

RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS

Tuesday, August 5, 1986

- 9:00 a.m. Executive Session - Litigation.
Flag Salute
- 10:00 a.m. Public Hearing - Rezone Request #R-86-010 of Brown Line, Inc.
MISCELLANEOUS ITEMS
- 1:30 p.m. Bid Opening - Bridge Painting.
MISCELLANEOUS ITEMS

The Skagit County Board of Commissioners met in regular session on Tuesday, August 5, 1986, with Commissioners Rohrer, Vaux and Walberg present.

PUBLIC HEARING - REZONE REQUEST #R-86-010 OF BROWN LINE, INC.

Chairman Rohrer waived the reading of the Notice of Public Hearing, as published in the Skagit Argus on July 22, 1986.

Gary Gidley, Associate Planner, located the property on an aerial photo. He explained that since the Planning Commission had previously voted three times on this matter, it came before the Board for consideration. He entered the staff report into the record and read the staff findings. The Planning Department recommended to the Planning Commission that the parcel, consisting of 15 acres located at 1763 Old Highway 99 South, Mount Vernon, be rezoned from Agriculture to Commercial/Limited Industrial.

In addition to those correspondence items entered in the file, Mr. Gidley reported that he was in receipt of a letter dated July 31, 1986, from Ginny Darvill, of 1819 Hickox Road, Mount Vernon, expressing opposition to the rezone.

Commissioner Walberg noted the following items of correspondence received by the Commissioners' Office:

1. Letter dated August 4, 1986, on behalf of Fredrickson & Gunerius, owners of Frontage Industrial Park, in support of the rezone.
2. Letter dated July 19, 1986, from Roger E. Pederson, P.O. Box 245, Mount Vernon, in support of the rezone.
3. Letter dated August 5, 1986, from Richard H. Smith, of 1849 Dike Road, Mount Vernon (former owner of the property), in support of the rezone due to the impracticality of farming the small parcel.

Jack Hilde, owner of Brown Line, Inc., introduced Jerry Hyatt, his partner. Mr. Hilde explained why they chose this location for their seafood hauling business, which currently operates 19 of their own trucks and employs 45 to 50 people.

Jerry Hyatt stated that in 1962 he became an owner of this company. He noted that they have simply outgrown their current site.

Chairman Rohrer read a telephone message received from Jim Parnell, 1685 Highway 99 South, regarding the rezone. Mr. Parnell lives in the trailer park next to the trucking site. He approved of the rezone, due to the smoke and fumes coming from the trucks.

Zell Young expressed opposition to the rezone because of the resulting loss of farmland. He expressed approval of the trucking operation, but not in the proposed location.

Clara Soler, a resident of south Mount Vernon, read a letter from Joe Soler, who expressed opposition to the rezone for a number of reasons, including the need to preserve farmland for the future.

Mrs. Soler read a letter from herself also opposing the rezone for similar reasons.

Mr. Hilde noted that their trucking firm hauls seafood produced in this area also.

Jim Parnell, of 1685 Highway 99 South, Space 38, expressed his support for the rezone due to the smoke and noise produced from the trucks.

Mr. Young favored taxing commercial, rather than farm property.

Andy Vander Meulen, 1813A Hickox Road, stated that he is a milk marketing consultant. He favored the rezone, and noted that this was an agricultural related business. He explained that the huge surplus of food in America today is causing reduced prices for the farmers.

Mrs. Soler stated that she didn't want smoke and noise near her property.

Mr. Parnell explained that 60 people live in the mobile home park adjacent to the trucking firm's current property.

As there were no additional comments, Commissioner Walberg motioned to close the public hearing. Commissioner Vaux seconded the motion. The motion was carried unanimously.

In answer to a question from Commissioner Walberg, Mr. Hyatt explained that their current site consists of only approximately 2 acres. They own 19 trucks and also use approximately 20 leased trucks. They felt they needed the entire

15 acres for future development.

Discussion followed regarding requiring a buffer zone along the Frontage Road.

Mr. Hilde felt on-site screening would be acceptable, although he didn't feel their business would be obtrusive to the area.

Commissioner Vaux expressed his approval of the rezone for a number of reasons, which he outlined.

