

**BOARD OF ISLAND COUNTY COMMISSIONERS MINUTES OF MEETING DECEMBER 6, 2004**

The Board of Island County Commissioners (including Diking Improvement District #4) met in Regular Session on December 6, 2004, at 9:30 a.m. in the Island County Courthouse Annex, Hearing Room, 1 N. E. 6<sup>th</sup> 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 November 22, 2004 regular meeting.

**VOUCHERS AND PAYMENT OF BILLS**

The Board on unanimous motion approved the payroll dated November 30, 2004, and the following vouchers/warrants:

Voucher (War.) #202280-202553 .....\$392,495.15.

**APPROVAL AND SIGNING OF FORT NUGENT ROAD PROPERTY PURCHASE CLOSING DOCUMENTS**

Don Mason, GSA, presented closing documents on the Fort Nugent Road property [aka Koorn property] confirming buyer wishes to close and based on instructions from the buyer to close, the title company prepared the closing documents, and Mr. Mason's understanding is that the two signatories are scheduled to sign the original document this afternoon at Land Title.

On unanimous motion, the Board approved the closing documents with signature of the Board contingent on receipt of a faxed copy showing signatories have signed by close of business today, instructing Land Title if that does not occur the deal is dead and the buyer forfeits the \$10,000 held by the County. *[closing documents signed before close of business and recorded; copy on file with the Clerk of the Board]*

**HIRING REQUESTS & PERSONNEL ACTIONS**

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

<b>Dept.</b>	<b>PAA #</b>	<b>Description/Position #</b>	<b>Action</b>	<b>Eff. Date</b>
Maintenance	109/04	Custodian 901.02	Replacement	12/16/04
Planning	110/04	Plans Ex/Bldg. Insp.I 418.04	Personnel	12/6/04
Public Works	111/04	Solid Waste Tech I 2256.05	32 to 40 hours	12/6/04.

**APPROVAL OF THE ISLAND COUNTY BASIC 2% LODGING TAX (PUBLIC FACILITIES FUND) FOR PROGRAM YEAR 2005, AS SUBMITTED BY THE 2% ADVISORY COMMITTEE**

By unanimous motion, the Board approved the Island County Basic 2% Hotel-Motel Tax – Tourism Promotion Public Facilities Fund projects for 2005 Program Year, as follows, per recommendation of the 2% Advisory Committee:

<b><u>ORGANIZATION</u></b>	<b><u>AMOUNT</u></b>
CAMANO ARTS ASSOCIATION <i>Camano Island Studio Tour - 2005</i>	\$ 1,400
CAMANO ISLAND CHAMBER OF COMMERCE <i>Tourism Marketing &amp; Fulfillment Program, - VIC</i>	15,000
CENTRAL WHIDBEY CHAMBER OF COMMERCE <i>Tourism Marketing &amp; Fulfillment Program</i>	20,500
FREELAND CHAMBER OF COMMERCE <i>Freeland Visitor Information Center (VIC)</i>	12,000

GREATER OAK HARBOR CHAMBER OF COMMERCE <i>Tourism Marketing &amp; Development for Island County</i>	15,000
ISLAND COUNTY HISTORICAL SOCIETY MUSEUM <i>Museum Tourism Brochures</i>	1,300
LANGLEY, SOUTH WHIDBEY CHAMBER OF COMMERCE <i>Tourism Marketing Fulfillment Program, including a year-round Visitor Information Center, and Accommodation Referral Service</i>	18,200
PENN COVE WATER FESTIVAL ASSOCIATION <i>Penn Cove Water Festival - 2005</i>	1,500
	<b>TOTAL \$ 84,900</b>

**ESCROW AGREEMENT APPROVED –CONTRACT RETAINAGE**  
**4-SPRINGS PROJECT**

The Board by unanimous motion approved and signed Escrow Account Agreement with Cascade Bank for the retainage amount under Contract between Island County and Van Rossen Construction, Inc. (RM-GSA-04-099] for Four Springs Renovations and Additions [bid award 8/23/04; contract signed 10/15/04].

