

**RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS
Tuesday, October 21, 1997**

7:30 a.m. – 8:30 a.m.	Commissioners' Staff Meeting.
8:30 a.m. – 9:00 a.m.	Work Session – Operations Division Manager/Road District Supervisors.
9:00 a.m. – 10:00 a.m.	Public Works Department – Jan Keiser, Director. 1) Discussion – Guemes Ferry Operation. 2) Signature – Notice of Road Closure for South Texas Road #17200. 3) Miscellaneous.
10:00 a.m. – 10:30 a.m.	Planning & Permit Center – Tom Karsh, Director. 1) Miscellaneous.
10:30 a.m. – 11:00 a.m.	Executive Session – Personnel, Litigation and Land Acquisition.
11:00 a.m. – 11:30 a.m.	Public Hearing – Supplemental Budget.
1:30 p.m. – 5:00 p.m.	Budget Work Session.

The Skagit County Board of Commissioners met in regular session on Tuesday, October 21, 1997, with Commissioners Harvey Wolden, Robert Hart and Ted W. Anderson present.

PUBLIC WORKS DEPARTMENT – Jan Keiser, Director.

1. Discussion – Guemes Ferry Operation.

Chairman Wolden stated that on October 7, 1997, the Board approved a Resolution (No. 16703) directing the Ferry Proposal Review Committee to bring forth a recommendation to the Board regarding the operation of the Guemes Ferry.

Mike Woodmansee, County Administrator, reviewed the history of the proposed privatization of the Guemes Ferry. He reviewed the procedures that were used for evaluating the proposals that were received.

Mr. Woodmansee advised that the Ferry Proposal Review Committee met last week, and reached the following conclusions: 1) That the privatization of the Guemes Ferry is feasible and that all responders meet or exceed the requirements of the RFP; and 2) That if the Board does decide to privatize the operation of the Guemes Ferry, the Board should direct staff to pursue contract negotiations with Pacific Coast Maritime, Incorporated, which received the committee's highest rating.

Jan Keiser, Public Works Director, stated that Pacific Coast Maritime received a slight edge in the tabulations as they have an identical operation in Pierce County. Ms. Keiser indicated that it is the recommendation of the Public Works Department that the Board pursue privatization of the operation of the Guemes Ferry. She stated that the Public Works Department does not have as its main mission marine transportation, and it is not an area of expertise of her department. Further, the amount of time and effort required to stay on top of Coast Guard rules and regulations takes a disproportionate amount of time and conflicts with other duties. She further explained the rising costs of operating the ferry and the decline in funding from State subsidies. Ms. Keiser reiterated that the same level of service will be achieved at a reduced cost to the taxpayers by privatizing ferry operations.

Commissioner Hart explained that the RFP had a stringent structure and that Pacific Coast Maritime operates a significantly similar operation to the Guemes Ferry. In the negotiation stage, it is hoped that additional cost savings can be obtained.

Ms. Keiser indicated that Pacific Coast Maritime was not the low bidder, but scored more points for currently providing the same level of service and possessing high qualifications. Ms. Keiser stated that Pacific Coast Maritime based their price strictly on the parameters listed in the RFP, and that negotiations will flush out the details of the operation of the ferry. Ms. Keiser further discussed staffing of the ferry operation and the interest of the County to use existing staff who are already trained and familiar with their customers. She indicated that during contract negotiations the County would encourage use of existing staff but would not interfere with Pacific Coast Maritime making their own employment selections.

Commissioner Anderson asked for clarification of the anticipated savings if privatization according to the RFP happens. Ms. Keiser indicated that there would be a 20-30% savings, translating to between \$40,000 to \$50,000 per year.

Chairman Wolden stated that a considerable amount of time has been put into this review and many letters have been received.

Commissioner Anderson asked Chairman Wolden if he would allow speakers.

Chairman Wolden stated that many letters have been received both for and against privatization, and further testimony is not needed.

Commissioner Anderson pointed out that Chairman Wolden is making an assumption that everyone present is against privatization.

