

**ISLAND COUNTY COMMISSIONERS - MINUTES OF MEETING
REGULAR SESSION - APRIL 15, 2002**

The Board of Island County Commissioners (including Diking Improvement District #4) met in Regular Session on 15 April 2002 at 9:30 a.m., Island County Courthouse Annex, Hearing Room, Coupeville, Wa., with Mike Shelton, Chairman, Wm. L. McDowell, Member, and William F. Thorn, Member, present.

VOUCHERS AND PAYMENT OF BILLS

Vouchers/warrants approved for payment by unanimous motion of the Board:

Voucher (War.) #122229-122501.....\$385,926.74.
Veteran's Assistance Claims/Vouchers: V2-6 \$1,479.42; V2-7 \$2,322.62.

HIRING REQUESTS & PERSONNEL ACTIONS

The Board by unanimous motion, approved the following personnel action authorizations:

Dept.	PAA #	Description	Position #	Action	Eff. Date
Sheriff	024/02	Sergeant	4012.07	Personnel	5/1/02
Health	025/02	Env. Health Spec	207.02	Replacement	4/15/02
Maintenance	026/02	Custodian .5 fte	901.03	Replacement	4/15/02

ISLAND COUNTY WATER RESOURCE ADVISORY COMMITTEE

By unanimous motion, the Board made the following reappointments to the Water Resource Advisory Committee (WRAC) for four year terms to May 17, 2006: Sego Jackson, Clinton; Greg Cane, Oak Harbor; and Barbara Brock, Camano Island.

DEPARTMENT OF HEALTH CONTRACT #C08645, AMENDMENT 5

Department of Health Contract #C08645, Amendment 5, the Consolidated Contract for 2001-2002, Amendment Amount \$4,525.00 [RM-HLTH-02-0029] as approved by the Board of Health on March 18, 2002 was approved by unanimous motion of the Board.

CLAIM FOR DAMAGES R02-008CD PUGET SOUND ENERGY

Betty Kemp, Director, GSA/Risk Manager, recommended approval of Claim for Damages #R02-008CD by Puget Sound Energy in the amount of \$2,503.88 for damages caused on January 30, 2002 by County dump truck with snow plow backing into a down guy wire, broke pole and dropped lines. The County Engineer, after investigation, also recommends the claim be paid.

By unanimous motion, the Board approved Claim for Damages #R02-008CD by Puget Sound Energy in the amount of \$2,503.88.

CLAIM FOR DAMAGES R02-009CD, WARREN D. SMITH

Ms. Kemp recommended approval of Claim for Damages R02-009CD by Warren D. Smith in the amount of \$1,682.55 for damages caused by County truck backing into Claimant's vehicle. The County Engineer investigated and recommends approval of the Claim.

By unanimous motion the Board approved Claim for Damages R02-009CD by Warren D. Smith on April 1, 2002 in the amount of \$1,682.55.

With respect to both incidents involving County truck backing up, the Commissioners expressed concern and asked Ms. Kemp to look further into the incidents and make a recommendation whether or not further action may be appropriate and/or discussion at Staff Session about procedure/policy.

GRANT APPLICATION APPROVAL FOR SARATOGA WOODS PROJECT

Lee McFarland, Assistant Director, GSA, presented Grant Application [02-1058D] Authorization Form related to a grant application for Saratoga Woods Preserve Development in the total amount of \$78,750.00. Island County's match is \$10,000 to be available July, 2003, from the Parks development portion of the REET Fund identified in the 2003 Capital Improvement Plan. The Friends of Saratoga will raise \$15,750 in cash plus \$13,625 in donated labor and materials. The project consists of removing invasive species and replacement with native vegetation to stabilize the bluff, safety fencing, stairway, scenic overlook, picnic area and interpretive kiosk, parking area, trailhead with information kiosk, primitive restroom facility, signage and trail development.

By unanimous motion, the Board approved and authorized the Chairman's signature on Grant Application Authorization Form No. 02-1058D in the total amount of \$78,750.00, with Island County's match next year to be in the amount of \$10,000 if grant is approved.

