes to audio-visual (AV) equipment. She expressed Council Staff's desire to have the microphones working while at off-island meetings for recording purposes, not for amplification. Department Assistant, Maureen See reported on committee vacancies and applicants. After discussion, it was decided that all applicants, other than re-appointments to various committees and Bob Connel's appointment to the EPRC which are to be approved on Consent July 8, 2008, be placed on the Consent Agenda for the following week, with several interviews taking place in the meantime.

ADMINISTRATIVE MATTERS

Several revisions were made to the Minutes, then agendas and Councilmember schedules were reviewed.

COUNCIL MEMBER UPDATES

Ferries/Governor Gregoire - Mr. Ranker reported on the 4th of July celebrations Saturday on Orcas Island, stating that he, Mr. Lichter, and Mr. Knapp spent time with Governor Gregoire, who made pledges to follow through on school funding and ferry issues. Mr. Ranker shared data with the Governor, proposing she look at Washington State Ferries (WSF) as a statewide economic driver, as discussed in prior SJC Council sessions. Governor Gregoire asked Mr. Ranker to communicate directly with her staff to have this concept included in studies currently taking place by the Coastal Counties Caucus (CCC) so; if possible, it can be included in her budget. Discussion regarding WSF and the study followed. Mr. Ranker also reported that Governor Gregoire expressed concern about cuts to SJC Capron Funds over the past two years. Mr. Ranker explained that SJCC had been working diligently with legislators in an effort to keep those funds intact. He also reminded the Governor that without a State highway, SJC is the only county in the state that does not receive gas tax for road funds, and with the Capron funds being cut, SJC is being marginalized. She understood and said to communicate directly with her on this issue. Mr. Ranker asked for the County Administrator's assistance in compiling a concise briefing on our issues regarding the Capron Funds, showing how SJC has been marginalized, for his meeting with the Governor's Staff next week. In Mr. Rosenfeld's recent discussions with the Governor, he suggested that the increase in Capron funds directed to WSF be used on San Juan runs. She thought this made sense also.

Legislative Priorities – Mr. Myhr stated that the Council Legislative Priorities Statement needed to be enhanced and refined. **No net loss of farmland** – Mr. Myhr reported receiving a letter from the Agricultural Resources Committee (ARC) on July 3, 2008, regarding a land division on Shaw Island, and questioned whether the Council was in favor of adopting a policy of "No net loss of farmland." Mr. Knapp inquired if discussion regarding this was

scheduled. Clerk Larson reported that Mr. Rose suggested scheduling time during his briefing next week. Mr. Ranker requested that the full ARC be invited. **Septic inspection class** – Mr. Myhr reported that he took the septic class and encouraged more publicity on the availability of these classes, so that citizens are aware of requirements to manage their systems. **San Juan Initiative** – [To be addressed under CA Items.] **Stormwater Subcommittee** – Mr. Peterson reported that the committee is working with Adina Cunningham, SJC Deputy Director, (who has compiled her research into a PowerPoint presentation) to resolve issues regarding regulations, and should have an ordinance to present by the end of the month. **Charter Completion Subcommittee** - Mr. Knapp reported that the Hearing Examiner (HEX) subcommittee would be meeting later today working towards Charter compliance. **Skagit Green Resolution** – Kevin Ranker reported that Skagit County, who modeled their Climate Change Resolution after SJC's, also included a mandate for minimum miles per gallon (MPG) for the County fleet and believes it is something SJC should look at replicating. **Affordable Housing** - Mr. Lichter commented on Samsø Island, in Denmark, a community of 4,300 people, that faces issues similar to SJC. He stated that they have turned their island community into a "green" community and are profiting from the sale of energy they produce by selling it to other Danish communities. He is researching this concept with fellow Orcans and will report back to the Council with their findings. **Veterans' Advisory Board (VAB)** - Mr. Lichter asked if the Council wished to continue receiving the VAB minutes. Their response was affirmative.

