

**SUMMARY OF THE MINUTES
SAN JUAN COUNTY (SJC), WASHINGTON
COUNTY COUNCIL
OCTOBER 30 AND 31, 2006**

Monday, October 30, 2006 - Council Conference Room

CALL TO ORDER

Council Chair Lichter called the meeting to order at 10:00 a.m. Council member Myhr; County Administrator, Pete Rose; and the Clerk to the Council, Carolyn Morrison, were present. Councilman Ranker was excused for the entire day due to a prior commitment.

PUBLIC MEETINGS/WORK SESSIONS

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

1:30 p.m. – A work session with the County Administrator and Auditor regarding the 2007 San Juan County Budget. Present: Pete Rose, SJC Administrator; Si Stephens, SJC Auditor; available Elected Officials and Department Heads; and interested citizens. Mr. Rose explained the need to address both the 2007 and 2008 Budgets due to the projects shortfalls. The Auditor noted that there is a “healthy reserve” today even with the anticipated \$400,000 shortfall, but there will be a large “negative” in 2008. Mr. Rose explained the difficulties in producing the new Budget Book with the conversion of Eden software to the publishing software. He and the staff members who have put together the Budget Book are working to identify and correct any problems or errors. The Budget Book will be submitted to an outside agency for a potential award with an added benefit of having this agency critique the work for suggestions for improvement for future years. The Council discussed several accounting issues related to reporting expenditures, solutions for resolving presentation of information, increased personnel costs, retirement cost increases and potential ways that savings may be achieved. A few new program requests were reviewed. Mr. Stephens noted that the issue of the collection of internet sales tax is before the legislators again this session. If it is approved it will increase revenues to the County. Mr. Rose noted that when the Budget is in its final preliminary stage it will be available for public viewing at libraries and other locations. He requested that the Auditor identify the actual Charter costs so that the public and county personnel will have this information. No action was taken.

2:37 p.m. – A work session was held with Matt Zybas, Utility Manager, regarding Stormwater Utility Steering Committee Recommendations and discussion of adoption of new stormwater fees. Also present: Jon Shannon, Public Works Director; Si Stephens, SJC Auditor; Pete Rose, SJC Administrator; Stormwater Steering Committee member Steven Hussey; and interested citizens. Mr. Zybas presented a Power Point slide show of the work the Steering Committee completed and their recommendations to the Council. Printed copies were made available to the Council and audience. After the presentation, the Council discussed the recommendations put forward and made minor suggestions for modifying the mission statement to include maintenance and management and an economic value; modifications to the proposed Advisory Committee to the Stormwater Utility; and minor adjustments to the proposed fee schedule. It was agreed that Mr. Zybas would prepare a draft ordinance for review and consideration to include the suggestions of the Council for a work session on November 14, 2006. At that time the Council will consider moving forward to a public hearing in December of this year.

RECESS - At 4:00 p.m., Council Chair recessed the meeting until 10:00 a.m., Tuesday, October 31, 2006.

Tuesday, October 31, 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

Patricia McKay, owner of Friday Harbor Sand and Gravel – Regarding a request for additional barge landing accessibility and an increase to the current limit of three grandfathered landings per year at the gravel pit property on San Juan Island.

ANNOUNCEMENTS/SCHEDULE CHANGES

1. The posted Council Agenda and Discussion/Other Action Agenda were revised.
2. Two or more Council members may attend the Northwest Straits Commission Conference, to be held at the Rosario Resort on Orcas Island November 3 and 4, 2006.

APPROVAL OF MINUTES

Moved by Ranker, seconded by Myhr, to approve the minutes of **October 23 and 24, 2006**. Motion carried.

CONSENT AGENDA

Moved by Myhr, seconded by Ranker, to approve the **Final Consent Agenda of October 31, 2006** as follows:

A. Appointments:

1. Approve the reappointment of Thomas E. Metke to the San Juan Library Board of Trustees for a five-year term which will expire December 31, 2006.

