

RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS

Tuesday, November 17, 1987

- 8:30 a.m. Work Session - Library Service.
Flag Salute
- 10:00 a.m. Discussion - Washington Centennial Games - Jones Atterberry.
- 10:30 a.m. Discussion - Lincoln Theatre Center Funding Request.
- MISCELLANEOUS ITEMS
- 11:00 a.m. Executive Session - Land Acquisition and Labor Negotiations.
- 1:30 p.m. Bid Opening - One (1) New Wheel Loader.
- 7:00 p.m. Public Hearing - Skagit System Cooperative Shoreline Substantial Development Conditional Use Permit Request #SLCU-787, for the Construction and Operation of a Salmon Net Pen Facility in Skagit Bay. (Meeting location: Hearing Rooms B & C, County Administration Building)

The Skagit County Board of Commissioners met in regular session on Tuesday, November 17, 1987, with Commissioners Walberg, Vaux and Rohrer present.

DISCUSSION - WASHINGTON CENTENNIAL GAMES - Jones Atterberry.

Jones Atterberry was present for this discussion. He informed the Board that Ron Butlin, Managing Director of the 1989 Washington Centennial Games, will be meeting with interested persons at 1:00 p.m. on November 18, 1987, in the Aqua Room at the Skagit P.U.D. Mr. Butlin will be explaining how all of the cities in the area can organize together to attract the centennial games to Skagit County. Mr. Atterberry noted that the local Chambers of Commerce will be helping to determine the number of hotel rooms and recreation vehicle spaces available in Skagit County.

Presentation packets must be in to the Washington State Games Foundation by January of 1988. The first games will be held in the summer of 1989 between July and August. Following games will be held every two years thereafter.

Mr. Atterberry requested the Board's support and commitment toward attracting the games to Skagit County.

Commissioner Vaux stated that he whole-heartedly supported the project.

Jon Aarstad, Director of the Parks, Recreation and Senior Services Department, and Dennis Lind, Recreation Supervisor, were also present.

Jon Aarstad stated that representatives from Bellingham have indicated that preliminary trials will be held somewhat regionally. Final competition will take place in one area of the state. Mr. Aarstad agreed to be the Board's representative at the meeting on November 18, 1987.

MISCELLANEOUS ITEMS

Commissioner Vaux motioned to approve the Petition for Property Tax Refund for Margaret Robertson, 881 Peavey Road, Space #26, Sedro-Woolley, Washington 98284, in the amount of \$446.26, due to senior citizen exemption. Commissioner Rohrer seconded the motion. The motion was carried unanimously. (#010887)

DISCUSSION - LINCOLN THEATRE CENTER FUNDING REQUEST.

The following members of the Lincoln Center Board of Directors were present: Rick Epting, President; Wayne Hancock, Vice President; and Earlene Beckes, Treasurer.

Ms. Beckes informed the Board that the Lincoln Theatre was constructed in 1926. In May of this year, an interim Board of Directors was elected for the purpose of renovating the Lincoln Theatre and turning it into a performing arts center for Skagit County. To this date they have formed a viable organization, secured historic designation, filed for not for profit status with Washington State and the United States Government, and begun preparation for a gala/open house to be held in February, 1988. She explained that the next step is to hire a consultant to determine the cost of renovation. The Architectural Committee met to write a program, set a time line and decide the fee to be paid for services. The cost of the architectural study will be \$3,000.

Ms. Beckes requested Skagit County contribute \$1,000 toward the study. The remaining \$2,000 will be requested from the National Trust for Historic Preservation: Preservation Services Fund and the community at large.

Mr. Epting stated that they have also conducted a potential user survey and received very favorable responses from musical groups, theatrical groups, civic organizations, churches, etc. The theatre will seat 550 people. He noted that the theatre is an outstanding size for the community.

Mr. Hancock noted that they have studied other communities' projects of similar scopes.

