

RECORD OF THE PROCEEDINGS  
SKAGIT COUNTY BOARD OF COMMISSIONERS

Monday, December 22, 1986

- 8:30 a.m. Work Session - Public Works Department Superintendent and Road Supervisors.
- Flag Salute
- 9:30 a.m. Discussion - Financing of Resource Recovery Project.
- 10:30 a.m. Public Works Department - Gene Sampley, Director:
1. Discussion - 1987 Equipment Rental Rate Recommendations.
  2. Call for Public Hearing - Resource Recovery Contract.
  3. Signature - Contract for Geotechnical Services.
  4. Resolution for Emergency Flood Control Projects.
  5. Miscellaneous Items.

MISCELLANEOUS ITEMS

- 1:30 p.m. Continuation of Public Hearing - Road Establishment - Garden Street and Various Alleyways in the Plat of Cheasty's Big Lake Tracts and Lakeview Tracts. (NOTE: Meeting held at Ammons residence: 1717 Lakeview Boulevard, Mount Vernon.)
- 3:30 p.m.
1. Bid Opening - Lake Cavanaugh Road Project.
  2. Resolution - Closing D.W.I. Impact Grant Fund.
  3. Resolution - Closing Skagit Playfield Construction Fund.

MISCELLANEOUS ITEMS

The Skagit County Board of Commissioners met in regular session on Monday, December 22, 1986, with Commissioners Rohrer and Walberg present. Commissioner Vaux was absent.

DISCUSSION - FINANCING OF RESOURCE RECOVERY PROJECT.

Bill Mantle was present representing Preston, Thorgrimson, Ellis, and Holman, Skagit County's bond counsel.

Mike Woodmansee, Budget and Finance Director, briefly noted that the issues to be discussed pertained to: (1) whether Skagit County could meet the requirements of a "governmental bond"; and (2) if Skagit County's incinerator bond issue is to be a "private activity bond," then what parts of the plant are eligible for tax-exempt financing? Mr. Woodmansee noted that Bob Yeasting, Skagit County's financial advisor, estimated the interest rate for private activity bonds was 1/4 percent higher than governmental bonds.

Mr. Mantle indicated regulations for a governmental bond issue would enable Skagit County to finance their entire portion of the solid waste disposal project. The "eligible" portion of the project only needs to be analyzed if the bond issue is a private activity bond.

Mr. Woodmansee explained that the County believes selling power to Puget Power is an integral part of the solid waste project, and therefore Skagit County exceeds the 10 percent private interest requirement. This means Skagit County's bond issue cannot be a governmental bond issue because the proceeds from power sales exceeds 10 percent of the annual debt served.

Gene Sampley, Director of the Public Works Department, noted that the facility management contract under a governmental bond issue could not exceed 5 years. Additionally, Mr. Sampley explained a 20-year contract was allowed under the requirements of a private activity bond.

Mr. Mantle went on to explain the two primary issues brought up by a private activity bond. First, the question of whether air pollution equipment is included in the private activity bond must be answered. There is no precedent on this matter. Requesting an I.R.S. letter ruling is not practical because it takes 6 to 8 months to get an answer. Preston, Thorgrimson will continue researching the issue. Regarding power equipment, Preston, Thorgrimson will determine the eligible and ineligible portions after reviewing this issue with the project engineers.

Ernie Ward, 1699 Beaver Marsh Road, Mount Vernon, asked for more details on the bond financing.

Mr. Woodmansee explained that the County is looking at a one-time bond issue of \$6.5 to \$7 million.

Don Bockelman, 2863 South Skagit Highway, Sedro-Woolley, asked what financing will be available for future pollution controls.

Mr. Woodmansee explained that the County would not be precluded from future bond issues, although this isn't planned at this time.

Bob Green stated that new air pollution regulations can be expected in the future.

Chairman Rohrer acknowledged receipt of a letter from Zell Young, P.O. Box 433, Mount Vernon, in which Mr. Young expressed the need for all citizens to change their disposing habits.

Helen Day felt the issue should be brought to the vote of the people. She requested a copy of the Environmental Impact Statement on the matter.

Mr. Sampley offered to see that she gets a copy, or a copy is also available at the public library.

No action was taken on this matter. Further update and discussion will be held regarding financing as more information becomes available.

On a related matter, the Board approved for signature a letter to Preston, Thorgrimson, Ellis and Holman, authorizing the acceptance of their legal assistance for negotiation of a power sales contract with Puget Power Company for the sale of electricity from the waste-to-energy project.

PUBLIC WORKS DEPARTMENT - Gene Sampley, Director:

1. Discussion - 1987 Equipment Rental Rate Recommendations.

Gene Sampley presented the Board with copies of the equipment rental rates for 1987. He explained that no significant equipment rental rate changes appear necessary for 1987. Although the cost of insurance went up, the cost of fuel went down.

2. Call for Public Hearing - Resource Recovery Contract.

Mr. Sampley noted that copies of the proposed contract will be available in the Public Works Department.