B. Correspondence:

1. Sign the letter confirming the reappointment of Thomas E. Metke to the San Juan Library Board of Trustees for a five-year term which will expire December 31, 2006.
2. Sign the letter to Chris Brussat thanking him for his service to the Eastsound Design Review Subcommittee as Citizen at Large; and, sign the Certificate of Recognition for his service.
3. Initial the memorandum to all County Departments, Elected Officials and Staff regarding new rules regarding paperwork for Council consideration.

Motion carried.

ACTION AND DISCUSSION ITEMS

ORDINANCES/RESOLUTIONS:

RES. NO. 57-2006 - Moved by Myhr, seconded by Ranker, to adopt the resolution to accept the Statutory Warrantee Deed conveying fifteen percent ownership in the Woodmen Hall property on Lopez Island to San Juan County for the sum of \$54,000 payable to the Senior Services Council from the Capital Improvements Fund, pursuant to the public hearing held on July 18, 2006; and, authorize the County Administrator to sign all documents necessary to effect the purchase of the fifteen percent ownership including any necessary closing documents. Motion carried.

RES. NO. 58-2006 - (Refer to PUBLIC HEARINGS/MEETINGS/WORK SESSIONS, 11:30 a.m., for details of action taken.)

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RES. NO. 61-2006 - (Refer to PUBLIC HEARINGS/MEETINGS/WORK SESSIONS, 11:30 a.m., for details of action taken.)

CONTRACTS/AGREEMENTS:

Acquisition of a Partial Ownership Woodmen Hall, Lopez Island – Present: John Manning, Health and Community Services Director; Joyce Rupp, Community Services Manager; and interested citizens. Councilman Myhr explained the history of this facility being acquired by the seniors on Lopez Island for \$1.00 and the need for

funds to complete the work on the “hall.” Mr. Manning and Ms. Rupp had prepared a memorandum dated October 31, 2006 giving the details of this and other senior centers on San Juan Island and Orcas Island. The Council first adopted Resolution 57-2006 and then took the following action:

Agreement No. 06SJ39 - Moved by Myhr, seconded by Ranker, to sign the Use Agreement between San Juan County and the Senior Services Council of San Juan County, Inc., for the purpose of allocating space in Woodman Hall, Lopez Island, pursuant to the Purchase and Sale Agreement (06SJ40) and the provisions of Resolution 57-2006, effective November 1, 2006 and continuing through the last day of December 2021. Motion carried.

MISCELLANEOUS ITEMS:

1. Discussion Regarding Promotion of Affordable Housing for Median Income Citizens in SJC – – Present: Ms. Nancy DeVaux, affordable housing advocate; available SJC Housing Bank Commission members; Lisa Byers, OPAL Community Land Trust; John Manning, Health and Community Services Director; Joyce Rupp, Community Services Manager; Randall Gaylord, Prosecuting Attorney; Dr. Larry Sol via telephonic communication; and interested citizens. Dr. Sol had sent a written request via email to Council Chair Lichter dated October 12, 2006, regarding proposals for solutions to housing for the SJC workforce and lower-income families pursuant to the defeat of the ballot proposition for a Real Estate Excise Tax (REET). Dr. Sol noted that Whatcom County has a similar program to what is being proposed. He requested that the Council work with the Housing Bank Commission (HBC) to develop language addressing permanence and affordability. Councilman Myhr pointed out the citizens of the County did not pass the REET, and, it was important that the HBC first review alternatives. He acknowledged that he had replied to the email sent by Dr. Sol and copied to the Council. He also asked why rental units were not being considered along with permanent housing. He suggested that open areas and higher buildings are utilized in other parts of the world. Ms. Byers noted that Councilman Ranker had requested that the parties present a request to the Council to give support to the proposals. Ms. Byers also reported that with the median income of a family of four in SJC it translates to being able to afford a \$100,000 house or an apartment of \$750 per month. Mr. Ranker noted that there is a House Bill before the legislators and wanted more information. Councilman Lichter asked about the availability of apartments in SJC and Ms. DeVaux stated that there are 250 units in the Town of Friday Harbor with a 50 percent turn over every two years. The Council discussed what options might be available and then allowed comments. William Agosta, HBC member, stated that Karen Vedder, Deputy Prosecuting Attorney, has offered to work with the HBC and the attorneys that sit on the Commission to come up with what is necessary to move forward. He added that the HBC has no staff and asked what could be done to provide some funding. The Council thanked everyone for their efforts and suggestions and asked that the HBC continue to work on the issue.