Ms. Beckes invited the Board to attend their monthly meeting on Tuesday, November 24, 1987, at 7:30 p.m. Leonard Garfield and Kay Austin, from the Washington State Office of Archaeology and Historic Preservation, will make a presentation and narrate a slide show featuring other Washington movie

theaters that have been renovated and are now being used for the performing arts.

Discussion followed regarding fundraising plans.

Mr. Epting noted that they are expecting renovation to cost between \$400,000 and \$500,000. Most of the funding will be obtained from grants and foundations, as well as corporate and private donors.

Commissioner Vaux stated that he felt the project is a terrific one, however, since it is located in the city of Mount Vernon, it is terribly difficult for the Board of Commissioners to fund something in Mount Vernon without funding projects in downtown Sedro-Woolley, Burlington and Anacortes. Commissioner Vaux stated that he would be interested in donating on a personal level, however.

Mr. Epting noted that the theatre will be attracting participation County-wide.

Commissioner Rohrer concurred with Commissioner Vaux.

Commissioner Vaux noted that on several occasions the County has provided funding equal to what other cities in the County contribute; however, this possibility would require conferring with Mike Woodmansee, Budget and Finance Director.

The Board encouraged the Lincoln Theatre Center Foundation to contact area cities for possible contributions from their hotel/motel tax revenue. In the meantime, the Board will consider the Center's request for funding.

MISCELLANEOUS ITEMS

1. Commissioner Vaux motioned to adopt the resolution authorizing the transfer of budget appropriations in the amount of \$5,875 within the Parks, Recreation and Senior Services' budget to accommodate the results of department activities. Commissioner Rohrer seconded the motion. The motion was carried unanimously. (Resolution #11393)
2. Commissioner Vaux motioned to adopt the resolution authorizing the transfer of budget appropriations in the amount of \$1,200 within the Prosecuting Attorney's budget to accommodate the results of the Prosecutor's Office effort. Commissioner Rohrer seconded the motion. The motion was carried unanimously. (Resolution #11394)

BID OPENING - ONE (1) NEW WHEEL LOADER.

Chairman Walberg waived the reading of the Notice of Call for Bids, as

published in the Skagit Argus on October 27, and November 3, 1987.

The following bids were received:

1. Howard-Cooper Corporation
17700 West Valley Highway
Tukwila, WA 98188

Bid deposit enclosed.
Manufacturer: Dresser-Hough
Model:
Total Out-of-Pocket Cost to Skagit County: \$116,536.12
2. Clyde/West, Inc.
9615 West Marginal Way South
Seattle, WA 98108

Bid deposit enclosed.
Manufacturer: Kawasaki Loaders, Inc.
Model: KSS85ZII
Total Out-of-Pocket Cost to Skagit County: \$123,761.30
3. N C Machinery Co.
P.O. Box 130
2020 Freeway Drive
Mount Vernon, WA 98273

Bid deposit enclosed.
Manufacturer: Caterpillar, Inc.
Model: 966
Total Out-of-Pocket Cost to Skagit County: \$128,126.03
4. Craig Taylor Equipment Co.
3100 East Valley Road
Renton, WA 98055

Bid deposit enclosed.
Manufacturer: Fiatallis
Model: FR 20 B
Total Out-of-Pocket Cost to Skagit County: \$ 67,669.52
5. Millbrook Equipment Co.
1712 Hickox Road
Mount Vernon, WA 98273

Bid deposit enclosed.
Manufacturer: John Deere
Model: 844
Total Out-of-Pocket Cost to Skagit County: \$123,772.28

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

PUBLIC HEARING - SKAGIT SYSTEM COOPERATIVE SHORELINE SUBSTANTIAL DEVELOPMENT
CONDITIONAL USE PERMIT REQUEST #SLCU-787, FOR THE CONSTRUCTION AND OPERATION
OF A SALMON NET PEN FACILITY IN SKAGIT BAY. (Meeting Location: Hearing Rooms
B and C, Skagit County Administration Building)