Commissioner Walberg motioned to adopt the resolution calling for a public hearing at 7:30 p.m., January 5, 1987, for the purpose of hearing the findings and recommendations of the Director of Public Works and hearing testimony regarding the terms and conditions of the contract negotiated between the Skagit County Director of Public Works with the assistance of R. W. Beck and Associates and Wright Schuchart Harbor Company for the design, construction, testing, and operation of a refuse incineration/resource recovery facility. Chairman Rohrer seconded the motion. The motion was carried and so ordered. (Resolution #11088)

The public hearing will be held in Hearing Rooms B and C of the Administration Building.

3. Signature - Contract for Geotechnical Services.

The Board approved for signature the consultant agreement for geotechnical engineering services in 1987 with GeoEngineers, Inc. The maximum amount payable for completion of all work under this agreement is \$28,300.

4. Resolution for Emergency Flood Control Projects.

Commissioner Walberg motioned to adopt the resolution declaring the following damaged sites to be considered emergencies and in need of repair as soon as

possible to avoid further damage to the public property now in jeopardy:

- a. The right bank of the Cascade River about 500 feet upstream from the Cascade River Bridge adjacent to the Cascade River Road.
- b. Both banks of Muddy Creek upstream about 150 feet from the Hamilton Cemetery Road Bridge and to the bridge abutments.

Chairman Rohrer seconded the motion. The motion was carried and so ordered.  
(Resolution #11089)

Gene Sampley explained that these projects will receive 80 percent funding from the Department of Ecology.

5. Miscellaneous Items.

There were no miscellaneous Public Works Department items at this time.

MISCELLANEOUS ITEMS

1. Commissioner Walberg motioned to call for a public hearing to consider authorizing a moratorium on aquaculture activity. Commissioner Rohrer seconded the motion. The motion was carried and so ordered.

The public hearing is scheduled for 7:30 p.m., January 19, 1986, in Hearing Room C.

2. The Board approved for signature a Department of Ecology Coastal Zone Management Grant for amending the Shoreline Master Program, specifically in the area of small hydroelectric generation facilities.
3. Gene Sampley explained that due to the Skagit Argus' rescheduling of their publication date and Skagit County's inability to publish legal notices for Board action on December 22, 1986, he obtained the consent of Dan Berentson of the Skagit Argus to utilize the Skagit Valley Herald for Skagit County's official newspaper for legal notices for the waste-to-energy project.

Commissioner Walberg motioned to designate the Skagit County official newspaper for legal notice for the period of December 22, 1986, through January 3, 1987, to be the Skagit Valley Herald. The Notice of Public Hearing for Skagit County's waste-to-energy contract, which public hearing is scheduled for January 5, 1987, shall be published in the Skagit Valley Herald in the legal notice section. Chairman Rohrer seconded the motion. The motion was carried and so ordered.  
(Resolution #11090)

CONTINUATION OF PUBLIC HEARING - ROAD ESTABLISHMENT - GARDEN STREET AND  
VARIOUS ALLEYWAYS IN THE PLAT OF CHEASTY'S BIG LAKE TRACTS AND LAKEVIEW  
TRACTS. (NOTE: Meeting held at Ammons residence: 1717 Lakeview Boulevard,  
Mount Vernon.)

Due to the absence of Commissioner Vaux, and Chairman Rohrer's absence from the public hearing on this matter held on December 15, 1986, this item was continued until 1:30 p.m., Monday, December 29, 1986, at the Ammons residence, 1717 Lakeview Boulevard, Mount Vernon.

1. BID OPENING - LAKE CAVANAUGH ROAD PROJECT.

Chairman Rohrer waived the reading of the Notice of Public Hearing, as published in the Skagit Argus on December 2, and December 9, 1986; and in the Daily Journal of Commerce on December 5, December 12, and December 16, 1986.

The following bids were received:

1. Timberline Road Construction, Inc.  
5068 Waschke Road  
Bellingham, WA 98226

Bid bond enclosed.  
Total Bid: \$460,682.25

2. Continental Dirt Contractors, Inc.  
10125 S.E. 200th  
Kent, WA 98031

Bid bond enclosed.  
Total Bid: \$308,425.15

3. R D & R Construction, Inc., d.b.a. T & P Company  
P.O. Box 431  
Burlington, WA 98233

Bid bond enclosed.  
Total Bid: \$283,110.79

4. Puget Sound Sand & Gravel, Inc.  
6766 Everson-Goshen Road  
Everson, WA 98247

Bid bond enclosed.  
Total Bid: \$282,952.20

5. Comm Exco Construction  
P.O. Box 461  
Burlington, WA 98233

Cashier's check enclosed.  
Total Bid: \$279,385.50

6. General Power Corporation  
8520 14th Avenue N.W.  
Seattle, WA 98117

Bid bond enclosed.  
Total Bid: \$322,882.75

7. Delhur Industries, Inc.  
P.O. Box 1116  
Port Angeles, WA 98362

Bid bond enclosed.  
Total Bid: \$269,893.80

8. Scoccolo Construction  
2825 South 154th Street  
Seattle, WA 98188

Bid bond enclosed.  
Total Bid: \$234,513.65

9. One Way Construction  
215 North Reed Street  
Sedro-Woolley, WA 98284

Bid bond enclosed.  
Total Bid: \$246,984.25

10. Wilder Construction  
2006 North State Street  
Bellingham, WA 98225

Bid bond enclosed.  
Total Bid: \$256,342.85

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

2. RESOLUTION - CLOSING D.W.I. IMPACT GRANT FUND.

Mike Woodmansee, Budget and Finance Director, informed the Board that the

D.W.I. grant program was terminated in 1986, although many programs are being continued through the County.

Commissioner Walberg thus motioned to adopt the resolution closing the D.W.I. Impact Grant Fund #120. Chairman Rohrer seconded the motion. The motion was carried and so ordered. (Resolution #11091)

3. RESOLUTION - CLOSING THE SKAGIT PLAYFIELD CONSTRUCTION FUND.

Commissioner Walberg motioned to adopt the resolution closing the Skagit Playfield Construction Fund #350, since the project has been completed and accepted. Chairman Rohrer seconded the motion. The motion was carried and so ordered. (Resolution #11092)

MISCELLANEOUS ITEMS

1. Commissioner Walberg motioned to adopt the resolution authorizing a transfer of budget appropriation in the amount of \$51,028 to provide for various expenditure increases and decreases not expected when the 1986 budget was adopted. Chairman Rohrer seconded the motion. The motion was carried and so ordered. (Resolution #11093)
2. The Board approved for signature a purchase agreement with Concurrent Business Systems for purchase and installation of a computer system for the Public Defender's Office. The cost of the system is \$22,589.58.
3. The Board approved for signature a data processing agreement with Snohomish County for provision of data processing services for the period of January 1, 1987, through December 31, 1988.
4. In accordance with action previously taken, the Board approved for signature the resolution designating the Skagit Valley Herald as Skagit County's official newspaper for legal notice for the period of December 22, 1986, through January 3, 1987. (Resolution #11090)
5. The Board approved for signature a contract for professional services with the Town of La Conner for planning services on an as needed basis at the rate of \$20 per hour. This contract shall commence on January 1, 1987, and continue until January 1, 1988, or until sooner terminated.
6. The Board approved for signature a contract for professional services with Dr. Julius K. Neils, for provision of necessary services as health officer. Dr. Neils shall furnish approximately seven hours of service per week to the County, and compensation shall be at the rate of \$45 per hour. The total sum of compensation shall not exceed \$17,000 annually. This agreement is effective January 1, 1987, and shall terminate on December 31, 1987.

7. The Board approved for signature an agreement with the Economic Development Association of Skagit County (E.D.A.S.C.) for the promotion of economic development in Skagit County. This contract shall be effective January 1, 1987, through December 31, 1987, and compensation shall be in the amount of \$6,000 plus a possible additional \$4,000, which is contingent on private membership contributions. The total County contribution during the term of this agreement shall not exceed \$10,000.
8. Vouchers audited and certified by the auditing officer as required by R.C.W. 42.24.080, and those expense reimbursement claims certified as required by R.C.W. 42.24.090, have been recorded on a listing which has been made available to the Board.

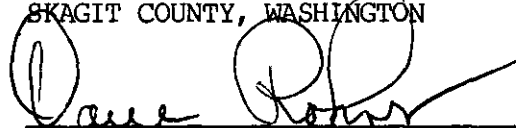
As of this date, December 22, 1986, the Board, by a majority vote, did approve for payment those vouchers included in the above-mentioned list and further described as follows:

- a. Vouchers #11127 through #11462 (Warrants #19515 through #19759) in the amount of \$326,450.15. (C-47)
- b. Vouchers #42210 through #42321 (Warrants #42210 through #42321) in the amount of \$307,529.69. (R-31)

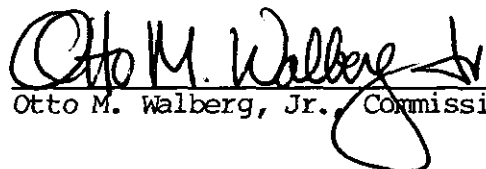
ADJOURNMENT

Commissioner Walberg motioned to adjourn the proceedings. Chairman Rohrer seconded the motion. The motion was carried and so ordered.

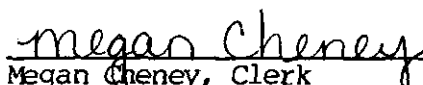
BOARD OF COUNTY COMMISSIONERS  
SKAGIT COUNTY, WASHINGTON

  
\_\_\_\_\_  
Dave Rohrer, Chairman

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W. W. Vaux, Commissioner

  
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Otto M. Walberg, Jr., Commissioner

ATTEST:

  
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Megan Cheney, Clerk  
Skagit County Board of Commissioners