**HEARING HELD: ORDINANCE #C-90-04 – AN ORDINANCE ADOPTING AN EXCISE TAX ON TIMBER  
HARVESTED FROM PUBLIC LANDS, CREDITED AGAINST THE STATE TAX, AMENDING ICC CHAPTER  
3.03**

Chairman Byrd opened a public hearing at 9:55 a.m. as scheduled and advertised, for the purpose of considering Ordinance #C-90-04, an Ordinance adopting an excise tax on timber harvested from public lands, credited against the state tax, amending Island County Code Chapter 3.03.

Elaine Marlow, Budget Director and Clerk of the Board, explained that the Washington State Legislature adopted legislation authorizing imposition of a county excise tax on the harvest of timber on public owned lands beginning January 1, 2005, a 4% tax phased in over ten years. Currently it is a 5% state tax imposed on timber and the county tax will be credited against the state tax so the timber harvester will continue to pay a total rate of 5%.

At the time the public hearing opened for public comments, no one in the audience spoke for or against Ordinance #C-90-04.

By unanimous motion, the Board adopted Ordinance #C-90-04 – An Ordinance Adopting an Excise Tax on Timber Harvested from Public Lands, credited against the State tax, amending ICC Chapter

3.03. [Ordinance #C-90-04 on file with the Clerk of the Board]

**AGREEMENT WITH WASHINGTON STATE DEPARTMENT OF REVENUE TO COLLECT EXCISE TAX ON  
TIMBER HARVESTED FROM PUBLIC LANDS**

Following adoption of Ordinance #C-90-04 – An Ordinance Adopting an Excise Tax on Timber Harvested from Public Lands, credited against the State tax, amending ICC Chapter 3.03, the Board by unanimous motion, approved Agreement RM-BOCC-04-0114 between Island County and the Washington State Department of Revenue to collect excise tax on timber harvested from public lands.

**APPOINTMENTS AND RE-APPOINTMENTS TO VARIOUS BOARDS AND COMMITTEES**

By unanimous motion, the Board made the following appointment and re-appointments:

**Conservation Futures Citizens Advisory Board – New Appointment**

Ryan Shaughnessy, Camano Island Representative  
Three-year term to September 30, 2007

**Marine Resources Committee for Island County - Reappointments with terms running until December 31, 2007**

Jeff Tate, Island County Planning & Community Development Department  
Representing "Local Government"

Hi Bronson, Camano Island  
Environmental Planner Representative

Rolf Seitle, Langley  
Port of South Whidbey Representative

Ian Jefferds, Coupeville  
Commercial Representative

**Island County Planning Commission - Reappointment**

Bill Massey, Oak Harbor  
Term runs until January 2, 2009.

**RESOLUTION #C-105-04 ESTABLISHING SALARIES FOR NON-BARGAINING UNIT EMPLOYEES  
(EXCLUDING ELECTED OFFICIALS) FOR 2005**

- The Board by unanimous motion approved Resolution #C-105-04 Establishing Salaries for Non-Bargaining Unit Employees (excluding Elected Officials) for 2005. *[Resolution on file with the Clerk of the Board]*

**HEALTH DEPARTMENT CONTRACTS APPROVED**

- By unanimous motion, the Board approved the following Health Department contracts:

- An Interagency Agreement between Island County and Skagit/Islands Head Start for Public Health Nurse Consultation Program to Health Start staff, Contract #HD-10-04, not to exceed \$2,500 (RM-HLTH-02-0047)
- Contract Collection Agreement with Whidbey Island Bank to accept payments tendered under Promissory Note and Deed of Trust to the Island County Water Quality Assistance Fund Associated with the Washington State Department of Ecology On-Site Financial Assistance Program Loan Contract #L0300008 for costs associated with repair of on-site sewage for loan recipient Julian and Janet Faulkner, principal amount of loan \$15,652.65
- Contract Collection Agreement with Whidbey Island Bank to accept payments tendered under Promissory Note and Deed of Trust to the Island County Water Quality Assistance Fund Associated with the Washington State Department of Ecology On-Site Financial Assistance Program Loan Contract #L0300008 for costs associated with repair of on-site sewage for loan recipient Sean and Jennifer Chapel for principal amount loaned \$13,791.37.