Commissioner Vaux motioned to grant Rezone Request #R-86-010 of Brown Line, Inc., as requested.

Commissioner Walberg questioned Mr. Gidley regarding a change in conditions which would support the rezone. Mr. Gidley noted that historically, the Planning Department has felt this area should be zoned Commercial.

Bob Schofield, Director of the Department of Planning and Community Development, concurred.

Mr. Hilde stated that the property has been approved for a septic system. P.U.D. water could be made available to the property.

Commissioner Walberg stated that he was inclined to hold the eastern portion of the property out of the rezone, because there was no guarantee that Brown Line, Inc., would move to that site. Once the property is rezoned Commercial, any Commercial business could move in.

Chairman Rohrer stated that I-5 made that property Commercial. He favored rezoning the property, either a portion or the entire parcel.

Chairman Rohrer seconded Commissioner Vaux's motion to approve Rezone Request #R-86-010 of Brown Line, Inc. The motion was carried unanimously.

MISCELLANEOUS ITEMS

There were no miscellaneous items at this time.

BID OPENING - BRIDGE PAINTING.

Chairman Rohrer waived the reading of the Notice of Call for Bids, as published in the Skagit Argus on July 22, and July 29, 1986, and in the Daily Journal of Commerce on July 25, and August 1, 1986.

The following bids were received:

1. Tri-S Painting, Inc.
Route 3, Box 663
Yakima, WA 98901

Bid deposit enclosed.
Total Bid: \$146,000.00

2. WACO, Inc.
P.O. Box 219
Kernmore, WA 98028

Bid deposit enclosed.
Total Bid: \$159,895.00

The Public Works Department will review the bids prior to making a recommendation for award of the bid at a later date.


MISCELLANEOUS ITEMS

1. Commissioner Walberg motioned to adopt the resolution awarding the bid for widening the right shoulder of the Bayview-Edison Road for a bicycle path to Associated Sand & Gravel, for their low bid of \$41,960.98. Commissioner Vaux seconded the motion. The motion was carried unanimously. (Resolution #10937)
2. Commissioner Walberg motioned to adopt the resolution awarding the bid for purchase of a landfill compactor to N C Machinery Company, for their bid of \$116,800.90, including a CARON wheel/teeth system, as specified. Commissioner Vaux seconded the motion. The motion was carried unanimously. (Resolution #10938)

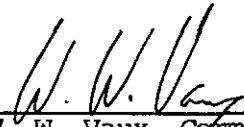
ADJOURNMENT

Commissioner Walberg motioned to adjourn the proceedings. Commissioner Vaux seconded the motion. The motion was carried unanimously.

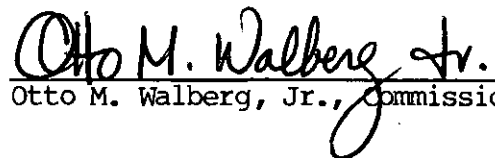
BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON



Dave Rohrer, Chairman



W. W. Vaux, Commissioner



Otto M. Walberg, Jr., Commissioner





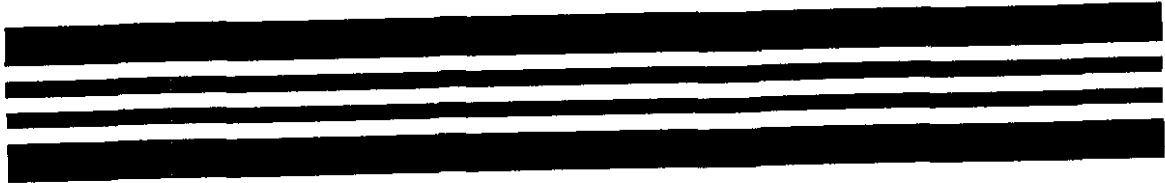
Megan Cheney, Clerk
Skagit County Board of Commissioners

RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS

Wednesday, August 6, 1986

Flag Salute

PATCH II



Chairman Rohrer requested Mike Woodmansee, Budget/Finance Director, to circulate to the audience a report prepared outlining the financial aspects of moving the Skagit County Fair.

