

**SUMMARY OF THE MINUTES
SAN JUAN COUNTY (SJC), WASHINGTON
COUNTY COUNCIL
AUGUST 7 AND 8, 2006**

Monday, August 7, 2006 - Council Conference Room

CALL TO ORDER

Council Chair Lichter called the meeting to order at 10:00 a.m. Council members Ranker and Myhr; County Administrator, Pete Rose, Prosecuting Attorney, Randall Gaylord; and Clerk to the Council, Carolyn Morrison, were present.

PUBLIC MEETINGS/WORK SESSIONS

10:00 a.m. – The Council met for a weekly Staff Meeting and Council Work Session regarding various business of the County. No action was taken

RECESS - At 11:40 a.m., Council Chair recessed the meeting until 10:00 a.m., Tuesday, August 8, 2006.

Tuesday, August 8, 2006 - Council Hearing Room

CALL TO ORDER

Council Chair Lichter called the meeting to order at 10:00 a.m. Council members Ranker and Myhr; County Administrator Pete Rose; and Clerk to the Council, Carolyn Morrison, were present. The flag salute was conducted.

CITIZEN ACCESS TIME

Judy Gilson Moody – Regarding support for the SJC Ballot Tracking process, having been involved with SJC elections since 1980. She extended her support and respect for the Elections Department staff, and endorsed the Ballot Tracking System in which she has been involved from its installation to its current use.

Tom Munsey – Regarding his objections to the SJC Ballot Tracking process.

Amy Trainer – To extend an invitation to the Council to attend public meetings that have tentatively been scheduled by the Friends of the San Juan Juans for September 14 in the morning at San Juan Island Fire Hall and for 1:00 p.m., on Orcas Island at the Orcas Fire Hall regarding the Snohomish PUD application for the study of tidal energy in SJC.

ANNOUNCEMENTS/SCHEDULE CHANGES

The posted Council Agenda was revised.

APPROVAL OF MINUTES

Moved by Myhr, seconded by Ranker, to approve the minutes of **July 31 and August 1, 2006**. Motion carried.

CONSENT AGENDA

Moved by Ranker, seconded by Myhr, to approve the **Final Consent Agenda of August 8, 2006** as follows:

A. Resolutions/Ordinances:

1. **Resolution 45-2006** - Adopt the resolution accepting the bid for road striping on San Juan, Orcas, Lopez and Shaw Islands at the price of \$79,349.45, strictly per bid specifications, from Specialized Pavement Marking, Inc., as the best and most responsive bid meeting the published specifications submitted at the bid opening held on July 18, 2006.

2. **Resolution 46-2006** – Adopt the resolution authorizing Brendan Cowan, Director and Dave Halloran, Assistant Director of the Department of Emergency Management as agents for SJC for the purpose of applying for Presidential Disaster Declaration FEMA 1641-DR funding for the winter storms of January 27, 2006 through February 4, 2006.

B. Contracts/Agreements:

1. **Agreement No. 06SJ33** - Sign the Interlocal Agreement between SJC and the Town of Friday Harbor (TFH) defining the fixed percentage formula for distribution of CAPRON Funds, allocated by RCW 46.68.080, as ninety percent of funding received to be retained by SJC and ten percent received to be remitted to the TFH, under the terms and conditions as listed therein.

C. Appointments:

1. Approve the reappointment of Cloud McCauley to the SJC Parks Board as representative of San Juan Island to a six-year term beginning immediately and expiring June 30, 2012.
2. Approve the appointment of Lola Deane to the SJC Board of Health as an At Large representative.

D. Correspondence:

1. Sign the letter confirming the reappointment of Cloud McCauley to the SJC Parks Board as representative of San Juan Island.
2. Sign the letter confirming the appointment of Lola Deane to the SJC Board of Health as an At Large representative.
3. Authorize the Chair to sign the letter to Motoko Pleasent, CPA, WA State Auditor's Office, in connection with their audit of financial statements of SJC for the period January 1, 2005 through December 31, 2005.