COUNTY ADMINISTRATOR ITEMS

1. Performance Bond – Ron Henrickson, CD&P Director, explained the requirement of Performance Bonds (PB) and that the County uses them to ensure sufficient funds are available to make improvements, should the developer fail to perform. He explained that these PBs are usually set at over 100%, and in his past experience this has typically been represented at 150%, to accommodate for possible increased costs resulting from the delay in performance, or the necessity to use a different contractor that may be more costly. This also gives the contractor incentive to do the work as agreed and is set forth in the Unified Development Code (UDC), under Section 18.70.020. He stated that Affordable Housing may have a different assessment of risk, as their financing is in place through grants and fundraising, and the likelihood of the infrastructure being installed, as planned, is very high. Mr. Hendrickson suggested allowing a reduction for Affordable Housing, as it is a goal set forth in the Comprehensive Plan and a factor that could be considered in the County's administrative risk assessment. In response to a question by Mr. Knapp, Mr. Henrickson replied that CD&P was looking at a request from Of People and Land (OPAL) for a performance bond. Discussion followed and Mr. Henrickson answered questions from the Council. Mr. Knapp requested further discussion when the CA is available. Discussion regarding policy and decision-making authority followed and Mr. Henrickson said no decision would be made today and he will discuss it with Mr. Rose upon his return.

2. Critical Areas Ordinance (CAO) Update - Mr. Henrickson, CD&P Director, provided an overview of the fractionalized status of the committee working to develop the CAO. The committee, comprised of a cross section of community members and SJC Staff, was charged with drafting an ordinance compliant with the Growth Management Act (GMA). He reported that some members of the committee do not believe the work done to date is moving towards compliance with the GMA and that Mr. Rosenfeld called a joint meeting of County Staff and the CAO Committee, on July 15th, to address this situation. Mr. Henrickson suggested it may be helpful to have the Council place determination of a "compliant" CAO with the Prosecutor's Office. Discussion followed and Mr. Henrickson answered questions from the Council.

3. San Juan Initiative – Jonathan White provided an overview of the initiative, explaining that the committee approached the assessment by observing the ecosystem from a holistic point of view, not taking single species or habitats, but rather looking at the systems that support vitality in the islands. The first of four phases, to commence over a two year period, was to choose a focus, the second, to initiate an Assessment Report, the third, identify solutions and opportunities for improvement, and the last, recommendations for improvement. He stated that the focus chosen by the committee had direct applicability to our situation here, and also far reaching applicability to all of Puget Sound. He added that Bill Ruckelshaus, Chair of the Puget Sound Partnership (PSP), expressed his appreciation and support of this project, stating that it is working well in tandem with the PSP. Jim Kramer, Project Manager, reminded the Council that the Initiative was proposed as a big, vague idea that had a positive reception as being a pilot for the Puget Sound, adding that the challenges faced and leadership taken is noteworthy, and could pay big dividends, as it is also recognized by Mr. Ruckelshaus, Doug Sutherland, Department of Natural Resources (DNR) Commissioner of Public Lands, Bob Lohn, National Oceanic and Atmospheric Administration (NOAA) Fisheries, NW Regional Administrator, and several others with responsibility

at the State and Federal level. When Puget Sound was examined by the Governor's task force, one of the most important issues identified was restoring a healthy sound. With the expected increase in population by 2025, growth needs to take place in a way that protects our ecosystems and habitats. Mr. Kramer described the assessment focus of the Policy Group and processes, CD&P administrative responsibilities, and property owners' responsibilities to effectively protect habitat. He reported on research regarding dock permits and lack of inspection, resulting in serious overbuilding. He stated that the Policy Group determined that education, assistance, and incentives were key to improving the overall systems. Mr. White and Mr. Kramer answered questions from the Council. Discussion included the CAO and Marine Resource Committee (MRC) and their roles in working towards a successful Initiative.

RECESS - At 12:08 p.m., Council Chair Rosenfeld postponed the Video Conferencing Presentation and recessed the meeting until 10:00 a.m., Tuesday, July 8, 2008.

