

BOARD OF ISLAND COUNTY COMMISSIONERS MINUTES OF MEETING-AUGUST 9, 2004

The Board of Island County Commissioners (including Diking Improvement District #4) met in Regular Session on August 9, 2004 at 9:30 a.m. in the Island County Courthouse Annex, Hearing Room, 1 N. E. 6th Street, Coupeville, Wa. William J. Byrd, Chairman, Mike Shelton, Member, and Wm. L. McDowell, Member, were present. The meeting began with the Pledge of Allegiance. By unanimous motion, the Board approved the minutes from the August 2, 2004 meeting.

VOUCHERS AND PAYMENT OF BILLS

The following vouchers/warrants were approved for payment by unanimous motion of the Board: Voucher (War.) #195310 - 195518\$247,139.97.

HIRING REQUESTS & PERSONNEL ACTIONS

As presented by Dick Toft, Human Resources Director, the Board by unanimous motion, approved the following personnel action authorizations:

Dept.	PAA #	Description/Position #	Action	Eff. Date
Public Works	066/04	S.W. Tech II, Camano 2269.01	New Position	8/9/04
Public Works	071/04	Laborer I, Camano 2245.13	Replacement	8/9/04

APPLICATION FOR ASSUMPTION OF LIQUOR LICENSE #071928-3C - WHIDBEY MARINE & AUTO, INC., FREELAND

Having received a recommendation of approval from the Island county Sheriff, the Board by unanimous motion approved application for Assumption of Liquor License #071928-3C from Martin Andrew Winn to Martin Andrew Winn and Traci Winn, dba Whidbey Marine & Auto, Inc., 1692 E. Main Street, Freeland.

EMPLOYEE AWARDS

EMPLOYEE SERVICE AWARDS

Department	Employee	No. Years
Public Works	Dennis C. Jennerjohn	20
Public Works	Mark J. Greene	20
Public Works	Jeffery L. Barkhausen	15
Central Services	Nancy K. Theune	15
District Court	Mary D. Cross	10
Health Dept.	Joan R. Davis	15

EMPLOYEE OF THE MONTH - JULY

Lori Clark, Environmental Health Specialist, Health Department, was selected as Employee of the Month for July. One of Lori's responsibilities is working on keeping the mosquitoes population down and to prevent the spread of the West Nile Virus into our County, and her efforts in this capacity have been commendable.

APPROVAL OF COUNTY DESIGNATED MENTAL HEALTH PROFESSIONALS

By unanimous motion, the Board approved County Designated Mental Health Professionals: Marion Paradis, MSW, MHP; Janet Cunniffe, MSW; Patricia Allison Ph.D; Robbie McManus MMHC, as recommended by Jackie Henderson, Island County Human Services Director, Island County Health Department in a memorandum of July 29, 2004.

CONTRACT AMENDMENT NO. 1 WITH COASTAL GEOLOGICAL SERVICES, INC.

Contract Amendment No. 1 with Coastal Geological Services, Inc. for the purpose of extending the completion date to September 30, 2004 (RM-EXT-03-0024) was approved by unanimous motion of the Board. As explained by Don Meehan, WSU Extension Agent, in a memo of August 1, 2004, this contract funds the Marine Resources Committee work on Feeder Bluff/Drift Cell Dynamics to better understand the importance of various bluff systems in nearshore habitat.

STORMWATER MITIGATION AGREEMENT AND COVENANTS

Based on recommendation of Bill Oakes, Public Works Director, the Board by unanimous motion approved the following stormwater mitigation agreements and covenants related to the plat of Holmes Harbor Golf & Yacht club:

#PW-0220-100; Island County and Thomas R. Nelson; Lot 13, Block 3, Division No. 6; Plat of Holmes Harbor Golf & Yacht Club

#PW-0420-131; Island County and Matthew W. & Debra L. Schupp; Lot 20, Block 3, Division No. 6; Plat of Holmes Harbor Golf & Yacht Club

RECORD STORAGE ISSUES

Mr. Oakes provided a brief status report on record storage issues at the request of the Chairman. Meeting recently held solved short term storage issue with the Clerk's Office. Auditor and Assessor worked on getting the Assessor's records out of the Assessor's storage area and will be locating his short term storage in MSM building. About one-third of the Assessor's storage in that space was to be shredded and the Auditor agreed to set up two days for the shredding company to come to the landfill and take care of those records. An additional requirement he believes will come up related to climate control for the modulars from records management which he understood will be a topic under the Auditor's staff session with the Board a week from Wednesday, and Mr. Oakes will attend.