E. Bid Openings:

1. Approve a Call for Bids for the San Juan County 2 Lane Rural County Roadway Pilot Program, San Juan Island Guardrail Installation, for approximately 3,986 lineal feet of Weathering Steel Beam Guardrail as follows: Roche Harbor Road Curve Guardrail (MP 0.97-1.12); Beaverton Valley Road Guardrail (MP 1.31-1.81); and Beaverton Valley Road Guardrail MP 2-3); in accordance with published specifications, with sealed bids to be received by the County Council until 3:45 p.m., September 12, 2006 and the bid opening to occur precisely at 3:45 p.m. on that date.

Motion Carried.

ACTION AND DISCUSSION ITEMS

MISCELLANEOUS ITEMS:

1. **Snohomish County PUD (SCPUD) Application for a Proposed Tidal Energy Project in SJC** – Present: Randall Gaylord, Prosecuting Attorney, and interested citizens. Councilman Ranker led the discussion by providing additional background information on the application that has been filed with the Federal Energy Regulatory Commission for a feasibility permit. He explained that the SCPUD had sent a letter dated July 27, 2006 informing SJC that they had applied for study permits at seven sites: Deception Pass, Admiralty Inlet, Agate Passage, Rich Passage, Guemes Channel, San Juan Channel (southern entrance) and Spieden Channel. The letter stated they expected a decision on the applications in August or September and that no commitment has been made beyond studying the feasibility of these sites. The letter apologized for not contacting SJC sooner; however, it explained that a number of other parties had expressed interest in the area and they needed to expedite their efforts to meet the deadline for filing due to these competing applications. The letter also stated that SCPUD had not made any commitment beyond the "study of feasibility" applications and would move forward only after careful due diligence and public discussion. Mr. Ranker stated that the SJC Marine Resources Committee (MRC) wrote a letter to the Council dated August 3, 2006, detailing their concerns about the project and impacts to the marine ecosystem. He noted he will meet with the SCPUD Chief Counsel Jeff Kallstrom at 10:00 tomorrow and plans to invite the PUD representatives to present this information to the Council in session, and to the MRC, so that SJC will have more information. He asked Mr. Gaylord for advice on becoming intervenors. Mr. Gaylord explained that the County is alerted by notice to these types of applications under

federal rules. He also explained that the application is only for a study and not for permits to operate. Their application gives them the right to study the feasibility for up to three years. The MRC letter addresses potential impacts to the SJC eco-system which are not now known in SJC. However, those impacts have been identified in other areas. Intervening will allow SJC to have copies of all material that the SCPUD produces which means we do not have to “chase” this information down. Mr. Gaylord also stated that he was confident that SJC can be an intervenor based upon our concern for shorelines and other factors. He said he had received copies of other intervenor applications from similar situations for other law firms and recommended using Stephen DiJulio of Foster Pepper PLLC who has been used for other matters by SJC. Councilman Myhr asked Mr. Gaylord to clarify the jurisdiction SJC has as opposed to state and federal regulations. Mr. Gaylord explained that SJC has been involved for many years with local issues such as jet skis, the Inter-Tanko case (as a party with the State in litigation), and have learned over the years the relationship of the authority of counties as well as the authority of the federal and state governments. There are also exemptions under federal law about the relationship between permits for shoreline projects (such as the recent Georgia Straits Pipeline project). When asked for his comments on applying as an intervenor in the SCPUD issue, Mr. Gaylord stated that there would be a large amount of paperwork that would come into his office which can be unmanageable. He stated that he did not have the personnel to manage this type of project and would need to discuss this with the Council. Mr. Rose added that from an outside perspective, there are issues fundamental to SJC and the Council has almost no choice but to “put your oar in the water.” He suggested having the SCPUD representatives invited to SJC to participate in a discussion along with other interested parties. It was agreed that the list on invitees should include the Port of Friday Harbor, Randy Cornelius from OPALCO, members of the MRC, and Joe Gaydos of the SeaDoc Society. After discussion, the following action was taken: **Moved by Myhr, seconded by Ranker, to request the Prosecuting Attorney to file for intervenor status. Motion carried.** Mr. Myhr added that currently ocean and wind power (and others) are high on a list of renewable energy projects and there are many other tidal/current projects besides those that Mr. Ranker had referenced. One issue is that these renewable projects have periods of time when they do not generate power and so there needs to be supplemental power from traditional sources (fossil fuels). Clerks Note: When a date and location has been set for this multi-agency meeting, it will be announced in the Council’s agenda and by a press release.