2. New Ferry Advisory Coalition Briefing – Present: Ed Sutton and Patricia McKay, SJC Ferry Advisory Committee (FAC) members; and interested citizens. Mr. Sutton reported he had attended a meeting regarding ferry service held in Port Townsend with the City Council and Mike Anderson, CEO of Washington State Ferries (WSF). Councilman Lichter stated that he plans to attend the next meeting. He provided written information for the Council and audience. He related the history of meetings that took place in prior years where the ferry-served counties met together in joint-meetings to discuss ferry service for the region and suggested that similar meetings be set up at least twice a year again. He noted that WSF is invited to the next meeting. Councilman Myhr thanked the FAC for their work in all communities and said that he liked the tone of the meetings described as a cooperative effort working from the “bottom up.” Councilman Ranker noted that he had received communication from several people that that there was a ferry “revolt” and understood that this was not the case. However, he did have feedback that the meeting in Port Townsend was quite not as positive as Mr. Sutton reported. He had spoken to Bob Distler, WA State Transportation Commissioner, and Senator Harriet Spanel, earlier this morning and had promised to keep them and others in the “loop.” The issue of fare box recovery was then discussed as one of the topics that have been brought forth again. The goal of WSF was to have an 80 percent recovery across the region and SJC currently is at 52 percent. He cautioned that the County should be prepared for current fares being doubled at some point and the need to stay in front of the issue. Mr. Rose added that from the perspective of “outside eyes” the legislators and Transportation Commission are the only entities that can change anything so the value is working with this message in the “big picture.” Mr. Sutton concluded his report by stating that the Vashon community agrees that this must be a cooperative effort. The Council thanked Mr. Sutton for the report.

3. Update on the Salmon Recovery Program – Councilman Ranker reported that 100 million dollars has been requested of the Governor for this program for which she has asked for proposals and projects. He noted that for SJC this could involve projects that would run three years. It is not known how much actual funding may be

awarded, however estimated costs have been identified. He concluded the update by stating that SJC will submit a very large capital request and is hopeful that everyone agrees this should be a legislative request for this year.

PUBLIC HEARINGS/MEETINGS/WORK SESSIONS

11:00 a.m. – County Administrator Council Briefing. Also present: Randall Gaylord, Prosecuting Attorney; other available appointed and elected officials; and interested citizens.

1. Discussion of the Process for Developing a Legislative Program for 2007 Session. – Mr. Rose suggested that the Council implement a program to identify issues that will be coming up and seek input from other County departments on matters that will affect SJC. He suggested inviting legislative delegates to visit SJC as well as meeting with them to lobby important issues. The Council discussed their past practice of traveling to Olympia for the annual legislative conference sponsored by the WA State Association of Counties and attention to various bills brought to their attention by staff and elected officials. Councilman Myhr stated he thought it was good to have the County policy developed for the legislative agenda and to ask that Elected Officials be part of this process. He expressed his desire to have full County support for lease funds from the Department of Natural Resources for the Trust Lands Transfer Program to keep Lopez Hill on Lopez Island in public ownership. After discussion, Council Chair Lichter asked Mr. Rose if he would put together a draft legislative policy program noting that there will be six members shortly and this should, ultimately, involve the entire Council. Mr. Rose stated he would identify key issues for the Council before the end of the day.