**PUBLIC INPUT OR COMMENTS**

Richard Bryan, Coupeville, asked about the County's plans to increase the effectiveness and efficiency of Island County government through more efficient use of technology, desiring to obtain a copy of the objectives, strategy, action plan, time table and budget to enhance use of technology. Mr. Bryan was referred to the Central Services Director for specific information.

**HEARING HELD: RESOLUTION C-91-04/R-31-04 – FINAL ORDER OF VACATION OF A PORTION OF COUNTY ROAD KNOWN AS CULTUS BAY ROAD (ALSO KNOWN AS ROAD NO. 103 AND ALSO KNOWN AS BAILEY ROAD)**

At 10:15 a.m. as scheduled and advertised, the Chairman opened a Public Hearing for the purpose of considering Resolution #C-91-04/R-31-04, Final order of Vacation of a portion of County Road known as Cultus Bay Road (also known as Road

No. 103 and also known as Bailey Road) located in the NW/NE Section 14, Township 28N, Range 3E.

- The report of the County Engineer initiating Resolution R-31-04 dated November 4, 2004 was in favor of said vacation. However, Bill Oakes, Public Works Director, requested that Board today take public testimony and continue the hearing until December 20<sup>th</sup> to provide him an opportunity to do further research with the real estate professional as far as access of some of the lots that may or may not be affected by the vacation. The Board agreed, and the Chair called for public comments/testimony.

Robert McGinty, Sunset Vista, Clinton, was concerned about the postponement and asked for further clarification.

Mr. Oakes showed Mr. McGinty a map of the area to explain what the concerns are, basically that per the Assessor's map at least one parcel shows the possibility of no abutting right of way once the vacation takes place and Mr. Oakes is concerned that parcel #446409 has a legal access point prior to vacation action.

No further comments were made for or against the vacation by members of the public. Public comments closed.

By unanimous motion the Board continued the public hearing at the request of the Public Works Director until December 20, 2004 at 10:15 a.m.

**REQUEST TO VACATE PORTION OF COUNTY ROAD RIGHTS-OF-WAY KNOWN AS OCEAN DRIVE - BY PETITIONER GRETCHEN OTNESS**

- Request to Vacate a Portion of County Road Right-of-Way known as Ocean Drive located in Section 27, Township 32 North, Range 3 E., Camano Island by Petitioner Gretchen Otness was referred to the County Engineer for review and report back to the Board by unanimous motion.

**SUPPLEMENTAL AGREEMENT NO. 1 – PW-0320-102(A); ISLAND COUNTY AND OTAK, INC. FOR WHIDBEY ISLAND SCENIC CORRIDOR MANAGEMENT PLAN**

As recommended by Mr. Oakes, the Board by unanimous motion approved Supplemental Agreement No. 1 [PW-0320-102(A)] with Otak, Inc. for Whidbey Island Scenic Corridor Management Plan, for the purpose of extending completion date to May 31, 2005.

**BAYVIEW ROAD PROJECT CRP 98-17 CONSTRUCTION EASEMENTS, QUIT CLAIM DEEDS AND REAL ESTATE VOUCHER**

- The Board took action by unanimous motion approving the following Construction Easements, Quit Claim Deeds and Real Estate Voucher associated with Bayview Road Project under CRP 98-17, as presented and recommended for approval by Mr. Oakes:

- Construction Easement – PW-0420-24 between Island County and F. Elwood & Carol Lee Hershman, Parcel 100-5680; Sec. 7, Twp 29N, R 3E.