Chairman Walberg waived the reading of the Notice of Public Hearing, as published in the Skagit Argus on November 3, 1987. Chairman Walberg incorporated the entire record of the Hearing Examiner into this record. He noted that the following correspondence had been received by the Commissioners' Office with regard to this matter:

1. Letter dated November 16, 1987, from Rolf and Linda Faste, 90 Peter Coutts Circle, Stanford, CA 94305, expressing opposition to Permit Request #SLCU-787.
2. Letter dated November 9, 1987, from Gary and Constance Funk, 1566 Snee-oosh Road, La Conner, WA 98257, expressing opposition to Permit Request #SLCU-787.
3. Letter dated November 10, 1987, from Betty Agen, expressing opposition to Permit Request #SLCU-787.
4. Letter dated October 27, 1987, from James and Lynn L. Grobschmit, 754 View Lane, La Conner, WA 98257, in support of the moratorium on location of fish pens.

Betsy Stevenson, Assistant Director of the Department of Planning and Community Development, entered the following items into the record:

1. Staff report;
2. Application file and all correspondence;
3. Hearing Examiner's decision and tapes from the public hearing;
4. Skagit County Shoreline Management Master Program;
5. Revised Code of Washington 90.58;
6. Washington Administrative Code 173-14;
7. Washington Administrative Code 197-11;
8. Revised Code of Washington 43.21C;

9. Coastal Zone Atlas for Skagit County;
10. The Environmental Effects of Floating Mariculture in Puget Sound, by Dr. Weston, August 1986;
11. Recommended Interim Guidelines for the Management of Salmon Net Pen Culture in Puget Sound, December 1986;
12. Aquaculture Siting Study for Department of Ecology, October 1986;
13. Shoreline Hearing Board decision #86-29 on Tailfin v. Skagit County, et al.; and
14. The Aquaculture Industry in Washington State: An Economic Overview, May 1987, Department of Trade and Economic Development.

Ms. Stevenson explained that on August 19, 1987, the Hearing Examiner held a public hearing to consider Permit Request #SLCU-787, and on October 5, 1987, the Hearing Examiner's decision to approve the request was issued. The matter was now before the Board of Commissioners for action.

William Ryan, Program Director for Skagit System Cooperative, requested the appellants present their issues first.

Vince Hanson, 760 McGlinn Drive, La Conner, stated that he was vehemently opposed to the location of salmon net pens in Skagit Bay. He disagreed with the County's statement of non-significance, since the facility was approximately 200 feet from his bedroom.

Hal Goetsch, 1736 Goldenview Avenue, La Conner, stated that Skagit Bay is currently very shallow and polluted. He felt property values would be reduced as would tax revenue to the County, should the facility be allowed.

Kay Bartlett asked to be allowed to speak at a later time.

Glen Bartlett, 1568 Snee-oosh Road, La Conner, presented a chart (Exhibit #1), explaining the existing uses of the land and waterways. He noted that he is not opposed to aquaculture as an industry, however, the location of such facilities must be very carefully examined. He noted that within the past year, two dead seal carcasses have been found in the bay. He also submitted a photo of a seal (Exhibit #2).

Larry Collinge, 1520 Snee-oosh Road, La Conner, stated that he had before him an environmental impact statement comment by POWER, a group opposed to the improper placement of sea farms. He stated that he is also not opposed to aquaculture. He felt aquaculture facilities could be operated on dry land without polluting the ocean.

Jack Rensel asked to be allowed to speak later during the public hearing.

Dale Fisher, 1614 Snee-oosh Road, La Conner, stated that he is President of the Kiket Bay Organization. He stated that he was asked to speak on behalf of Dr. Arthur H. Whiteley, who was unable to attend this hearing. Mr. Fisher listed three areas of concern:

1. Environmental concerns;
2. Land use and siting concerns; and
3. Aesthetic concerns.

Mr. Fisher noted that Dr. Whiteley had the opportunity to meet with Anders Anderssen, an expert from Norway, who noted that their permitting process is much more stringent.