2. Agricultural Resource Summit Meeting Funding Request Continued Discussion – Councilman Ranker reported that because of the delay in making a decision on the request for \$1,500 to co-host the next meeting, Skagit County has sent an email that they will host this meeting on their own. In closing, Councilman Myhr declared that SJC will now have the opportunity to host a multi-county summit meeting here in the future.

3. WA State Fish and Wildlife (F&W) Commission Update – Councilman Lichter reported that he recently attended a meeting and that the commission is appointed by the Governor. The Department of F&W has a staff of approximately 1,700 people who work on marine issues, fish matters, hunting, and related topics. There was a lengthy report on the relationship of lead and lead toxicity in WA State and the impacts on fowl and wildlife. Many swans have been found dead. It is presumed that this is related to lead pellets used in shotguns. He stated that he was going to personally undertake research to see if it is possible to make SJC lead free. Once he has concluded his investigation, he will report back to the Council.

4. SJC Health and Community Services Department Food Inspection Process Report – Councilman Lichter related that he scheduled time with Environmental Health Specialist Betsey Wingren, to see how food and restaurant inspections were conducted in SJC and to see the working relationship of the establishments to County personnel. He and Ms. Wingren visited the Rosario Resort and a vegetarian restaurant on Orcas Island. He stated that Ms. Wingren is very professional and that the Executive Chef at Rosario deferred to Ms. Wingren’s expertise in matters of food handling and safety. Similar comments were made at the second establishment. He concluded his report by stating that the County can be very proud of the relationship of our staff with the many establishments.

PUBLIC HEARINGS/MEETINGS/WORK SESSIONS

11:00 a.m. – County Administrator Council Briefing. Also present: Interested public.

1. General Updates – Mr. Rose reported he has been attending many meetings throughout the County and also preparing for the discussion scheduled for this afternoon (space requirements). He stated that the budget calendar is on the computer to be sent out soon and everyone has stated they want a clearer process. There will be policy issues to discuss in the future concerning Public Works Issues. The third public meeting on stormwater issues and government rates will be held today. The Solid Waste Advisory Committee (SWAC) will meet at the Fire Hall on San Juan Island from 7-9 p.m., Thursday, August 10, 2006. Chip seal road work is being performed as scheduled. Pamela Morias has been hired as the new Human Resources Manager for SJC and will join the County this month.

Councilman Ranker asked about the proposal for mandatory curb-side service on San Juan Island being discussed by SWAC because he has been approached by landscapers and other commercial haulers with concerns. He also wanted to be certain that there was better outreach within the community to explain to each neighborhood how this alternative would affect specific areas. Also of concern are those who live in areas where waste trucks cannot navigate certain roads. He mentioned that he had spoken with the consulting firm representative about the possibility of neighborhood meetings during the evening to reach out to most people with the issues facing the County. Mr. Rose stated that he will speak with the management team to discuss if there are other ways to target certain concerns, but noted that landscapers raise additional issues as they have bi-products which can be composted. Tom Munsey, SWAC member, offered to help address some of the questions posed. He stated there were two solutions being discussed. San Juan Sanitation (licensed provider) could pick up very large items once a month curb-side, or the transfer station could be left open to handle these large items on a schedule. For those residents who could not receive actual curb side service because of the condition and/or size of their roads (like Cady Mountain residents), there could be dumpsters placed in central community locations for monthly pickup. He added that only about ten percent of the population on San Juan Island would be inconvenienced with curb-side pickup. Mr. Munsey reiterated that SWAC had previously thought about having an advisory ballot measure so that everyone would understand the issues. Additional information will come forward after the SWAC meeting Thursday evening.