AWARD OF BID FOR COUNTY LEGAL NEWSPAPER PER RCW 36.72.075

Island County Auditor, Suzanne Sinclair, appeared before the Board with regard to the annual award of bid for Official County Newspaper as provided in R.C.W. 36.72.075 for the term of one year beginning July 1st. Ms. Sinclair confirmed bid call was advertised, in addition to individual letters having been sent to all newspapers published in Island County soliciting bids. Only one bid was received from Whidbey News Paper Group providing the rate of \$9.15 per inch per insertion, and does not specify a different rate between first insertion and second/additional insertions, nor does it break out different costs for advertisement in Whidbey News Times or South Whidbey Record as in past years.

The Board by unanimous motion accepted the bid from Whidbey News Group with Whidbey News Times designated as the official County newspaper for the term of one year beginning July 1st, continuing to follow past practice that when there is an issue that affects South Whidbey, Camano Island or Coupeville, there will also be an advertisement in the appropriate paper in addition to publication in the Whidbey News Times as the legal paper of record.

PETITION FOR VACATION OF COUNTY ROAD RIGHT-OF-WAY PORTION OF EAST CAMANO DRIVE

Petition for Vacation submitted by Port Susan Investment Company for vacation of a portion of East Camano Drive located in Section 18, Township 31 North, Range 3 E, Camano Island, was referred by unanimous motion of the Board to the County Engineer for processing.

As described by Bill Oakes, Public Works Director, request involves property that fronts lots on the west side of East Camano Drive that have an underlying 40' wide easement for an old survey alignment for the centerline of East Camano Drive, just to the west side of East Camano drive along the front of the Thunder Ridge subdivision.

BOND FOR BRENTWOOD HOMEOWNERS' ASSOCIATION/SEA-AIR LAND DEVELOPMENT/CASCADE REGIONAL EYE CENTER, INC.; BRENTWOOD PRD

Mr. Oakes recommended acceptance of the United States Fidelity Guaranty Company bond in the amount of \$84,778.35 for Brentwood Homeowners' Association/Sea-Air Land Development/Cascade Regional Eye Center, Inc. for the Brentwood PRD for a mitigation proposal for Island County conditions of approval of a Large On-Site Sewage System [LOSS]. The property is located off North Camano Drive on Camano Island.

Keith Higman, Environmental Health Director, confirmed that the amount of the bond was adequate. The bond has come forward in response to mitigation measures approved by the Board of Health. The bond requirement is for the life of the on-site system and the length of the bond was also a matter approved through the Board of Health. A process has been coordinated with the State Department of Health that requires renewal of an annual bond linked to the issuance of the operation permit for the LOSS which is also issued annually by StateDOH. The Island County Health Department will provide any necessary comments on review of the bond renewal in the future.

By unanimous motion, the Board accepted the United States Fidelity Guaranty Company bond in the amount of \$84,778.35 for Brentwood Homeowners' Association/Sea-Air Land Development/Cascade Regional Eye Center, Inc. for the Brentwood PRD for a mitigation proposal for Island County conditions of approval of a Large On-Site Sewage System [LOSS].

RESOLUTION #C-31-02/SW-01-02 – AUTHORIZING PROCUREMENT OF GENERAL SERVICES FOR RECYCLE SERVICES - NORTH & CENTRAL WHIDBEY ISLAND

Jerry Mingo, Recycle & Hazardous Waste Coordinator, presented for approval Resolution #C-31-02/SW-01-02 to authorize the procurement of general services for Recycle Services: Transportation and Processing of Recyclables collected at Oak Harbor Drop Box Station & Recycle Park, the Island County Solid Waste Complex at Coupeville, North and Central Whidbey Public Schools and North and Central Whidbey County Offices. Mr. Oakes did not expect there would a large increase in the fees as a result of including the schools.