HEARING HELD: FRANCHISE # 322 - SWANRUN WATER ASSOCIATION (TERRY SWANSON) – WATER DISTRIBUTION SYSTEM - POSSESSION ROAD, BROCKMAN ROAD, HELLMAN ROAD, AND A PORTION OF CULTUS BAY ROAD

A Public Hearing was held at 10:30 a.m. as advertised, for the purpose of considering Franchise # 322 (#PW-0420-91) by Swanrun Water Association (Terry Swanson) for expansion of an existing franchise for a water distribution system; Possession Road, Brockman Road, Hellman Road, and a portion of Cultus Bay Road; Sec.11-14 & 23, Twp 28N, R3E.

Mr. Oakes made the presentation on behalf of the Public Works Department, reporting in favor of said franchise, as stated a letter to the Board dated July 15, 2004 from Dick Snyder, County Engineer.

When comments were solicited from the public, no one spoke either for or against the franchise.

By unanimous motion the Board approved Franchise # 322 (#PW-0420-91) by Swanrun Water Association as proposed for expansion of an existing franchise for a water distribution system; Possession Road, Brockman Road, Hellman Road, and a portion of Cultus Bay Road; Sec.11-14 & 23, Twp 28N, R3E. [*Action later rescinded see following]

RESOLUTION #C- 77-04/PLG –014-04 – IN THE MATTER OF INCORPORATING THE SERVICE AREA FOR THE SWANRUN WATER SYSTEM INTO THE ISLAND COUNTY COORDINATED WATER SYSTEM PLAN (IN CONJUNCTION WITH APPROVAL OF FRANCHISE #322 – SWANRUN WATER ASSOCIATION)

Resolution #C- 77-04/PLG –014-04 in the Matter of Incorporating the Service Area for the Swanrun Water System into the Island County Coordinated Water System Plan, in conjunction with approval of Franchise #322 – Swanrun Water Association, was presented by Jeff Tate, Assistant Director, Planning & Community Development Department.

Swanrun Water System has already been approved by the County and State Department of Health, and Mr. Tate explained that what is being proposed is to incorporate into the County Water System Plan the existing service area and annexation of another area into the water system, consistent with the franchise just granted. Exhibit A [map attached to C-77-04] shows the present service area and the proposed expanded service area. The other two water systems shown on Exhibit A are separate water systems and will not be within this water service area.

Answering questions from the Commissioners, Mr. Tate stated that individual wells are located throughout the water system but are not affected by the water system service area. When a service area is adopted, a water system plan is submitted laying out how the water purveyor will provide water to the entire community proposed to be within the service area. In this case, that plan has been submitted and approved by the Department of Health.

The Commissioners had questions concerning the map included with the franchise, the brown color highlighted area on the southern end with the notation "excluded county roads ". One of the questions was about the purveyor's methodology to get water from up on the hill down to the beach. Realizing it is a steep and unstable bluff, if the county roads are excluded, how do they serve the service area on the beach? Commissioner Shelton recalled agreement with the Health Department some one or one and a half years' ago approving a septic system in that area based on one of these lots on the beach with assurance that Swanrun was going to provide those people with water. The Commissioners need to know how they plan to get water to that part of their service area.

Mr. Tate verified that for what is included in the service area the purveyor has an obligation to serve, but he did not know what the method for getting the water to those lots was in this case.