2. Discussion of Staff-Recommended Approach to Retain and Process Grandfathered, Non-conforming Barge Landings at Jackson Beach on the Former Lafarge Property. – Mr. Rose brought forward the issue of a short-term approach to the use of this property. He presented historical information on the previous use of the barge landing, the objections of the neighbors for many years, and the current status of landings under the Department of Ecology (DOE). Currently three permitted landings are grandfathered in per year. Until a valid Essential Public Facilities Ordinance is in effect as the result of the public process, and updates to the Shoreline Master Program are completed, these three landings would be as identified by DOE and could be divided between Public Works, on behalf of the County, and a lottery for public entities on San Juan Island. Mr. Gaylord stated he agreed with this approach and concurred with the recommendation that the public process be used to mitigate the concerns of the community. Also present were Mike Carlson and Pat McKay, local business owners and former users of the Jackson Beach landing site when owned by Friday Harbor Sand and Gravel. They each were permitted to provide comments. They presented documentation of prior landings at this site which far exceeded the three per year being discussed. Councilman Ranker shared that this has become a regulatory issues and he would like to abide by the ruling of DOE; however, he offered that he was willing to sit down with the Prosecutor and Deputy Prosecutor to gather additional information. He also stated he was in favor of the public process and wanted it to go quickly and to identify the emergency needs of the County as well. The Council and Mr. Rose agreed that it was important for consensus for stakeholders on both sides of this issue. **It was the consensus of the Council to move forward with Mr. Rose's recommendation of three landings per year, reserving the ability to modify this decision if necessary.**

3. Report of September Meeting on a Possible Civic Center Building – Mr. Rose noted he had met with various potential participants in these discussions and most are interested in a joint-civic center with the exception of the Port of Friday Harbor and the Visitor's Bureau. They have agreed that the Friday Harbor Yacht Club works well for them. No actual funding participation was discussed as this process has just begun. The next step is for the Council to discuss a multi-agency approach or a County-only facility. The owner of the Printonix property adjacent to County-owned property in Friday Harbor asked to address the Council. She explained that an appraisal had been done on her property (which she owns with her husband and a partner) several years ago when Tom Huse was the Public Works Director. She stated that she and her partners turned down an offer to sell the property under threat of condemnation. Currently they are working on plans to build business condominium units on the property so that businesses can own their own units. She wanted to know if the County was planning to condemn the property or not so that they can go forward with their plans. Council Chair Lichter stated that this issue would not be discussed today; however, he thanked her for her information and requested that Mr. Rose meet with her for further discussions.

4. Updates – Mr. Rose reported he had attended a Visitors Bureau meeting last week with Councilman Myhr and it went well. Mr. Myhr asked if Mr. Rose would prepare a copy of his notes as an outline of the topics he brings to the Council so that the members could better follow the topics he brings forth.

11:30 a.m. – (Clerk's Note: This item was rescheduled to **1:15 p.m.** due to time constraints.) A public hearing was held to receive testimony regarding the project to be submitted to the Community, Trade and Economic

Development Department for consideration of funding through a Community Development Block Grant Program and increasing the amount of the request; and to adopt resolutions amending Resolutions 103-1992 and 137-1995, adopting methods for addressing complaints and grievances regarding the administration and implementation of Community Development Block Grant funded projects and Americans With Disability Act compliance. Present: Colin Maycock, Community Development and Planning Department representative; Lisa Byers, OPAL Community Development Director; and interested citizens. Printed copies of the “Federal Citizen Participation Requirements for Local Government Applicants to the State CDBG Program” were available in both English and Spanish for the benefit of the public. Mr. Maycock explained the project and recommended reducing the funding amount requested for the application as a lesser amount will be required than originally applied for. The Council asked questions of the applicant and staff which were answered. Public testimony was opened; none submitted, and closed. Deliberations were held and the following action was taken:

Moved by Myhr, seconded by Ranker, to adopt **Resolution 58-2006**, a resolution adopting the Mount Baker Road permanently affordable housing project for submission for consideration for a Community Development Block Grant; initialing the reduced amount of the request; and, designating a Chief administrative officer as set forth therein. Motion carried.