By unanimous motion the Board approved Resolution #C-31-02/SW-01-02 In the Matter of Authorizing Procurement of General Services for Recycle Services as presented.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF ISLAND COUNTY, WASHINGTON**

IN THE MATTER OF AUTHORIZING	}	
PROCUREMENT OF GENERAL	}	RESOLUTION NO. C-31-02
SERVICES	}	
	}	
Recycle Services: Transportation and	}	RESOLUTION NO. SW-01-02
Processing of Recyclables Collected at	}	
Oak Harbor Drop Box Station & Recycle	}	
Park, the Island County Solid Waste	}	
Complex at Coupeville, North and Central	}	
Whidbey Public Schools, and North and	}	
Central Whidbey County offices	}	

WHEREAS, recycling is a priority above waste disposal in the approved Island County Comprehensive Solid Waste Management Plan, and

WHEREAS, recycle centers or drop-off boxes are required at conveniently located transfer stations per RCW 70.95.090(7)(b)(i), and

WHEREAS, funds are available in the Solid Waste FUND for the transportation and processing of recyclables collected at Island County Solid Waste facilities, and

WHEREAS, the current contract for said services expires June 30th, 2002, and

WHEREAS, a one-year contract extension was offered to, and declined by the current service provider,

NOW, THEREFORE, BE IT HEREBY RESOLVED that the attached Terms & Conditions and Scope of Work is approved as written and that Director of Public Works and/or the Solid Waste Manager is authorized and directed to

solicit competitive proposals to provide Island County with said services.

ADOPTED this 15 day of April, 2002.

**BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON**

Mike Shelton, Chair
Wm. L. McDowell, Member
William F. Thorn, Member

ATTEST:

Elaine Marlow, Clerk of the Board

FRANCHISE HEARINGS HELD

As advertised for 10:20 a.m., a public hearing was held on three franchise applications:

Franchise #85(1)R, renewal of Franchise for Patton's Hide-Away Water Co. Inc., for an existing water distribution system in the Plat of Patton's Hide-Away, Divisions 1, 2 and 3, Sec 13, Twp. 32N, Rge. 1W and Sec. 18, Twp. 32N, Rge. 1E.

Franchise #182(2), Harbor Hills Water Company, LLC, transfer from Franchise #182(1) – Harbor Hills Community Water; existing water distribution system, Plats of Holmes Harbor Golf & Yacht Club, Bradshaw's Addition and Bar Harbor; Sec. 3, Twp. 29N, Rge. 2E and Sec. 34, Twp. 30N, Rge. 2E. [this franchise supersedes and consolidates Frnachises #126, #168, #182 and #182(2)]

Franchise #32 by Wendy Frederick Smith for a new water distribution system, Maxwelton Road and Swede Hill Road, Whidbey Island; Sec. 5, Twp. 28N, Rge. 3E and Sec. 4, Twp. 28N, Rge. 3E.

By way of memorandum dated 3/14/02 for franchise renewal application Franchise #85(1)R, Patton's Hide-Away Water Co. Inc, Dick Snyder, County Engineer, recommended approval and reported that the application for renewal had been reviewed; there were no plans for expansion of current system; that all departments requested to comment had responded with no objection to the proposal; and that the Prosecuting Attorney's Office reviewed and approved the document as to form and also had been reviewed and approved by the Risk Manager. Memorandum dated 3/25/02 for franchise transfer and consolidation related to Harbor Hills Water Company, LLC, also recommended approval by the Engineer, reporting the application had been reviewed, there were no plans for expansion of current system; that all departments requested to comment had responded with no objection to the proposal; and that the Prosecuting Attorney's Office reviewed and approved the document as to form as had the Risk Manager. Memorandum dated 3/28/02 for a new franchise by Wendy Smith covering a new water distribution system was also recommended for approval by the Engineer, reporting that the application had been reviewed, all departments requested to comment had responded with no objection to the proposal; the Prosecuting Attorney's Office reviewed and approved the document as to form, and the Risk Manager had also approved the document.

At the time of hearing when the Chairman asked for comments from the public, no one spoke either for or against any of the franchise applications.

By unanimous motion, the Board approved Franchise #85(1)R, Patton's Hide-Away Water Co. Inc.; Franchise #182(2), Harbor Hills Water Company, LLC; and Franchise #32, Wendy Frederick Smith, new water distribution system.