Mr. Woodmansee began by reviewing the attendance, revenues and expenses of the fair for the last five years. He also made a comparison between the Skagit County Fair and the N.W. Washington (Lynden) Fair, both of which operated at a loss in 1985. Mr. Woodmansee addressed the County's ability to pay for capital costs of fair relocation and expansion; Skagit County's capacity to pay an annual operating-subsidy for operation of an expanded year around fair facility; capital costs of relocating the fair; and costs of operating a larger scale year around, fair facility. This complete report is attached.

Chairman Rohrer asked for audience comments. Hugh Ridgeway of Sedro Woolley stated the Lynden fair spent \$1 million in 1985 on new facilities. Did that create a loss for them? Mr. Woodmansee stated capital costs would not have been included in the operation costs.

Dr. Dugaw of Sedro Woolley asked what sales tax revenue is derived from the Lynden fair for Whatcom County? Mr. Woodmansee responded it is extremely difficult to surmise exactly how the sales tax is affected by the fair, but statistics indicate that the average person spends approximately \$45 per day at the fair.

Al Doorn of Sedro Woolley inquired what the cost would be to buy Northern State from the State. Mr. Woodmansee stated no firm figure has ever been established, however, he assumed the State would probably be most cooperative in negotiating a settlement that would be beneficial to both the County and the State.

Dr. Dugaw of Sedro Woolley; Hugh Ridgeway of Sedro Woolley; Evan Linde of Sedro Woolley; Willis Erickson of Sedro Woolley; Al Doorn of Sedro Woolley; Roger Anderson of Sedro Woolley; and Mayor Walley of Sedro Woolley were all in favor of relocating the fair to the Northern State site for the following reasons:

1. The County is economically stagnant and the Northern State location would be a possible economic boost.
2. The County needs aggressive economic development.
3. Relocate the fair at Northern State now and then develop it slowly.
4. There is a great need for expanded space. Applicants to the fair are turned away because of lack of space. Northern State offers that potential.
5. Northern State has received more citizen endorsement than any other site being considered.
6. The Northern State site would draw people from a larger geographic area.

Ron Holtum of Mount Vernon was in favor of leaving the fair at the present location.

Percy "Pus" Stendal of Clear Lake stated the fair was celebrating it's 75th birthday this year. Mr. Stendal suggested the Board get together and make a decision to relocate the fair to the Northern State site.

Casey Johnson, Fair Board member, stated more space is definitely needed and many people are turned away for lack of space.

Tim Canoe of Mount Vernon felt concentration should be placed on ownership and volunteerism.

Jack Crawford of Mount Vernon said he doesn't feel everyone wants a bigger fair and favors having the fair remain at it's present location.

Don Myrtle, Director of the Job Corps, stated he could envision the Northern State site as a year around fair and multi-use facility. He said the Job Corps was a friend and neighbor and they would be happy to assist in the development of the Northern State site.

Norm Brann, Fair Board member, stated more space is needed.

Commissioner Rohrer asked if there were further comments and receiving a negative response, asked Commissioners Walberg and Vaux for their comments.

Commissioner Walberg stated he has been considering this issue for the last two years. He feels the fair should be a year around multi-use facility. Commissioner Walberg stated he feels Northern State would be the most suitable site. He felt the State would like to see something done with it and would probably assist in some way. Commissioner Walberg has confidence in the people of Sedro Woolley to help and make it work. Commissioner Walberg cautioned that the money situation must be kept in mind and that there are several ways of handling it and possibly it should be left up to the voters to decide.

Commissioner Vaux agreed with the comments made by Commissioner Walberg. He also felt that organization was a major problem in the success of the fair and felt that sweeping changes were in order. Commissioner Vaux felt that with a new site, new organization and new management, the Skagit County Fair could be extremely successful.

Chairman Rohrer stated that he has always been in favor of moving the fair to the Northern State location and envisions it as a multi-use fair facility.

Chairman Rohrer made a motion to move the fair to the Northern State location. Commissioner Walberg seconded the motion. The motion was carried unanimously.