Tom Montgomery, Anacortes, stated that he is not representing everyone in the room, but feels that the Board would be committing a total injustice to constituents if the Board does not open the floor up for comments.

Mr. Montgomery stated that the County Commissioners have not bargained in good faith. He stated that ferry workers are just as important as businesses and that each ferry worker has a family to support. He asked the Board to honor the contract that has been negotiated. He stated that as a taxpayer he would hate to see public funds go for frivolous payoffs from lost lawsuits.

Ron Panzero, Guemes Ferry crew, noted that the \$50,000 savings does not appear to be "significant savings." He asked if it is really worth the change? Mr. Panzero stated that every time the crew came to negotiations, the initial target was moved. He stated that negotiations were not fair and privatization will take food out of the crew's children's mouths. He further stated that it is not true that an impasse was reached during negotiations.

Richard Hein, Guemes Island, stated his opposition to privatization, and submitted some written comments.

Scott Braymer, Regional Director of Inlandboatmen's Union, stated that he has been involved in negotiations with the County since the first of this year. He questioned how did it take 36 years to come to the conclusion that the County was not in the marine industry. He stated that current employees were never asked how to make the ferry a better operation.

Mike Brogan, 399 So Shore Drive, submitted letter in support of the Board's stand, stating that the ferry should be run more like a business and be accountable for service-oriented reasons.

Keith Hilliard, Anacortes, Guemes Ferry worker, questioned why there hasn't been a public forum on this issue in the evening so that the working people of the island could come and show support or non-support for this proposal.

David Ashback asked why ferry rates have not been increased over the years.

Chairman Wolden replied that the ferry committee did not support rate increases and people of Guemes Island did not support rate increases.

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Glen Veal, Guemes Island and a member of the ferry committee since 1975, explained the composition of the ferry committee. He stated that there have been public meetings and that a representative from the ferry committee was given a place at the table during the RFP review. He stated that the ferry committee believes that it is the County's right to make a decision in the best interests of the community. He stated that the ferry committee has tried to stay in the middle, and that their concerns had been addressed.

Alice Shultz, Guemes Island, stated that she does not support privatization.

Tom Kinshaw stated that he has followed the issue, and it appears that privatization is a simple matter of union busting – lesser wages, lesser benefits, harming families. He stated that the County is attacking working people, and he recommended that the Board not pursue privatization of the Guemes Ferry.

Eleanor Powers, Mount Vernon, stated that she uses the ferry and thinks that as a taxpayer she is entitled to speak. She further stated that she is in favor of keeping the crew that is currently employed.

Commissioner Hart stated that a decision needs to be made and the Board needs to bring this matter to closure. He stated that it has been the position of the Commissioners all along that levels of service and availability of runs will remain the same. Further, either the existing crew will operate the ferry or others will be certified, licensed and professional. He stated that he has had many complaints on the operation of the Guemes Ferry, and that this operation needs to be professional. Further, the Guemes Ferry is an integral part of the transportation network of Skagit County and the people of Guemes Island deserve excellent service.

Commissioner Hart moved to privatize the Guemes Ferry and instruct the staff to proceed with negotiation of a contract with Pacific Maritime, Inc. He expressed the need to make sure that the contract provides for as good or better quality of staffing and responsiveness to users. Commissioner Anderson seconded the motion.

Commissioner Anderson stated that he thinks that sometimes it's the process that really makes people feel disenchanting with government. He stated that if the Board is going to do this, a public hearing should be held to let everyone air their views. He stated that it has been his experience with letter writers that they do not represent everyone. He stated that the argument can be made that the ferry committee represents everyone, but there needs to be face-to-face comment in a public forum. Commissioner Anderson stated that he would feel more comfortable voting after further public participation is allowed.

Chairman Wolden indicated the need to complete this process and not delay a decision any longer.

Commissioner Anderson stated that more people will disagree with the decision if they are not allowed to give input. He stated that with a public hearing, no one can ever say that they never got a chance to speak to this issue.

An unidentified person stated that most of the people present today want to keep the ferry operation as it is. This person had the group stand to show their support for the existing operation.