**DECISION ANNOUNCED: APPEAL #APP 083/02 BY GERALD STEEL FOR CAMERON-WOODARD
HOMEOWNERS ASSOCIATION**

On April 1, 2002, the Board heard Appeal #APP 083/02 by Gerald Steel for Cameron-Woodard Homeowners Association, appealing the Hearing Examiner decision regarding PLP 183/00, seeking to reverse the Hearing Examiner's decision and deny application PLP 183/00. As indicated by the Chairman at the end of the appeal hearing, the Board's decision was to be announced at public meeting within 14 days, April 15, 2002, based on the record of the Hearing Examiner's hearing and applicable laws and include the vote of individual Commissioners and a brief

statement as to the basis for the decision. The Commissioners individually provided their decision and statement as follows:

Commissioner William F. Thorn - Decision and Statement:

#APP 083/02 by Gerald Steel for Cameron-Woodard Homeowners Association, appealing the Hearing Examiner decision regarding PLP 183/00, sought to reverse the Hearing Examiner's decision and deny application PLP 183/00.

1. The appeal before the Board of Island County Commissioners held on April 1, 2002 was based on a closed record.
2. The burden is on the appellant to show that either:
 - a. The Hearing Examiners decision was not supported by substantial evidence, or
 - b. The Hearing Examiner made an error of law
3. The issue is whether the Preliminary Long Subdivision Application (a Type III decision) was vested on June 27, 2000 when submitted.
4. Under RCW 58.17.033, an application shall be considered under the zoning and other land use regulations in effect at the time a fully completed application is submitted to the County. All applications since Sept. 29, 1998 such as the one at hand have been processed in accordance with this State law.
5. ICC 16.19.080B Notice of Complete Application states that, "except as provided in C below, within 14 days following receipt of a land use permit application, the Department (i.e., Planning and Community Development) shall mail a written notice to the applicant that the application is either complete or incomplete."
6. ICC 16.19.080F states that "The Department's signing a completed application at a scheduled application meeting or the Department's mailing of a notice of complete application as provided above, or the failure of the Department to mail such notice shall cause an application to be conclusively deemed to be complete and vested as provided in this chapter."
7. Thus the notice may be given at the time of the application submittal, based on the completion and signing of the Application Requirements Checklist, or it may be later determined and, in either case, notice provided within 14 days following receipt of the application.
8. The determination of completeness and the notice of same are two separate events and may be signified by signing the application followed by a mailed notice or simply by a timely mailed notice of completeness.
9. Acceptance of payment of the application fees is an additional testimony that an application is complete and accepted.
10. The application checklist was completed and signed, the applicant was advised the application was complete and accepted on June 27th, 2000 and payment of the fees was made on the same date.
11. The original ICC 16.19.110A in effect on June 27, 2000 stated that "Applications for Type I, II, and III decisions shall be considered under the zoning and other development regulations in effect on the date a notice of complete application is mailed or notice of completion is given at the application meeting scheduled pursuant to this chapter." Subsequent revision/clarification did not change this but added " Applications for subdivisions and short subdivisions shall be considered under Chapter 16.06 ICC and the zoning and other development regulations that are in effect at the time a fully completed application for preliminary plat approval or short plat approval is submitted to the Department. This regulation applies to all subdivision and short subdivision applications submitted to Island County on or after September 29, 1998, the effective date of this section."
12. The Hearing Examiner's decision is upheld and the appeal is denied based on the facts that 1. sufficient substantial evidence was in the record at the time of his decision and 2. no error of law was made.
13. I have had no communication with the parties to this appeal during the pendency of Cameron-Woodard's appeal of

the Hearing Examiner's decision before the Board of Island County Commissioners.

William F. Thorn
Island County Commissioner
District #3
April 15, 2002

Commissioner Wm. L. McDowell – Decision and Statement

STATEMENT REGARDING APPEAL #083/02 BY CAMERON-WOODARD HOMEOWNERS ASSOCIATION, AN APPEAL OF THE HEARING EXAMINER'S DECISION DATED 2/15/02 HEARD BY THE BOARD ON 4/1/02

Cameron-Woodard Homeowners Association, through their agent Gerald Steel, filed an appeal seeking to overturn the Island County Hearing Examiner's decision to approve PLP 183/00. The appeal dated February 28, 2002 was received by the Board of Island County Commissioners on March 1, 2002 and was heard on April 1, 2002.