Mr. Fisher also noted documentation from Dr. Rita Cowell Japan, Vice President of Research, from the University of Maryland, who felt that floating fish pens should be replaced with land based operations.

Mr. Fisher also noted the inadequacy of the Washington State interim guidelines which are non site specific. He also objected to the aesthetics created by the fish pens, i.e. sight, sound, smell and commotion.

Mr. Fisher presented his documentation to the Board (Exhibit #3).

A. E. Luthy, 1726 Goldenview Avenue, felt the waste from the proposed pens would additionally pollute the waters of Skagit Bay. He noted that Island County officials are becoming increasingly concerned with fish pen facilities. He asked the Board not to gamble with Skagit Bay.

Dr. Alexander Bill, Route 1, Box 1426, Lopez Island, stated that he started net pen sites off of Cypress Island in Deep Water Bay. The benefits of such a facility to Skagit County are great. He stated that there is no evidence of pollution from the fish pens, nor is there incidence of disease. He presented photos of the pens taken at 150 feet, 500 feet, 1,000 feet and 2,000 feet to show how the pens are invisible from between 1,000 and 2,000 feet away (Exhibit #4).

Dr. Tom Watson asked to be allowed to speak at a later time.

Jan Wiese-Hansen, 522 Gibraltar Road (P.O. Box 961), Anacortes, stated that he is Manager for Scan-Am Fish Farms. He has worked with Dr. Bill and has experience with such facilities. Mr. Wiese-Hansen felt the flushing action of Skagit Bay is adequate. He noted that the facility in Deep Water Bay currently pays \$7,000 per year in lease fees to the Department of Natural Resources. They also carry liability insurance. He concluded by stating that the Skagit Bay site has all of the qualities to be a successful fish-producing facility.

Doreen Maloney, asked to speak at a later time.

Kay Bartlett, 1568 Snee-oosh Road, La Conner, read a letter on behalf of her daughter, Connie Funk, who was opposed to the proposed facility due to its proximity to State parks, incompatibility with seals, pollution, inadequate flushing, and the Commercial zoning in a Residential area.

Jim Gibson, P.O. Box 368, La Conner, stated that he is a fish biologist for Skagit System Cooperative. He presented a chart of Skagit Bay (Exhibit #5), and noted that the nearest land to the net pens is the parcel containing Hope Island Inn, which is zoned Commercial. Mr. Gibson also presented a series of photos (Exhibit #6), to give perspective to the location of the fish pens. Finally, Mr. Gibson presented photos of the largest net pen operation in the world, which consists of 160 pens, and another farm consisting of 100 pens (Exhibit #7). The proposed facility would contain a maximum of only 20 pens.

Mr. Gibson also commented on the fish pen facility at Lone Tree. He noted that he has never heard of shooting seals (natural predators of the fish).

Jack Rensel, 2412 North 77th Street, Seattle, stated that he is a certified fisheries scientist. His role in this proposal was to conduct site specific studies in north Skagit Bay. He noted that the depth and current studies far exceed the interim guidelines. In an effort to correct testimony given at the Hearing Examiner hearing, Mr. Rensel stated that there is adequate water depth in Skagit Bay for sufficient tidal action.

Dr. Tom Watson, of General Sea Harvest Corporation, 200 Granville Street, Suite 1575, Vancouver, B.C., Canada V6C 1S4, stated that he has been involved with many fish farms. He spoke in rebuttal to the fear of diseased fish as a result of the farms. He offered to answer any questions the Board may have. Dr. Watson presented the following exhibits:

Exhibit #8a: Letter dated November 17, 1987, to the Skagit County Board of Commissioners, and an attached statement of qualifications.

Exhibit #8b: Report entitled "Status of the British Columbia Salmon Farming Industry and Associated Fish ~~Health~~/Disease Considerations."

Exhibit #8c: Attachment #1: "Salmon Farming in British Columbia," prepared by the B.C. Salmon Farmers Association.