Moved by Myhr, seconded by Ranker, to adopt **Resolution 59-2006**, a resolution adopting San Juan County’s Grievance Procedure in compliance with the Americans with Disabilities Act (ADA). Motion carried.

Moved by Myhr, seconded by Ranker, to adopt **Resolution 60-2006**, a resolution adopting methods for addressing complaints and grievances regarding the administration and implementation of Community Development Block Grant funded projects in San Juan County. Motion carried.

Mr. Maycock stated that there was one additional resolution for consideration of the Council; however, it required approval of the Prosecuting Attorney. After discussion, it was the consensus of the Council to continue the hearing for one and a half hours in order to obtain the required approval. At 2:50 p.m., the hearing resumed and the fourth resolution was presented. After deliberations, the following action was taken:

Moved by Ranker, seconded by Myhr, to adopt **Resolution 61-2006**, a resolution adopting the required Title VI Certification, Mount Baker Road Permanently Affordable Housing Project Community Development Block Grant application. Motion carried.

1:30 p.m. - A work session was held for presentation of the proposed San Juan County 2007 Budget for the Health and Community Services Group consisting of the Personal Health Services, Environmental Health, and Community Services and the Housing Bank Commission. Present: John Manning, Health and Community Services Director; Joyce Rupp, Community Services Manager; and JoAnne Campbell, Personal Health Services Manager, and interested citizens. Mr. Manning presented the proposed budget, enhanced program requests (which included new personnel), proposed fee increased which will be presented to the SJC Board of Health in the future, and answered the questions of the Council. No action was taken.

2:45 p.m. - A work session was held for presentation of the proposed San Juan County 2007 Budget for the Community Development and Planning Department (CDPD). Present: Ron Henrickson, CDPD Director, and interested citizens. Mr. Henrickson recapped his tenure with CDPD and the growth of the department. He noted that a proposed increase in revenue fees for next year could allow CDPD to pay for itself. He outlined his budget, presented the new programs requests which included additional personnel, and the cost of continuing to work with Public Works on a contract basis for the GIS program assistance they can provide. He then proposed that the Council consider adoption of the International Code Council Valuation Table. This is used by the majority of counties and cities in WA and provides for greater consistency in building valuations. The existing ordinance authorizes the Building Official to implement this. However, he and Mr. Rose wanted the Council to agree with the proposal. He then explained that in doing this, the County would have to consider abolishing the Owner Builder Code which was brought about for counties under 10,000 in population in 1988. This code was under the Unified Building Code which is outdated. A lengthy discussion ensued concerning the cost of living in SJC, the cost of construction, and the benefit to many citizens of retaining the Owner Builder Code. Mr. Henrickson stated that in his opinion it was in the best interest of the County that the code be abolished. The Council asked if the existing code could be amended. Mr. Henrickson stated that it could not and noted that the matter had been discussed with the Prosecuting Attorney. Chair Lichter allowed comments concerning this one issue. After

discussion, the Council stated they were not willing to consider this proposal at this time and asked for specific statistics on this type of building construction for further review. No action was taken.

4:15 p.m. - A work session was held for presentation of the proposed San Juan County 2007 Budget for the WSU County Extension Agent and related programs. Present: Tom Schultz, WSU Extension Agent who gave a Power Point presentation accompanied by a duplicate printout. He gave the history of the program in SJC and the achievements of the program through the years. He presented his budget requests, new program requests including additional personnel hours, and answered the questions of the Council. No action was taken.

ADJOURNMENT - At 4:52 p.m. Chair Lichter adjourned the meeting. A special meeting was scheduled for Monday, November 6, 2006, and the next regular meeting was scheduled for Tuesday, November 7, 2006.

These minutes were approved and signed on November 7, 2006. The original document is retained in the Council permanent proceedings file dated October 30 and 31, 2006. Attest: Carolyn K. Morrison, Clerk.