In his written statement of appeal, Mr. Steel offered reasons why this appeal should be approved. The first reason was that the Hearing Examiner relied upon an ordinance (Ordinance No. C-159-01) that Mr. Steel claims is an illegal ordinance. The second reason he states for reversing the Hearing Examiner's decision is that the Examiner wrongly states on Page 10, Paragraph D of the Hearing Examiner's decision that "No further analysis of the material submitted by Swan on June 27th was undertaken by Island County Planning and Community Development staff prior to the mailing of the Notice of Complete Application.". A third issue was that the Hearing Examiner erred by his statement on Page 14 of the decision that he has limited jurisdiction and is only allowed to "interpret and implement County ordinances".

As to the first issue regarding an illegal County Code, I find there is no evidence either in State Law, County law or on the record that would indicate there is anything illegal regarding County Ordinance No. C-159-01. As a County Commissioner I do not believe the County has the ability to take away a right given to its citizens by State law. Specifically, R.C.W. 58.17.033 indicates the date of vesting would be the submittal date which was June 27, 2000. Clearly, the Board of Island County Commissioners not only has the ability but in my opinion based upon my oath to uphold State law, the duty to correct any county code that violates State law.

The second issue the appeal raises regarding analysis after June 27, 2002, does not seem to have any bearing on this case. The record clearly shows that a check list was completed on June 27, 2000 indicating that all application requirements had been submitted. No party to the appeal disputed this check list that was part of the record. This check list is the method by which the County uses to determine if an application is complete. In this case, the check list was made out and stamped June 27, 2000; therefore, the record is clear the application was complete on that date. To clarify any misunderstandings by the parties, let me say that work is done on the merits of the application long after an application is complete. The determination of completeness relates only to the issue of whether all required materials for an application are in fact submitted. The accuracy, correctness or even the need for additional information beyond that which is initially requested comes at a later date as the application goes through the process.

The third issue regarding the Appellant's claim the Examiner erred on his statement regarding his limited jurisdiction is not supported by either evidence given at the hearing or on the record. The Hearing Examiner correctly made his decision.

My decision is to deny this appeal.

The last issue I would like to address, although technically is not part of this appeal, is the claim by Mr. Steel that somehow the Board has violated the Appearance of Fairness Act by ex parte communications. For myself, I will address that claim by stating that I have had no ex parte communications with any parties to this appeal during its pendency before the Board of Island County Commissioners.

Wm. L. McDowell
Island County Commissioner
April 15, 2002

Commissioner Mike Shelton – Decision and Statement**APPEAL 083/02**

Appeal #APP 083/02 was brought by the Cameron-Woodard Homeowners Association and seeks to reverse the Hearing Examiner's decision dated February 15, 2002 and deny application PLP 183/00.

DECISION

The question to be answered is when an application vests. Swan Enterprises delivered their application and Island County accepted the application on June 27, 2000. On July 10, 2000, the County sent notice to Swan Enterprises that their application was complete. Under the Land Use Code of Island County, the notice of complete application, July 10, 2000, was the vesting date.

On July 1, 2000, the Land Use Code in Island County changed. Prior to July 1, 2000, the subdivision proposed was possible. After July 1, 2000, because of the change in density requirements for the subject property in the newly adopted Land Use Code, the application was not possible.

The Island County Code stated that an application vested with the notice of complete application (July 10, 2000). This section of the Island County Code is in conflict with R.C.W. 58.17.033 which states that a complete application is vested on the date it is submitted to the County (June 27, 2000).

Island County adopted Ordinance No. C-159-01 to conform Island County's vesting regulation to State law. Ordinance No. C-159-01 was given retroactive effect to remedy the procedural error created by Island County's conflict with State vesting requirements for subdivisions of land. Regardless of whether Island County had adopted Ordinance No. C-159-01, this subdivision was vested under R.C.W. 58.17.033 as of June 27, 2000, the date the complete application was submitted to Island County.

The appeal is denied.

I have had one communication with Jerry Morrison that took place on April 2, 2002. I have disclosed the substance of the communication to the parties to the appeal. The conversation was very brief and only touched on the tenor of the hearing on April 1. We did not discuss the merits of the appeal.

Does any party desire an opportunity to rebut the substance of this communication?