Dick Snyder reported that because of the instability of the area south of the section line there were problems on Possession Road; it is a narrow right of way, pretty fragile and he personally did not want to see a pipeline in the right of way on that particular section of road. There are other ways the water purveyor could get water down to those lots, i.e. cross country on private property rather than using county right of way. There is not much right of way as far as width – a small ditch on one side and a steep hill on the other side. His recommendation therefore had been to exclude the county road from the franchise.

Mr. Tate agreed to look at the Department of Health approved plan and review engineering specs in the Plan. The purveyor submits to the County, not a method but establishing the geographic area; it is not incumbent upon the applicant to establish the method or where all the transport lines would go necessarily.

Before making a decision on this matter, the Board expressed the need to review past history on whether county roads had been excluded from a service area before, look at what has been proposed as a concept and about what the proposal is to get water down to those lots, whether or not the approved plan includes running the waterline in the county road, and staff confirm whether or not applicant or applicant's engineer was aware that the recommendation was to exclude the right of way. With that, the Board by unanimous motion continued the meeting until August 16, 2004 at 10:30 a.m. on Resolution #C-77-04/PLG -014-04 in the Matter of Incorporating the Service Area for the Swanrun Water System into the Island County Coordinated Water System Plan.

ACTION RESCINDED: FRANCHISE # 322 - SWANRUN WATER ASSOCIATION (TERRY SWANSON) – WATER DISTRIBUTION SYSTEM - POSSESSION ROAD, BROCKMAN ROAD, HELLMAN ROAD, AND A PORTION OF CULTUS BAY ROAD

The Chairman re-opened the Public Hearing on Franchise #322 (#PW-0420-91) by Swanrun Water Association.

Based on the Board's decision to delay action until next week on Resolution #C-77-04/PLG-014-04 in the Matter of Incorporating the Service Area for the Swanrun Water System into the Island County Coordinated Water System Plan, the Board by unanimous motion rescinded previous action of approval on Franchise #322 (#PW-0420-91) by Swanrun Water Association, and continued the Public Hearing on that franchise until 10:30 on August 16, 2004.

JOINT MEETING WITH CONSERVATION FUTURES CITIZENS ADVISORY BOARD AND CONSERVATION FUTURES TECHNICAL ADVISORY GROUP TO REVIEW FUND ALLOCATION AND SELECTION CRITERIA AS REQUIRED UNDER ICC 3.22A.110

At 1:30 p.m. as scheduled, Chairman Byrd called to order a joint meeting with Conservation Futures Citizens Advisory Board [CAB] and Conservation Futures Technical Advisory Group [TAG] to review fund allocation and selection criteria as required under ICC 3.22A.110. Approximately 25+ were in attendance at the time of meeting, two members of the audience participating via video conference from Camano Island. Staff representation included Betty Kemp, Director, GSA, and Terri Arnold, Assistant Director GSA/Parks.

The meeting was called in accordance with provisions of ICC 3.22A.110 as follows:

ICC 3.22A.110 Review of Fund Allocation and Selection Criteria

At least every five (5) years after the effective date of this Chapter, the C.A.B., T.A.G., and Commissioners shall review and, if deemed in the public interest, amend the fund allocation and selection criteria. This review process shall proceed through the same time frames and processes as when the original fund allocation and selection criteria were first adopted.

David Gladstone, Camano Island, CAB Chair, addressed ICC 3.22A.080. He understood the reason for today's meeting was the review every five years to decide whether or not the criteria is still applicable. He read the following excerpt from a 1997 ordinance for everyone's information:

3.22A.080.D. In consideration of the existing fund allocation schedule for projects located in Southern Whidbey Island, and in an effort to assure even distribution of resources and benefits realized from the Conservation futures Program to all the citizens of Island County, and given the inherent inequities of population and tax base within the geographical areas of the county, a percentage break-down is established for distribution of projected revenues. The distribution is based on a split of the geographical area of Island County into two sections labeled as Northern Island County (encompassing all of North Whidbey and Camano Island and representing approximately 60% of population and population tax base) and Southern Island County (representing approximately 40% population and tax base). The boundary line for this division shall be the northern-most boundary of the Coupeville School District. Until the commitment of the Conservation Futures Fund (bonded indebtedness or outright purchase price when taken directly from Conservation Futures Fund less contributions from other sources such as IAC or

other contributors) for Northern Island County projects equals a total of 50% of all the commitments made from the fund, all future Conservation Futures Funds shall be used solely for Northern Island County projects. At the point in time when the Conservation Futures monies available is estimated to be equal to the amount currently allocated to Southern Island County, the legislative authority will again entertain applications for distribution of funds to areas within the Southern Island County area.