Tuesday, July 8, 2008 - Council Hearing Room – Legislative Building, FH
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CALL TO ORDER

Council Chair Rosenfeld called the meeting to order at 10:00 a.m. Council members Kevin Ranker, Rich Peterson, Gene Knapp, Bob Myhr, and Alan Lichter; County Administrator, Pete Rose; Clerk to the Council, Ann Larson; Deputy Clerk, Lisa Brown; and interested members of the public were present.

The flag salute was conducted.

CITIZEN ACCESS TIME

Mike McDonald, SJC resident, was present to express concern over the Solid Waste [site selection] process and read the statement he had submitted to the Council.

Tami Doenges, SJC resident, supported Mr. McDonald's efforts to halt the process, and shared additional comments regarding safety, and negative public relations from the SJC Public Works (PW) department. She ended by stating that a traffic safety study should be done. Councilmen Ranker, Lichter, and Peterson stated they wished to comment on this issue under discussion.

APPROVAL OF MINUTES

Moved by Lichter, seconded by Knapp, to approve the Minutes of **June 23 & 24, 2008**. Motion carried.

CONSENT AGENDA

Moved by Peterson, seconded by Lichter, to approve the **Final Consent Agenda of July 8, 2008** as follows:

A. Resolutions: (No items.)

Ordinances: (No items.)

B. Contracts/Agreements:

1. An Interlocal Agreement, Amendment Number One of Narcotics Enforcement Multi-Jurisdictional Task Force between Skagit County, San Juan County, Swinomish Tribal Community and the WA State Patrol.

C. Budget Items: (No items.)

D. Personnel: (No items.)

E. Appointments: (No items.)

1. A letter appointing Bob Connell to the Eastsound Planning Review Committee, the term beginning immediately and expiring on June 30, 2010.

2. A letter amending the reappointment of Michael Roger to the San Juan Citizens' Commission on Salaries for Elected Officials, correcting the expiration date to December 31, 2011.

3. A letter amending the reappointment of James Lett to the San Juan Citizens' Commission on Salaries for Elected Officials, correcting the expiration date to December 31, 2011.

F. Correspondence:

1. A letter to the Puget Sound Partnership endorsing Councilman Bob Myhr to serve on the Puget Sound Partnership Salmon Recovery Council representing San Juan County.

G. Miscellaneous: (No items.)

H. Bid Openings: (No items.)

Motion carried.

ACTION AND DISCUSSION ITEMS

ORDINANCES/RESOLUTIONS:

RES. NO. 54-2008- (Refer to PUBLIC HEARINGS, 11:30 a.m., for details of action taken.)

RES. NO. 55-2008- (Refer to PUBLIC HEARINGS, 11:30 a.m., for details of action taken.)

UPDATES

Stormwater - Mr. Peterson distributed copies of the Stormwater Regulations Q&A outline to the Council, Prosecuting Attorney, and members of the public, for their information.

Solid Waste Site - Mr. Lichter inquired about public comments regarding selection of the solid waste transfer site, and oversight involving Mr. Hendrickson. Mr. Rose stated that Mr. Hendrickson is involved as the County State Environmental Protection Act (SEPA) official and that Public Works (PW) was advised by their consultant that traffic studies were a part of the site selection process. Council members Ranker and Peterson commented on conducting studies on all potential sites and keeping the process open.