MIKE SHELTON, MEMBER
BOARD OF COUNTY COMMISSIONERS
DATE: April 15, 2002

No one in the audience responded to Commissioner Shelton's question about rebutting the substance of his communication with Jerry Morrison.

As outlined in the Board's Procedure to Hear Closed Record Appeals, Item #9, Chairman Shelton directed the Planning Director to prepare a written decision for the Board's signature at next Monday's meeting.

RESOLUTION #C-32 -02/PLG-008-02 AMENDING SERVICE AREAS FOR SEAWEST SERVICES ASSOCIATION WATER SYSTEM AND SIERRA WATER SYSTEM & INCORPORATING THE REVISED SERVICE AREA INTO THE CWSP

Joe Burcar, Assistant Planner/GIS presented Resolution #C-32-02/PLG-008-02 Amending the Service Areas for the Seawest Services Association Water System and the Sierra Water System and incorporating the revised Service Area into the Coordinated Water System Plan (CWSP).

Subject parcels are currently located within the Sierra Water System boundary. Lot 36 has an existing Sierra water meter on the parcel. Sierra Water System cannot provide service in a timely manner to combined lots 34 and 35.

Property owner of 36 and 37 has agreed to transfer existing water meter to combined lots 34 and 35. Essentially this resolution provides that Lots 36 and 37 will be served by Seawest in order for Sierra Water system to provide water to lots 34 and 35.

By unanimous motion, the Board approved Resolution #C-32-02/PLG-008-02 Amending the Service Areas for the Seawest Services Association Water System and the Sierra Water System and incorporating the revised Service Area into the CWSP as presented.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF ISLAND COUNTY, WASHINGTON**

IN THE MATTER OF AMENDING THE)	
SERVICE AREAS FOR THE SEAWEST)	RESOLUTION C-32-02
SERVICES ASSOCIATION WATER)	PLG-008-02
SYSTEM AND THE SIERRA WATER)	
SYSTEM AND INCORPORATING THE)	
REVISED SERVICE AREA INTO THE)	
<u>COORDINATED WATER SYSTEM PLAN.</u>)	

WHEREAS, combined parcels S8160-03-19037-0 and S8160-03-19036-0 and combined parcels S8160-03-19034-0 and S8160-03-19035-0 are currently located within the service area of the Sierra Water System; and

WHEREAS, a Seawest Services Association water meter is located on parcel S8160-03-19037-0, has allocated a water share to serve the combined parcels and has been assessing a residential water rates to this meter for the past nine years; and

WHEREAS, a Sierra Water System water meter is located on parcel S8160-03-19036-0; and

WHEREAS, the Sierra Water System has indicated that they are unable to provide water in a timely fashion to combined parcels S8160-03-19034-0 and S8160-03-19035; and

WHEREAS, the property owner of combined parcels S8160-03-19036-0 and S8160-03-19037-0 is willing to transfer the existing Sierra water meter to combined parcels S8160-03-19034-0 and S8160-03-19035-0 so that the Sierra water system may provide water to these lots; and

WHEREAS, pursuant to WAC 197-11-800(4)(b) appropriations of 2,250 gallons per minute or less of ground water are exempt from SEPA review, **NOW, THEREFORE**,

BE IT RESOLVED by the Board of Island County Commissioners that the service area of the Seawest Services Association water system is expanded to include combined parcels S8160-03-19036-0 and S8160-03-19037-0, and the service area for the Sierra Community Club water system is reduced to exclude these parcels, attached hereto as Exhibit A, is hereby incorporated into the Island County Coordinated Water System Plan.

APPROVED AND ADOPTED this 15 day of April, 2002.

**BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON**

Mike Shelton, Chairman
William F. Thorn, Member
Wm. L. McDowell, Member

ATTEST: Elaine Marlow, Clerk of the Board

MONTHLY FINANCIAL REPORTS FROM AUDITOR & TREASURER

Auditor's Report. The Auditor's written monthly financial report for the period ending March, 2002, was submitted by Suzanne Sinclair. Nothing unusual or of particular concern was evident in the report. The Auditor's O&M Fund is considerably over budget expenditure wise, but is due to an invoice for CHRIS System installation anticipated in 2001

but actually paid in 2002. Cost for that system is pretty much on target, other than the addition of a station for Minutes Plus in the Budget Director/Clerk of Board's Office.