Construction Easement – PW-0420-32 between Island County and Randy L. Thompson, Parcel 317-5810A; Sec 7, Twp 29N, R 3E.

Construction Easement – PW-0420-35 between Island County and John A. & Linda Micomonaco, Parcel 044-1690; Sec. 5, Twp 29N, R 3E

Quit Claim Deed between Island County and F. Elwood & Carol Lee Hershman with compensation in the amount of \$1,080.00 for land, Parcel 100-5680, Sec. 7, Twp 29nN, R 3E.

Quit Claim Deed between Island County and George P & Priscilla J. Asche and Asche Family Limited Partnership with compensation in the amount of \$14,764.00 (\$7,800.00 for land, \$4,400.00 for merchantable timber, \$2,564.00 for administrative settlement), Parcel 152-2600, Sec. 5, Twp 29N, R 3E.

Real Property Voucher authorizing property acquisition per Real Property Acquisition & Right-of-Way Procedures (C-46-03/R-16-03) for a total of \$15,214.00 which includes \$450 documented owner-evaluation of offer.

**SOLID WASTE FISCAL YEAR 2004 – BAD DEBT WRITE-OFF**

As presented by Mr. Oakes, along with recommendation of the Solid Waste Manager, the Board by unanimous motion approved Solid Waste Department Fiscal Year 2004 Bad Debt Write-off in the amount of \$1,428.74. Mr. Oakes confirmed that the collection agencies would in fact continue efforts

to collect. When recovered, collection agencies retain one-half of the amount. The Board asked that next year Mr. Oakes provide information to show how much was recovered by the collection agencies once turned over for collection.

**FINAL APPROVAL - PLA 025/98 BONACI PLAT ALTERATION. ALTERATION OF THE PLAT OF SARATOGA BEACH DIVISION #1**

- Jeff Tate, Assistant Director, Planning and Community Development, presented the final approval of PLA 025/98 Bonaci Plat Alteration proposing alteration of the plat of Saratoga Beach Division #1, specifically lots 10 through 14 would be combined with Tract A and easements relocated in order to provide access and utility service to the newly formed parcels. Preliminary approval was granted by the Hearing Examiner on December 16, 2002 with a number of conditions prior to final approval. Applicant submitted an application for final plat alteration and Planning and Community Development, Health Department and Public Works reviewed the application and determined that the proposal satisfies all conditions of preliminary approval. Mr. Tate confirmed recommendation of approval as noted in his memo to the Board dated November 29, 2004.

By unanimous motion the Board granted approval of PLA 025/98 Bonaci Plat Alteration.

**PUBLIC HEARING SCHEDULED - OPEN TIMBER APPLICATIONS OPS 349/04, C&G TIMBER, INC.; OPS 348/04, C&G TIMBER, INC.; AND OPS 336/04, GLENN & REBECCA DRUMHELLER**

- As presented and recommended by Mr. Tate, the Board by unanimous motion scheduled a public hearing on January 3, 2005 at 10:30 a.m. on the following Open Timber Applications:

- Open Timber Applications OPS 349/04, C&G Timber, Inc. Proposal to shift 152.41 acres from Designated Forest Tax Program to Timber Land current use classification. Parcels R23013-199-1960, R23013-343-1880, R23013-444-2100, R23013-438-1000 and R23013-492-0410 located in South Whidbey Island, WA.

- OPS 348/04, C&G Timber, Inc. Proposal to shift 145.77 acres from Designated Forest Tax Program to Timber Land current use classification. Parcels R23119-197-4810, R23119-234-3820, R23119-395-3410, R23119-352-4950 and R23119-432-4440 located in Central Whidbey Island, WA.