Video Conferencing Scoping Update and Priorities - George Johnson, Information Services Manager, provided a presentation on options for teleconferencing, explaining varying levels of capabilities, complexities, and cost. He described efforts to use different programs over the past 12-15 years, with installations not being utilized due to difficulty. His goal is to keep this in mind as he moves forward. Mr. Johnson has scheduled a presentation by Microsoft on Monday, July 28, 2008, that incorporates video teleconferencing with telephones and e-mail. Mr. Johnson answered questions from the Council. Mr. Rosenfeld asked Mr. Rose about the value to SJC for Staff to be able to communicate with each other between islands via teleconferencing. Mr. Rose stated that this would be a "tremendous asset," allowing for major staff meetings and one-on-one briefings with less travel. The Council asked for a demonstration in the afternoon session. At 3:07 p.m., Mr. Johnson and Mr. Varsova, Network Administrator (remotely), demonstrated video-teleconferencing and video-streaming, pointing out the differences in the technologies. Mr. Johnson answered more questions about streaming, funding/budgeting, and phasing into this technology.

PUBLIC HEARINGS

10:30 a.m. – (Commenced at 10:39 due to time constraints.) A public hearing was continued regarding the Richman Timber Open Space Application #07TOS005. Present: Full Council; Shannon FitzGerald, Senior Planner; Charles Zalmanek, Assessor; Pete Rose, County Administrator (CA); Ann Larson, Clerk to the Council; Lisa Brown, Public Hearings Specialist; Agent, Jeff Otis; and interested members of the public. Ms. FitzGerald presented her Staff Report stating this application had been carried over from June 3rd, 2008, for final findings and recommendations. She pointed out that a typo had been corrected and that Planning Commission member, Teri Williams, had recused herself, not taking part in the vote, and that Staff had recommended approval of this application. Ms. FitzGerald answered questions from the Council and discussion took place. Mr. Myhr offered a point of clarification, stating that the logging practice plan is monitored by the Department of Natural Resources (DNR), and making sure the plan is followed on a general basis falls in the office of the assessor. It was noted that Mr. Zalmanek was available to provide more information on this process following the public hearings.

Public Testimony was opened, submitted, by Mr. Otis, and closed. Deliberations were held and the following action was taken:

Moved by Ranker, seconded by Myhr, to approve the Richman Timber Open Space Application for Orcas Island #07TOS005, based on the findings and conclusions of the SJC Planning Commission, with the

following conditions: the Forest Management Plan shall be adhered to for the plan placed into the TOS designation wetlands management zones and be identified by DNR methods at such time the logging takes place on these parcels and that we approve. Motion carried unanimously.

10:45 a.m.- A public hearing was held to consider the Burn Timber Open Space (TOS) Application #07TOS006. Present: Full Council; Shannon FitzGerald, Senior Planner; Pete Rose, County Administrator (CA); Ann Larson, Clerk to the Council; Lisa Brown, Public Hearings Specialist; and interested members of the public. Ms. FitzGerald presented her Staff Report proposing to place 6+ acres in the TOS program. She explained that the property was better suited to growing timber rather than farming and that wetlands designations provided may be dismissed by the DNR. She recommended the logs be removed by horses and local saw mills be used. Ms. FitzGerald added that the PC recommended approval of this application with the following conditions: 1) The Forest Management Plan shall be adhered to for the land placed in the TOS designation, 2) Prior to submitting a forest practices application to the Washington Department of Natural Resources (DNR), the applicant or agent will check with the Washington Department of Fish and Wildlife to determine if a bald eagle nest still exists on the adjacent property to the east. If it does, then a Bald Eagle Management Plan shall be prepared and submitted to DNR. 3) Wetland Management Zones be identified using DNR methods at such time that logging takes place on these parcels in accordance with WAC 222-16-036, 4) The San Juan County Noxious Weed Control Board should be added to the reference list. She added that Staff concurs with this recommendation. Public testimony was opened, none submitted, and closed. Deliberations were held and the following action was taken:

Moved by Lichter, seconded by Knapp, to approve the Burn Timber Open Space Application on Waldron #07TOS006, with the four conditions cited by the SJC Planning Commission. Motion carried unanimously.

Charles Zalmanek, SJC Assessor, explained that it is the Assessor's legal obligation to monitor TOS parcels. The Appraisers observe land, looking for the appearance of management, or evidence that it may not be in compliance. If property does not appear to be managed properly, Mr. Zalmanek is notified and performs a search in the DNR site to make comparisons with the plan. If necessary, property owners are notified with a determination from the Assessor, and given an opportunity to respond. Discussion followed and Mr. Zalmanek answered questions from the Council.