Treasurer's Report. Maxine Sauter, Island County Treasurer, summarized from her written monthly financial report for the period ending March, 2002 provided under cover memorandum dated April 5, 2002. Sales tax is running about \$10,000 to \$11,000 more than anticipated as is shown on her cash report for this period. She anticipates that investment interest will come in over what was anticipated this year by \$337,000.

The Commissioners noted some follow-up/review was needed in order to explain the difference between the two reports on local sales tax: The Auditor's report shows 18% while the Treasurer's report reflects a figure of about 25%.

BUDGET WORKSHOP

Budget workshop began at 1:30 p.m. to review and discuss how the budget shortfall for 2003 can be addressed within individual departmental budgets. These workshops are preliminary only and no decisions made. Scheduled today were: Maintenance, Central Services, and District court. The Budget Director, and several Elected Officials, Appointed Department Heads and staff attended.

Maintenance

Presentation by: Paul Messner

Hand-out: Power Point Presentation: Facilities, Organization and

Budget of the Maintenance & Custodial Department

12 Employees; 29 Buildings maintained totaling 164,404 sq. ft. Map provided showed the location of the various facilities, photographs provided for some of the buildings and uses of the various facilities described. Organization chart included showed the 12 positions, with summary of duties and responsibilities of each position. Workload listed in terms of what is felt most important along with secondary duties. A routine preventative maintenance schedule has been established, along with routine checking of equipment. Responsibilities for preventative and immediate maintenance of all the buildings done by the three maintenance techs reviewed with a video shown to view some of the areas not usually accessed by others, such as mechanical room in the jail, the different styles of locks in the jail, heating and cooling systems and controls, etc. When one custodian is ill or on vacation vacuuming and other custodial duties take a back-seat; impact of two custodians being absent is overwhelming and impossible to manage for more than one day. The only requirement placed by fire code is that trash be picked up daily.

The Maintenance Budget was reviewed and a pie chart was used to depict the various expenditures, the totals are: Salaries & Wages \$513,686; Maintenance & Operation \$269,634. A reduction in budget by 11% would equal \$86,165. M&O is already at a bare bones level of which \$163,450 is spent on utilities. Cutting M&O further would not be feasible. As to potential for contracting cleaning of the facilities, Mr. Messner found that it would not save money, in fact, on average would cost \$6.50 per sq. ft. The County actually saves by having a custodial staff. The only place left to cut the \$86,165 would be from Salaries and Wages.

The Commissioners discussed with Mr. Messner the custodial workload and what it takes for the other off site facilities, and the workload of the maintenance techs. An 11% cut, for example, could equate to two full time positions. Contracting out was further discussed as it relates to the heating and cooling systems, and roof repair/replacement.

Central Services/Telecommunications

Presentation by: Cathy Caryl and Diana Vaughan

Hand-out: Budget Memo and Graph Depicting Central Services Current Expense
Budget for 2002 and Proposed Changes for 2003

Central Services supports and provides technical expertise for:

Computers/laptops	388
Phone extensions	450
Individual phone lines/LAN connections	190
County entities [on/off campus]	36
Hosted or supported software programs	88
Average mailings/mo.	23,000
Average cost postage/mo.	\$10,000

Cost savings already instituted

SCAN as primary long distance provider at .07 cents
 rebuild/maintain laser printers
 connection to Department of Information Services
 District court video conferencing connection transmitted via Internet
 some in-house repair on phones and external parts of that switch
 absorbed telecommunications position lost last year through Diana Vaughan

Recommended Cost Savings:

Cut all long distance calls other than SCAN
 Use SCAN cards when traveling
 Use post cards for as many mailings as possible
 Take FEDEX mailings to the Post Office drop box
 Use bar-coded addressing [savings alone for tax statements could be up to \$3,000]
 Do cost comparison on outside delivery services; mandate one delivery service.