Exhibit #8d: Attachment #2: "An Inquiry into Finfish Aquaculture in British Columbia," prepared by David Gillespie, Chairman of the B.C. Finfish Aquaculture Inquiry.

Doreen Maloney, 2284 Community Plaza, Sedro-Woolley, representing the Upper Skagit Tribe, stated that the Tribes are adamantly opposed to any type of development which may be harmful to the environment, especially the fisheries environment. She noted that they are interested in fish farms to reduce

unemployment. She asked that this project be rated on its merits.

Lorraine Loomis, P.O. Box 817, La Conner, Fisheries Manager for the Swinomish Tribe and also the Tribe's representative for Skagit System Cooperative, presented a chart (Exhibit #9) to explain the waterways which contribute to the fisheries.

Robert Joe, Sr., P.O. Box 817, La Conner, Chairman of the Swinomish Tribe, spoke in favor of the proposed net pens on behalf of the Swinomish Tribe.

Nick Zaferatos, General Manager/Planning Director of the Swinomish Tribal Community, also spoke in favor of the fish pens. He noted the employment opportunities the facility would offer. Mr. Zaferatos also explained that the Tribe has investigated this proposal and has determined it will have no adverse effect on Skagit Bay. He presented the Board with written testimony with regard to this proposal (Exhibit #10).

Robert Hayman, P.O. Box 368, La Conner, stated that he is a senior biologist for Skagit System Cooperative. He described his previous work in Japan, and stated that he had not heard of any case where culturing fish has caused any human or environmental damage. He explained his plan to monitor the project and treat the fish as needed.

Mr. Collinge explained that he was treated rudely when he tried to observe the net pen facility.

Mr. Gibson apologized for the rude treatment Mr. Collinge received.

Mr. Bartlett stated that he has great respect for Dr. Bill, however, he disagreed that the net pen facilities could not be seen from a few thousand feet. He invited the Commissioners out to the site to observe the facility. Mr. Bartlett also requested there be some limit on the number of pens allowed. He asked the Board to remember that the people speaking in favor of the facility stand to gain.

Mr. Hanson sited a disease epidemic which was recently found in Port Townsend Bay.

Mr. Rensel stated that the fish kill at Port Townsend Bay was caused by man's toxic pollution of the water. This matter is currently under study by the Department of Ecology.

Bill Ryan, P.O. Box 368, La Conner, representing Skagit System Cooperative, stated that Skagit System Cooperative has fish at American Aqua Foods' site, due to the delay caused by moratorium hearings and changing the location of their site, etc. Due to the lawsuit against American Aqua Foods, additional strain has been placed on their public relations. Mr. Ryan also noted that the boat launch site on Snee-oosh Beach is owned by Tribal members. The trash and garbage which accumulates there is caused by the public, however, they

plan to keep it cleaned up as best as they can. Mr. Ryan explained that a 16-foot boat services the fish pen site a maximum of three times per day.

Mr. Goetsch stated that he lives one mile south of the Kiket Island pen site, and he can outline the entire operation except in a very heavy fog.

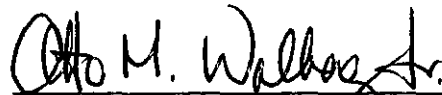
Mr. Fisher felt the economics of the proposal were being exaggerated. He cautioned against adding to the pollution of Skagit Bay.

As there was no additional public comment, Commissioner Vaux motioned to continue this hearing until 10:00 a.m., Wednesday, November 25, 1987, in the parking lot of the Hope Island Inn Restaurant. Commissioner Rohrer seconded the motion. The motion was carried unanimously.

ADJOURNMENT

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

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON



Otto M. Walberg, Jr. Chairman

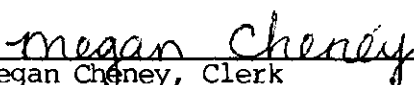


W. W. Vaux, Commissioner



Dave Rohrer, Commissioner





Megan Cheney, Clerk
Skagit County Board of Commissioners