11:30 a.m. - A public hearing was held to consider Resolutions regarding the Condemnation of Real Property, Cohen TPN 271451010000, Tract 10 & TPN 271451011000, Tract 11 Fishing Bay Addition. Present: Full Council, Ed Hale, Utility Manager, Public Works; Pete Rose, County Administrator (CA); Chief Civil Deputy Atty, Karen Vedder; Ann Larson, Clerk to the Council; Lisa Brown, Public Hearings Specialist; and interested members of the public. Mr. Hale presented his Staff Report describing a request of the Council to allow the Prosecuting Attorney to begin a Condemnation process to acquire an easement in Eastsound for stormwater conveyance through properties that the Outlook Inn is on and the neighboring property to the East. Unsuccessful negotiations with the property owners had been taking place since April of 2005. He stated that the appraised value of the property is \$17,250, adding that Condemnation is not the preferred route and that beginning that process doesn't mean that would need to be carried out. Property owners could still negotiate an easement purchase agreement in lieu of Condemnation. Mr. Hale answered questions from the Council. Mr. Lichter reported on his communications with the owner of the Outlook Inn who wanted to preserve all of the trees in his property. Mr. Hale said the possibility of that was being investigated today. Public testimony was opened, and submitted by Jack Corey, Island Guardian, who questioned the value determination for the property in each instance. Public testimony was then closed. Ms. Vedder came forward to explain that at the onset of the condemnation process, the judicial system sets out to determine a fair price for the property, and the County provides \$750 to the property owner to obtain their own appraisal. However, negotiations can continue through this process and could reach resolution prior to the judicial system determination. She added that the incentive to purchase, in lieu of Condemnation, was that the seller would not be required to pay real estate excise tax. Deliberations were held and the following action was taken:

Moved by Lichter, seconded by Knapp, to initiate Condemnation procedures for easements as shown in Attachment A to be used for underground stormwater conveyance. Motion carried unanimously.

2:20 p.m. - A public hearing was held to consider approval of the San Juan County and Friday Harbor Interlocal Agreement. Present: Ron Henrickson, CD&P Director; Pete Rose, County Administrator (CA); Ann Larson, Clerk

to the Council; Lisa Brown, Public Hearings Specialist; and interested members of the public. Mr. Henrickson presented his Staff Report, recommending approval of the agreement. Mr. Henrickson answered the Council's questions. Public testimony was opened, submitted by Nancy DeVaux, Executive Director of the San Juan Island Community Home Trust, and Richard Keefe, Chair of the Housing Bank Commission, citizen, and tax payer, both of whom applauded the County's efforts to see this through. Public testimony was closed. Deliberations were held and the following action was taken:

Moved by Rosenfeld, seconded by Ranker, to approve the Unincorporated UGA Management Agreement between Friday Harbor and SJC. Motion carried unanimously.