Potential Budget Cuts 2003 Central Services Current Expense Budget. M&O cuts outlined totaled \$25,850 representing a 2.50% cut. Any further cuts would have to come from S/W/B and no specifics were presented at this point in time. For future discussion, if necessary, would be to consider the possibility of eliminating the switchboard (\$24,000) and mail room (\$21,000). To upgrade servers, there is a cost of around \$25,000 and can reduce the budget amount from \$44,000 to \$25,000 [separate and apart from the equipment budget]. Another option is to cut the reserve fund line item in the Central Services budget by half. Will continue to look at other potential cuts.

Potential Budget Cuts 2003 Telecommunications. Proposed cuts total \$7,102 or 8%. There will be first class and standard mail fee cost increase that has to be recognized. The trunk line for E911 system will go up next year.

The Commissioners discussed the desire to have interactive communication with Camano Island and Ms. Caryl mentioned that she spoke to the Verizon representative this morning and is obtaining information on that subject. Commissioner Thorn believes the most cost effective setup is what is needed now to get it started.

Importance stressed that everyone needs to use the SCAN line for long distance; the rate is 7 cents per minute compared to regular long distance between 10 and 12 cents per minute. Some employees still use long distance on a regular basis for information, and then have information dial those calls. Ms. Caryl recommends cutting all long distance other than SCAN which will force everyone to use SCAN.

District Court and District Court Probation

Presentation: Peter Strow, District court Judge; Maggie Paczkowski, Court Administrator; Karen Lewis, Probation Supervisor
 Hand-Out: Overview and Options; Revenue Comparisons; 3-year filing comparison

Judge Strow reviewed impacts of an 11% reduction for District Court, and provided an overview of how the Court works what the Court's obligations are, and time constraints it is under. The Court also functions as Oak Harbor and Coupeville Municipal Courts through intergovernmental agreements and the Judge made the assumption those services would continue to be provided. Town of Coupeville pays 2% and the City of Oak Harbor pays 24% of the costs of operating District Court for those services.

Types of Income: (1) fines and fees [shared with the State]; (2) Probation fees - collected and retained solely in the general fund but technically to be used for probation (3) intergovernmental agreements. After total operating expenses of roughly \$800,000, the court makes \$200,000 a year plus Probation.

Employees: 13-1/3 employees between District County and District Court Probation Department [3-1/3 in Probation]. Reviewed those functions required by statute. There is no requirement for a probation department but the Judge thought it would be a mistake to eliminate part or all, or not to take extraordinary steps to collect fines and fees. The Judge reviewed the hand-out outlining what could be done to reduce expenses by 11% using four different ways. Other than the amount of revenue lost from the intergovernmental agreements it is hard to determine how much revenue would be affected by cutting employees in either option 1 or 2. Cutting a person from court staff means loss of compliance clerk/probation liaison, and monitors cases on community service. Probation revenue would decrease as fees could not be charged on cases without an active probation officer to provide monitoring.

Discussion. Liability issues counties face with respect to improper supervision or compliance with probation conditions and probation violations. Are there any sentencing leeway's that would save the court [or County] money; any opportunity to consolidate probation with adjoining county to save money [not likely since probation makes money for the court now]. The Board is mindful that District Court lost a position last year and does not want to create a court that cannot operate.

As far as fines and fees, criminal fines are flexible up to the statutory maximums; probation fees have some flexibility. There is authority to go up to \$100/day and typically the fee has been \$50/day. The trouble with increasing that is it creates the inability to pay and the only sanction for that is jail time. Traffic infractions are a good portion of the court caseload and the dollars that come in. To cut road deputies means revenue decline in the court.

Based on the past three years' history of actual court costs, there seems to be justification to consider raising the percent charged to the City of Oak Harbor and Town of Coupeville, and the Board asked that the Prosecutor convene the Justice Court Districting Committee to review the proportional share of District Court caseloads contributed by the City of Oak Harbor and Town of Coupeville.

[Copies of all budget hand-outs are on file]

Meeting adjourned at 3:15 p.m. The Board will meet next in Special Session on April 22nd at 9:30 a.m. to conduct budget workshops, and at 1:30 p.m. convening in regular session.

**BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON**

Mike Shelton, Chairman

Wm. L. McDowell, Member

William F. Thorn, Member

ATTEST:

Elaine Marlow, Clerk of the Board