An unidentified person stated that he is paying taxes and the County keeps raising them. Now, he stated, you are trying to take away one of the most efficient operations and bring in someone from California. He asked the Board to remember that the people who work on the ferry pay taxes and utilize local stores and services.

Mr. Montgomery reminded the Board that this entire process contains unfair labor practices.

Commissioner Hart indicated that a public forum with Guemes Island property owners was held earlier this year, and a large group of people from Guemes Island were present. He stated that many people have contacted him both from the Island and not, and he does not see a great deal to be gained from hold a public hearing on this matter.

The question was called for. Commissioners Hart and Wolden voted for the motion; Commissioner Anderson voted against the motion. The motion passed. **(Resolution No. 16722)**

2. **Signature – Notice of Road Closure for South Texas Road #17200.**

Dave Sheridan, Engineering Division Manager, presented a Resolution for a Notice of Road Closure for South Texas Road. He detailed the specifics of the road closure. Commissioner Hart moved to authorize a road closure on South Texas Road as detailed by staff. Commissioner Anderson seconded the motion, which passed unanimously. **(Resolution No. 16723)**

3. **Miscellaneous.**

There were no miscellaneous items for discussion.

PLANNING & PERMIT CENTER – Tom Karsh and Roxanne Michael, Directors.

1. **Miscellaneous.**

Tom Karsh, Director, stated that the Department is here today to update the Board on several projects in the department.

- A. Kendra Smith, Senior Planner, discussed interlocal agreements with both the cities of Mount Vernon and Burlington. She advised that the conditions of Burlington's interlocal agreement have been agreed to. Ms. Smith stated that Mount Vernon is still wanting to discuss sections 14 and 24, and she will meet with Rick Cisar in the near future for this purpose.

Commissioner Hart indicated that he is not interested in changing the language a great deal. He stated that he liked the language "we will not oppose."

Commissioner Anderson cautioned Ms. Smith to avoid wording that may tend to be "cheerleading," rather than straight terminology that states "if these items are consist with the Growth Management Act."

Commissioner Wolden urged Staff to cut out the "warm and fuzzies" and get down to just plain business terminology.

Commissioner Hart stated that these agreements need to be in compliance with Countywide Planning Policies and the appropriate RCW's. He further expressed the need to have someone external determine if these agreements are in compliance with such laws. He stated his dislike for having taxpayers suing taxpayers, and he does not want to taint the Boundary Review Board process.

Commissioner Anderson indicated that the agreements as proposed are good, but he wants the County to remain neutral so the Boundary Review Board can ultimately decide.

- B. Ron Palmer, Planning Staff, gave the Board an update on the Edison sewer project.
- C. Roxanne Michael, Planning Director, discussed the Washington Surveying and Rating Bureau's recent awarding of a Building Code Effectiveness Grading Classification 2 to Skagit County.

MISCELLANEOUS.

1. Staff presented a Resolution Re-Appointing Bill Thramer to the Skagit County Planning Commission. Commissioner moved to approve the Resolution as presented by Staff. Commissioner seconded the motion, which passed unanimously. **(Resolution No. 16724)**

PUBLIC HEARING – SUPPLEMENTAL BUDGET.

Alicia Huschka, Budget Manager, reviewed the specifics of various budgets that need to be supplemented.

There being no public comment forthcoming, Commissioner Anderson moved to close the public hearing. Commissioner Hart seconded the motion, and the motion passed unanimously. The public hearing was closed.

Commissioner Anderson moved to approve the Supplemental Budget as proposed by Ms. Huschka. Commissioner Hart seconded the motion, which passed unanimously. (**Resolution No. 16725**)

ADJOURNMENT.

Chairman Wolden made a motion to adjourn the proceedings. Commissioner Hart seconded the motion and it passed unanimously.



**BOARD OF COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Harvey Wolden

Harvey Wolden, Chairman

Robert Hart, Commissioner

Ted W. Anderson

Ted W. Anderson, Commissioner

ATTEST:

Patti J. Chambers

Patti J. Chambers, Clerk of the Board
Skagit County Board of Commissioners