- OPS 336/04, Glenn & Rebecca Drumheller. Proposal to shift 19.9 acres from Designated Forest Tax Program to Timber Land current use classification Parcel R23129-335-1000 located in Central Whidbey Island, WA.

**HEARING HELD ON 2005 BUDGET**

The Chairman opened a Public Hearing at 10:35 a.m. as scheduled and advertised for the purpose of considering the 2005 Island County Budget, consisting of the following resolutions:

**Resolution C-92-04 Adopting the Island County Budget and Diking District #4 Budget for Fiscal Year 2005**

**Resolution C-93 -04 Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2005 for the County Current Expense Levy**

- **Resolution C- 94-04 Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2005 for the County Roads Levy**

**Resolution C-95 -04 Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2005 for the County Conservation Futures Levy**

Elaine Marlow submitted the items not yet included within the budget as presented in the latest 2005 Budget List of

Supplemental Requests dated 12/6/04 @ 8:33 a.m. for the Board's review and action. Her suggestion at this time was that the Board consider continuing the hearing inasmuch as the requests affect the various departments and the overhead allocation schedule.

Suzanne Sinclair, Island County Auditor, requested a copy of the budget that will be adopted when the Board reaches what is believed to be the final draft prior to the meeting. She assumed that the resolutions would fall within the statutory budget deadlines for adoption. Also noted that on the 2005 Preliminary Budget Summary of Current Expense [bottom page 2] 2004 should be corrected to 2005.

Ms. Marlow confirmed she would provide the copy requested, that the resolutions would be adopted prior to the statutory date; and correction noted.

Richard Bryan, Coupeville, interested to know where the dollars showed in the preliminary budget for enhancing information technology. Ms. Marlow located the line items within Central Services budget, and a line item containing funding to replace and enhance computers, and noted a supplemental request by Central Services for a contingency of \$54,000 to upgrade the accounting system.

Mr. Bryan made the observation that it did not seem a substantial amount of funding even taken together, those dollars would appear inadequate when purchasing computers and software licenses.

Using video conferencing participation, a Camano Island resident expressed interest in why the Board felt the need to raise the current tax levy. She saw so much growth on Camano Island and with a number of the homes being built in the seven figures, means higher tax base and therefore did not understand why a tax levy increase is even being considered.

On the Board's behalf Commissioner Shelton explained that the increase in the current expense and road levies raise about \$58,000 a year in new money. The Board is exercising the option to take the 1% increase just to deal with inflationary costs such as medical insurance cost increases, COLAS for employees and the general cost of doing business which is increasing faster than the 1% increase in property taxes. When talking about a 1% tax increase for current expense and road levy it is not a 1% increase on total property tax it is 1% increase on about 17% of the property tax.

There were no further comments from members of the audience and the chair closed the public comment portion of the hearing.

With regard to the 2005 List of Supplemental Requests dated 12/6/04 @ 8:33 a.m. the Board by unanimous motion instructed the Budget Director to include those items in the Current Expense Budget and make the appropriate changes and additions to the budget to reflect those items, and continue the Public Hearing to December 13, 2004 at 10:35 am. on Resolution C-92-04 Adopting the Island County Budget and Diking District #4 Budget for Fiscal Year 2005; Resolution C-93 -04 Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2005 for the County Current Expense Levy; Resolution C-94-04 Increasing the Taxing District's Prior Year's Levy

Amount for Collection in Fiscal Year 2005 for the County Roads Levy; and Resolution C-95 -04 Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2005 for the County Conservation Futures Levy.

There being no further business to come before the Board at this time, the meeting adjourned at 11:00 a.m. The next regular meeting of the Board will be on December 13, 2004 at 9:30 a.m.

BOARD OF COUNTY COMMISSIONERS  
ISLAND COUNTY, WASHINGTON

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William J. Byrd, Chairman

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Mike Shelton, Member

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Wm. L. McDowell, Member

ATTEST:

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Elaine Marlow  
Clerk of the Board