DISCUSSION

11:30 a.m. San Juan Island Visitors Bureau (SJIVB)– (Commenced at 11:41 due to time constraints.) Deborah Hopkins introduced her staff, Tanya Marraci, Betty Hendrickson, and Robin Jacobson, and six of the twelve board members present. Ms. Hopkins thanked the Council for their support on behalf of the SJIVB and their 300+ members on the islands. She provided a PowerPoint presentation highlighting the history and growth of the Bureau and results of increased tourism. She reported on media relations highlights; including Ms. Jacobson's work with film production companies and putting together "B" roll footage with Washington State Tourism, press trips, catalogue shoots, etc. She reviewed the Mission Statement and goals, achievements, campaigns, and national and international familiarization (FAM) and publicity efforts. Ms. Hopkins stated that the SJIVB produced 170,000 Visitor's Guides, with the "Leave only footprints" message on the back cover, and a Wedding Planning Guide. She reported that the SJIVB is working on a new website and a Meeting Planning and Facilities Guide is available on-line. She added that the Washington State Scenic Byways Workshop and the NW Aquatic & Marine Educators Association Annual Conference were two upcoming scheduled events. Mr. Ranker asked Ms. Hopkins to advise Amy Windrope, San Juan Initiative (SJI) Project Manager, on this. Mr. Rosenfeld thanked Ms. Hopkins for her presentation and she answered questions from the Council. In response to a request from Mr. Ranker, Ms. Hopkins said she would research information provided by Washington State Tourism to substantiate their claim that the San Juan Islands are one of the top draws for tourism in Washington State. Mr. Myhr, noting that ferry ridership has trended down, asked Ms. Hopkins to consider additional performance measures for evaluating the number of tourists who visit and how to address the shoulder seasons with more beds filled. Ms. Hopkins stated there would be value in employing some mechanism to track visitors/residents through ferry ridership.

COUNTY ADMINISTRATOR COUNCIL BRIEFING

1. Introduction of the Bidding & Purchasing Ordinance – Also present: Karen Vedder, Deputy Prosecuting Attorney. Mr. Rose reported that this draft ordinance had been through the Charter Completion Committee and is now before the Council to review and approve prior to scheduling a Public Hearing in consideration of adoption. Ms. Vedder distributed a flow chart representing the various laws, reviews, and approaches that are considered when executing contracts. She added that her department reviews approximately 4-5 hundred contracts per year and ways to simplify review is absolutely necessary. Charter review amendments have been incorporated into this ordinance as well as the legislative changes to contracting and bidding law that came from the 2007 Legislative Session. She reviewed the ordinance, referencing key points for discussion. Ms. Vedder answered questions from the Council. Discussion took place and the following action was taken:

Moved by Knapp, seconded by Lichter, that the Council introduce this ordinance and schedule it for Public Hearing. Motion carried unanimously.

At the Council's request, Ms. Vedder stated that in preparation for the hearing she would research the Statute on what the County's options are on the small works projects.

2. Rules regarding regular council meetings - Stan Matthews, Communications Program Manager, reported on the Open Public Meetings Act (OPMA) and SJCC Ordinance 21-2007, Rules of Procedure. He provided a thorough overhead review of all areas relating to regular meetings. In the Facts and Findings section of his Staff Report, the SJC Prosecuting Attorney's opinion is that "No action is required to comply with the OPMA . . . The meeting is regular because it is identified in the Council rules to occur every week. That is all that is necessary to make it "regular." Discussion took place and Mr. Matthews answered questions from the Council.

EXECUTIVE/CLOSED SESSIONS

2:00 p.m. (Commenced at 2:40 due to time constraints.) Council Chair Rosenfeld announced that the Council would be holding an **executive session** estimated to last approximately 15 minutes, to discuss potential litigation pursuant to the provisions of RCW 42.30.110(1)(i). Participants: Pete Rose, County Administrator; Jon Shannon, Director Public Works; Randall Gaylord, Prosecuting Attorney. The session ended at 3:00 p.m. for an actual session time of 20 minutes. No action was taken.

ADJOURNMENT - Moved by Knapp, seconded by Peterson, to adjourn the meeting at 3:39 p.m. Motion carried. A Regular Meeting was scheduled for Monday, July 14, 2008, to continue Tuesday, July 15, 2008.

**COUNTY COUNCIL
SAN JUAN COUNTY, WASHINGTON**

Howard Rosenfeld, Chair
District 3, Friday Harbor

ATTEST: Clerk of the Council

Gene Knapp, Vice-Chair
District 5, Orcas East

By: _____
Lisa Brown, Deputy Clerk

Kevin M. M. Ranker, Member
District 1, San Juan South

Rich Peterson, Member
District 2, San Juan North

Alan Lichter, Member
District 4, Orcas West/Waldron

Bob Myhr, Member
District 6, Lopez/Shaw