MISCELLANEOUS

1. Bid Award Recommendation - Skagit County Bridge Painting Project.

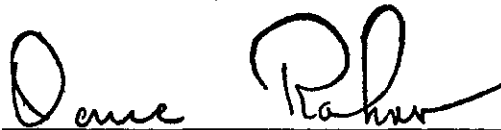
Commissioner Vaux motioned to award the bid for the Skagit County Bridge Painting Project to Tri-S Painting, Inc., the lowest bidder to meet the specifications, for the total amount of \$159,895.00, as recommended by the Public Works Department. Commissioner Walberg seconded the motion. The motion was carried unanimously. (Resolution #10939)

2. Commissioner Walberg motioned to adopt the resolution authorizing a transfer of budget appropriation in the amount of \$100.00 to provide for office supplies in the District Court Probation Department. Commissioner Vaux seconded the motion. The motion was carried unanimously. (Resolution #10940)
3. Commissioner Vaux motioned to adopt the resolution authorizing a transfer of budget appropriation in the amount of \$15,000.00 to provide for overtime expenses in the Sheriff's Office. Commissioner Walberg seconded the motion. The motion was carried unanimously. (Resolution #10941)
4. Commissioner Vaux motioned to adopt the resolution authorizing a transfer of budget appropriation in the amount of \$4,500.00 to provide the equipment and office supplies for the Microfilm Project. Commissioner Walberg seconded the motion. The motion was carried unanimously. (Resolution #10942)

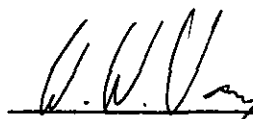
ADJOURNMENT

Commissioner Walberg motioned to adjourn the proceedings. Commissioner Vaux seconded the motion. The motion was carried unanimously.

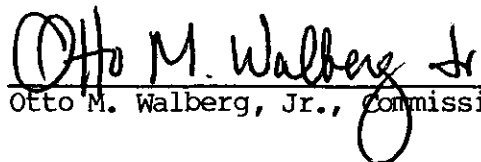
BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON



Dave Rohrer, Chairman



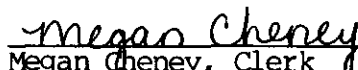
W. W. Vaux, Commissioner



Otto M. Walberg, Jr., Commissioner



ATTEST:



Megan Cheney, Clerk
Skagit County Board of Commissioners

FINANCIAL ASPECTS OF MOVING THE SKAGIT COUNTY FAIR
August 1986

I. The fair at this time:

<u>Year</u>	<u>Attendance</u>	<u>Revenues</u>	<u>Expenses</u>
1981	34,236	\$155,009	\$129,589
1982	33,356	165,538	137,434
1983	35,559	164,771	155,298
1984	36,846	146,430	144,743
1985	38,371	157,209	159,135

Financial Comparison of 1985 Skagit County Fairgrounds
and N.W. Washington (Lynden) Fairgrounds

	<u>Skagit County</u>	<u>N.W. Washington</u>
State Shared Revenues	\$ 50,430	\$123,103
Admissions	49,051	382,235
Advertising Fees	0	13,364
Concessions & Carnival	14,717	105,104
Display Space	10,872	61,846
Rentals	5,092	47,144
Miscellaneous	10,962	19,684
Total Revenues	\$141,124	\$752,580
- Expenditures	159,135	790,345
Net Loss	-\$ 18,011	-\$ 37,765

The Skagit County Fair net loss was covered primarily by a \$16,085 subsidy from the County General Fund. The N.W. Washington Fair net loss was covered by Cash on Hand.

II. Skagit County's capacity to pay for capital costs of fair relocation and expansion:

Skagit County does have a Land Acquisition and Facility Improvement Fund. This fund was established in 1978 to provide a way to pay for future property and facility needs.

The present fund balance is about \$1,140,000. This balance has accumulated by annual transfers of money from the General Fund to the Land Acquisition Fund. Because of tighter budgets, the annual transfer is \$50,000 for 1986. This compares to annual transfers of \$200,000 to \$250,000 in previous years.

Projects paid from the Land Acquisition and Facility Improvement Fund include acquisition of the Moen Building, masonry restoration, renovation of the Skagit County Courthouse, and acquisition of property for the Skagit County Public Safety Building. Future projects include

acquisition of a Senior Center in Concrete and renovation of the Courthouse Annex. Also, if Revenue Sharing Funds are not renewed by Congress, more maintenance and renovation projects will be shifted to the Land Acquisition and Facility Improvement Fund. Finally, Skagit County has only \$500,000 of earthquake insurance and no flood insurance. Because of these future projects and contingencies, it is not prudent to improve or construct a fair site with money in the Land Acquisition and Facility Improvement Fund.