Councilman Ranker asked about the status of the process on the stormwater work. Mr. Rose stated he would be meeting with Jon Shannon, Public Works Director, this week and could bring back a mid-stream report next week.

Councilman Lichter asked how the EDEN Accounting System implementation was progressing. Mr. Rose stated that the Auditor had been on vacation until this week and stated that he had met with management team a couple of weeks ago to inform them there were still problems with the system and that he and his staff are trying to work out these issues. The budgets were late being sent to the departments.

1:30 p.m. - A work session was held regarding space allocations for the Courthouse and the Carlson Building. Present: Available Elected and Appointed Officials, and interested citizens. Council Chair Lichter recapped the prior meeting and asked if there were any comments to be offered from the audience. Mr. Gene Knapp, Council Member elect, asked the Council if they had considered one room with six cubicles. Mr. Lichter asked Mr. Myhr if he wanted to comment on this since he had suggested using partitions to divide the Council offices earlier. Mr. Myhr stated he would rather wait to hear comments from Mr. Rose first. Mr. Ranker agreed but noted that he had spoken with Mr. Rose last week to attempt to put together some numbers to see about paying for a new facility. Mr. Rose then addressed the Council with information as presented in his Memorandum dated August 8, 2006. He began by stating that all the financial information was not yet available. He encouraged a decision based upon information and the goal for periods of time and then outlined the various options if a new building was to be considered including any partnerships. He stated that it appeared that by 2009 there would be approximately \$200,000 of "REET 1" freed up from debt service. And by 2014 most of the existing debt service would be retired. The option of taking an additional ¼ percent "REET 2" still exists; however, this funding is even more restrictive. He had received a copy of a memorandum written by the Prosecuting Attorney from 1999 that had determined at that time it could be imposed without a vote of the people. Mr. Gaylord, Prosecuting Attorney, stated he would review this opinion with current state law. Mr. Rose then noted there were funds remaining on the contract with the space planners for additional work on the remodel of the Carlson Building. He mentioned that the prior week he had stated if you move policy and governance to this building, the Council should build a "smart" hearing room, etc. Mr. Lichter thanked Mr. Rose for his in-depth report.

Mr. Ranker then asked if Jon Shannon, Public Works Director, could share his comments since he had been involved in this issue for some time. Mr. Shannon stated that he thought a policy decision can be made in the spirit of going forward without the "hang up" about money. A partnership with other agencies could work and is possible. He concluded with the statement that much of what is driving the Council is the need for immediate room for new council members and the courts, and it will not work for another ten years. When ready, SJC could liquidate the Annex Building for two million and build. A lengthy discussion ensued concerning time lines, partnerships, and how soon a new building could be built. The answer from Mr. Rose was that it will take a few years to pull together all the aspects of a partnership with the help of a consultant, plus another three years if you have a "yes" from all parties on all aspects of a facility including common areas. The shortest time would be five years with partnerships and one year less if only a County building. Mr. Shannon agreed. Limited partnerships were considered more workable and Mr. Rose noted that the Town of Friday Harbor "owns the height limit and zoning in the town." Mr. Lichter reiterated potential partnerships but concluded that the County would need at

least ten million dollars and more likely eight to ten years to achieve a new building. There are absolute needs at this point. He then offered a new suggestion. In essence, move the Prosecuting Attorney, his staff and the law library to the Carlson Building, place some of the new Council members in the Prosecutor's vacated offices along with the Administrator and staff in the existing law library, and perhaps some of the Council's files. The Council Clerk could move back to her office and a third staff member could be posted as planned. Mr. Ranker stated it was hard to make a decision for the short term without looking to the long term. He asked for clarification on what had been stated earlier concerning debt service. Mr. Myhr wanted additional facts on a clear layout of financing for a \$10,000,000 building in order to know if the County could move forward or not. The Council discussed, without agreement, several options and the lack of being able to make a decision. Mr. Myhr concluded by saying if the County could not finance a new building, then the Council needed to look at the Carlson building and constructing a hearing room, etc. He also stated that he wanted to comment on Mr. Knapp's suggestion adding that he is not convinced that he needs a huge office space. He stated he needed efficient space with a six-foot partition, and would be happy to share his space with another person as this would adequately fit his needs. Mr. Lichter stated he did not believe he could work from a cubicle as there are many confidential conversations and people do not feel comfortable. Mr. Ranker stated that he did not believe it was practical for Council members to share an office as they need a work environment that allows for privacy and uninterrupted work. Mr. Ranker then asked if the County Administrator if it would be possible for him to bring together a group of individuals, including Dave Zeretzke, Administrative Services Director; Mr. Shannon; and Si Stephens, Auditor, to explore financial options for construction of a new administrative building. Mr. Ranker asked that this information be brought back to the Council for their next discussion. He concluded this comment by stating that the Council may have to admit that it is not realistic to undertake this project.