As noted by Ms. Kemp, a spread sheet dated February 2004 provided the Conservation Futures project list total split/expenditures through December 2003, for Southern Island County @ 55% and Northern Island County at 45%.

Commissioner Shelton explained that the ordinance requiring five year review was part of the original ordinance adopted in 1992 establishing the Conservation Futures Fund. The ordinance adopted in 1997 was subsequent to that. Today's purpose is to review, and if deemed in the public interest, amend the fund allocation and selection criteria.

Dean Enell, Langley, commented that the ordinance itself was probably one of the best things Island County has done in his fifteen years here; very popular with people he comes in contact with and is doing a lot of good. He could see the intent of the revision in 1997 and agreed it made sense except for the fact that the Greenbank Farm purchase of \$1.8 million put the Southern island at a disadvantage in the future for funds. He lives on South Whidbey about 16 miles from the Greenbank Farm, while Commissioner McDowell is on North Whidbey but lives about 18 miles from the Farm. His claim is that the purchase of the Farm benefited the entire island, therefore strongly encouraged the Board to amend the provision so as to make pieces of land that benefit the entire island exempt from the parity rule. A good example he thought was that there is now a lot for sale next to a public swimming area on Goss Lake, one of the best examples of a timely purchase and one that would benefit him and a lot of people on the South end.

Curt Gordon, Clinton, TAG Chair, thought Mr. Enell brought up a good point about the criteria under which funds are apportioned, and the Northern/Southern split. He disagreed the exception was the Greenbank Farm, and suggested tools were already in place to help determine whether projects like Greenbank Farm, Ala Spit, and the Heron Rookery are regional beneficial projects. Double Bluff was a fantastic purchase and has a real local benefit, as does the Salmon Adventure project. Consideration should be given to restructure and take out of the equation those projects altogether with regional benefit and try to itemize among the projects that truly have a local benefit.

David Gladstone, Chair, CAB, endorsed the comments of the previous speakers. Earlier he had a brief meeting with several members of the CAB and polled some of the other members prior to today, and came to the conclusion they would like the Commissioners to seriously not look first blush at where any particular project in Island County comes from. If there are two projects submitted in any given year with equal merit on full analysis, it is at that point CAB and TAG should look at how monies have been historically spent and see if as a tie-breaker there needs to be some way to distinguish between two equally valid projects.

Judy Chapman, Camano Island, CAB member, spoke with a couple of members of CAB and would agree with the need to protect land when it is ready to be protected. Although she did not have specific language changes to recommend to replace current language, she believed that applications should be reviewed under the criteria and at the final stage location considered for additional points to make the equity work.

Greg Strohm, Oak Harbor, TAG member, was of the opinion that the present system used in the selection criteria and review process for proposed projects was fair and reasonable. As a taxpaying citizen, he spoke in favor of the current process wherein the Conservation Futures Fund are required over time to be spent equally between Commissioner districts. The geographic equalization of fund expenditures seems to be the fairest way for the to spend citizens money.

Lee McFarland, Oak Harbor, CAB member, associated with Conservation Futures since day one, thought every project should stand on its own merits. CAB and TAG represent a great group of people and the Board of Commissioners would go far by trusting their recommendations. Feelings of the public should probably get more consideration with regard to projects proposed.

Keith Welker, Camano Island, TAG member, leaned towards making sure of disbursement of funds in relation to the population of the County. He supports the current system of at least 60/40%, depending upon how the population changes.