III. Skagit County's capacity to pay an annual operating subsidy for operation of an expanded year around fair facility:

The 1986 Skagit County budget was balanced with considerable belt tightening, a net reduction of four positions, and modest fee increases for Health Department permits and building related permits. For 1987 we must plan on Federal Revenue Sharing being eliminated or reduced substantially. This means absorbing in some way the annual loss of \$650,000 to \$700,000 of revenue.

The 1987 budget goal as expressed by the Board of County Commissioners is to absorb the loss of Federal Revenue Sharing Funds without imposing the optional 1/2 percent sales tax. The option of imposing an additional 1/2 percent sales tax, which would generate about \$900,000 annually, is being preserved until it is demonstrated that Skagit County can no longer provide the basic government services unless this tax is imposed. Therefore, there is little money available from County General Fund revenues to increase the operating subsidy of the fair.

IV. Capital costs of relocating the fair:

The EIS does not pretend in any way to estimate what the costs of relocating an expanded fair would be. The EIS attempted to illustrate the cost of duplicating the existing facility, plus 15 acres of parking. No one is advocating duplicating the existing facility ANYWHERE.

For certain, if the fair is moved to 110 acres at the Northern State Hospital site, the capital cost would be several times the \$655,000 figure in the EIS. As examples, the Skagit Playfields facility near Skagit Valley College includes ball fields, a jogging loop and minimal other improvements on a 25 acre site. Total cost of improvements was \$745,000. The Swinomish boat launch is a 2 acre manual boat launch site with a 1/4 mile long access road beneath the Swinomish Channel Bridge. Total cost of improvements was \$307,000.

The actual cost of relocating the fair would depend upon visitor potential for the fair and year around activities, permanent exhibits, construction and fair expansion time tables, etc., other interested groups that would share in the capital costs, etc. At a minimum, the following costs would have to be more carefully considered:

1. \$176,000 is probably not nearly enough money to grade, drain and gravel a parking area sufficient in size to provide adequate parking for a larger fair.

2. \$100,000 is a small sum for improvements to Helmick Road and construction of an exit road from the parking area to SR 20.
3. The EIS indicates water lines will have to be extended from the main campus. The EIS also questions the condition of the 6" line serving the main campus. These improvements are not included in the costs of improvements.
4. It is doubtful a sewer connection can be achieved for \$45,000.
5. A grandstand comparable to that at the present site (city property) would cost more than \$50,000. This would not be at all adequate for an expanded fair.
6. The building cost listed is based on an average of \$8 per foot. This is fairly low considering some of the buildings will be completely furnished, some fixture intensive (restrooms) and many of the exhibit buildings are tall. Also, 30,000 square feet of building area is less than presently available. To expand the fair at all probably twice as much building space would be needed. The EIS calls for up to 165,000 square feet of building space by the year 2005.
7. Capital costs not considered include fencing, lighting, extension of sewer, water, electricity and telephone utilities throughout the site, storm drainage, etc.

V. Costs of operating a larger scale, year-round fair facility.

The Northwest Washington Fair, which is very well established, has an annual budget of about \$880,000. Operating costs that would increase substantially at an expanded year around facility include maintenance staff and supplies, management personnel, workers throughout the site, law enforcement, advertising, utilities, etc. We can only estimate how much of these costs could be covered by event revenues.

VI. Summary.

The present fair is at a plateau in terms of attendance and revenues with little hope for change. The present small, annual subsidy is not a drain on Skagit County revenues. Neither is the present fair facility a focal point for any kind of meaningful economic return to the citizens or businesses of Skagit County. An expanded year around facility could provide an economic return to the citizens and businesses of Skagit County. However, Skagit County does not have enough money to construct a new facility or subsidize a larger operation. Therefore, construction money would have to come partially from grants and other participating agencies. The County's portion would have to come from a voter approved General Obligation Bond issue. Similarly, any significant increase in operating subsidy would most likely have to be funded by a voter approved excess property tax levy or voter approval of lifting the 106 percent property tax limit.