Mr. Rose explained that the County is in the middle of budget submission and that it may take two weeks to gather this information. Mr. Shannon asked to offer additional comments. He told the history of the first request to fund the first Courthouse in 1905. In summary, not much has changed concerning community support. He felt that it was imperative to have community support and that is why the suggestion for partnerships. Mr. Rose concurred that telling the story of the current conditions would give better odds of support for this type of venture. Mr. Lichter stated that we now have a Home Rule Charter which the freeholders told the citizens would be budget neutral and it will not be. He added that the Auditor had already calculated the cost for the coming year will increase by \$300,000 minimum. He did not feel that asking the citizens for 8-10 million dollars with a new tax or bonds would be a pleasant job. Mr. Ranker stated that the Charter is ours and is the law of the land. While there are positives for the community, he added that things will be better after the transition period. Mr. Lichter stated that the Council needed a decision to be made and reiterated that this issue had been studied – for him it would be a very long-term study to determine what we actually need for a new building. He stated that he did not feel an in-house group could give the Council the answers that they need. He again asked for a decision and told Councilman Ranker that if he could not make one, he would consider agreeing with Councilman Myhr to remain in the Courthouse and divide the offices into two shared spaces. More discussion ensued.

A member of the press requested to make a comment as a citizen. Ms. Sharon Kivisto stated waiting for five years is a very long time for County employees to continue to be stuck in situations where they are waiting for another decision. She suggested that the Council move across the street to the Carlson Building, construct a hearing room, and free up space in the Courthouse for people like District Court. This comment led to other comments about the crowded offices that exist in the Annex Building.

Mr. Rose stated that he found the process fascinating. The question again is where the policy and governance function will be located. The records move where this will be located. If that means moving the Council across the street, then you begin to move other administrative functions and "they drop like dominos." If the Council makes a decision, we can come back to you with other ideas and you do not have to do that part. We will bring back designs for the best use of the 9,000 square feet of the Carlson Building but we need a decision. Mr. Ranker asked if the Council agreed to move that all else would fall into place? Mr. Rose stated yes – the Council is the driver. Another hearing room and conference room will be very helpful. But, if you stay here, we all have to put on our thinking caps once again. This is a budget-oriented decision and you (the Council) are the final budget decision makers. Mr. Lichter stated he wanted to continue this discussion until next Monday with anyone Mr. Rose wanted to attend. Mr. Ranker asked for more information on the second REET and other financing options.

Mary Jean Cahail, County Clerk, asked to speak. She stated her frustration and that she remembered going to Board of County Commissioners meetings in the Annex and there was no plan then either. She stated there was a huge list of things required in her office, which included record storage and ADA requirements. She stated that these issues are musts for all departments. She appreciated the efforts that have been made but wanted a

decision. Mr. Myhr asked to get back to the general point on a short-term territorial imperative. The Council requested more information. Because no decision could be reached, the topic was adjourned until Monday, August 14, 2006.

ADJOURNMENT - Council Chair Lichter adjourned the meeting at 2:50 p.m. A special meeting was scheduled for Monday, August 14, 2006, and the next regular meeting was scheduled for Tuesday, August 15, 2006.

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These minutes were approved and signed on August 15, 2006. The original document is retained in the Council's permanent proceedings file dated August 7 and 8, 2006. Attest: Carolyn K. Morrison, Clerk.