Stan Stanley, Oak Harbor, CAB member, echoed Mr. Gladstone's comments in general. While he agreed with the need to look at equalization, to not accept applications from anywhere other than north of the Coupeville School District boundary is not right. The location factor should be used as the last criteria, not the first. There could be some projects that may be much more beneficial to the entire county that should be considered. He referenced RCW 84.34.010, 210 and 220 with regard to definitions of lands appropriate for purchase from Conservation Futures Funds. Conservation Futures is not something to be used just to buy property to prevent it from development; those funds must be used to preserve habitat, open area, farm or AG land, etc.

Diane Kendy, Langley, told the Commissioners that over the years she had been impressed by the caliber of members on the CAB and TAG, and urged the Board be more mindful of their recommendations. From what she heard today, it is a good way to evaluate property based on its own merits and use location criteria at the very end of the process. She corrected an issue in the *South*

Whidbey Record concerning Conservation Futures. The article said that \$52,000 of Conservation Futures funds were spent on the purchase of Saratoga Woods property, which is not correct. Saratoga Woods never applied for Conservation Futures Funds, rather that money came from a wetland mitigation fund when Saratoga Road was re-directed and a wetland damaged.

Rufus Rose, South Whidbey, reported that he initiated conversation and dialogue with the Department of Fish & Wildlife because of his observation as a real estate broker that people who have wetlands on their properties are generally regarded as a negative and the county has a process for lowering the value of properties with wetlands. He believes that the Board has within its authority other approaches. The notion that government is one of the major places to go in order to preserve property should be reversed. Being able to use a wetland on private property by enhancing it for wildlife benefit seems to be a very logical thing, yet that is not being done and in fact, difficult for people to do. Should reach out to private property owners and give them incentives or at least not punish them for having properties that are of substantial value to the general public but happen to be in private ownership. Conservation easements on farm and AG land is resisted by some farmers because it prohibits them from changing with agricultural innovations that may come along. He suggested some kind of recognition that times change and values change and technical processes change, and government should be able to reconsider the uses in light of the future.

Lyla Snover, Coupeville, CAB member, agreed with Mr. Gladstone that an application should be judged under the criteria on its own merit. It did not make sense to her that there has to be an equal percentage. There were no properties bought by Conservation Futures Funds she has gone to that she has not enjoyed – a benefit to all of Island County regardless of location. She read the following under Findings and Declaration of Purpose, Island County Code, Page 91:

ICC 3.22A.010. C.

It is further the purpose of this Chapter to acquire by purchase, gift, grant, bequest, devise, lease, or otherwise, except by eminent domain, the fee simple or any lesser property interest, development right, easement, covenant, or other contractual right necessary to protect, preserve, maintain, improve, restore, or limit the future use of, or otherwise conserve selected open space, wetlands, habitat areas, farm, agricultural, and timber lands for the public use and enjoyment.

Connie Wolf, Coupeville, while appreciating the equity discussion, advocated taking a look at Whidbey and Camano as a whole and what can be done with those pieces of land worthy of saving that have public use as part of their criteria. Thinking about it that way, there is an economic benefit that conservation of open space brings; any open space conserved or preserved works to the benefit of the entire Island.

Judy Chapman reminded that although a lot of the testimony spoke to “our island” the folks on Camano are there as well and need to be given more attention.

Jan Pickard, Coupeville, addressed the need to begin to look at the valuable pieces of resources and properties available as a whole. She liked the idea of throwing the district parity into the mix at the end of the process.

Mr. Gladstone clarified that conservation easements can be drafted to allow for considerable flexibility on the part of the owner, such as changes in agricultural practice. He made note that the majority of CAB members felt a considerable amount of frustration, having gone through a detailed process and making recommendations to the Commissioners and then have the Commissioners not accept their recommendation. He suggested that in the future it would be helpful if the Board is going to make a

decision directly opposed to a CAB unanimous recommendation, to at least meet with the CAB before that decision is made.

Mr. Enell suggested that population differences be balanced with geographical square miles. He believed there to be a lot of evidence to indicate land that is acquired for public benefit saves the government more money than ever would be received from some sort of a tax from it. Responding to Mr. Enell to clarify dollars in the Conservation Futures Fund, Commissioner Shelton reported approximately \$287,000 in the Fund currently, and noted that the Fund receives about \$400,000 +/- per year.

Mr. Rose some years' ago asked the Assessor to provide the dollar amount property tax goes up as a result of property being taken off the tax roll, and was advised at that time it was between 30 and 40% . He did not have a recent figure from the current Assessor, although the current Assessor does not believe it is as much as 30 to 40%.. He suggested the easiest thing to do would be ask the current Assessor to have a viable accurate figure and have that information made public.

Commissioner McDowell recalled that last year the PI ran an article on that issue, and state-wide was a rather significant number because it also includes not only those properties taken off the tax rolls but takes into account other things that reduce taxes on property as well.

Connie Wolf recalled reading an article about two or three years' ago pertaining to a study done in California noting that it used to be when a conservation easement was placed on a piece of property that property values around it went down; however, as areas of California have gotten more and more crowded having open space and conservation easements on property has in fact upped the value of the property

Commissioner McDowell pointed out that the Board had nothing before it today on which to make a yes or no decision on, rather an open public meeting for the purpose noted. He was appreciative of all the input received and thought some of those ideas had a very significant place. He liked the idea of considering how much is regional and how much is local – a good point but the difficult part would be to say what is regional and what is local. He made a clarification about the Greenbank Farm; the County did not buy the Farm per se', rather the trails around it. The Heron Rookery on Camano Island is set up so as folks cannot get in and see it and therefore that probably would not be of local value and the fact it provides habitat for those Heron is probably regional. Deciding what is regional and what is local might be more difficult, but he thought it had merit and wanted an opportunity to think that over. Previously when the County did not take into consideration the location, the percent was close to an 80/20% split between the areas which he did not feel was right.

Commissioner Shelton reiterated the fact that in terms of regional versus county-wide benefit not to forget that what everything thinks as the Greenbank Farm is not in County ownership but in the ownership of the Coupeville Port District. In clarification, as Ms. Kendy mentioned, he observed that \$52,000 was shown on the spreadsheet as coming from Conservation Future Funds for Saratoga Woods which is incorrect, that funding came from mitigation fees for Saragota Road. That \$52,000 came from mitigation money placed in the Conservation Future Fund but should not count against the division of monies between the Northern and Southern areas. One other thing Commissioner Shelton thought important to

understand was that when the County buys property it must be able to figure out ways to maintain those properties. There was a bill before the State Legislature a few years' ago and will be reintroduced by WSAC this year, to allow a portion of Conservation Futures Funds to go towards improvement and maintenance of properties that are already owned, critically important because in current budget times the County does not have the money to allocate to the Parks Department to do all the things necessary that go along with ownership of property.

An issue that has to be faced as well is, what is the appropriate amount of property for Island County to own. Though he does not suggest the County is there today, when stretching Conservation Futures program out over the next fifty years, at what point in time does the County achieve what it would like in this area. He hoped that the CAB and TAG would start to consider some relationships with Whidbey-Camano Land Trust, Ebey's Landing Historic Preserve, etc. so that perhaps for those willing sellers, development rights can be purchased rather than the outright fee simple purchase of property. With the County having gone through the planning process under growth management, as did the cities and town, designating all of the areas within those jurisdictions appropriate for development and those areas that are not, Commissioner Shelton did not know that he necessarily agreed that Conservation Futures is the appropriate methodology to use to circumvent the Comprehensive Plan that has taken place in any of those entities. Need to keep foremost in mind that the pieces of property desired to be saved need to have community value and be ranked according to that value.

Chairman thanked everyone for attending and participating. The Commissioners are mindful of what the review process should be and believed had enough information to take the matter under advisement.

There being no further business to come before the Board, the meeting adjourned at 2:35 p.m., with the next regular meeting of the Board scheduled on August 16, 2004 at 9:30 a.m.

BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON

William J. Byrd, Chairman

Mike Shelton, Member

Wm. L. McDowell, Member

ATTEST: _____
Elaine Marlow, Clerk of the Board