

**RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS
Tuesday, May 1, 2001**

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| 8:30 a.m. – 9:00 a.m. | Work Session - Operations Division Manager/District Maintenance Supervisors. |
| 9:00 a.m. – 10:00 a.m. | <u>Public Works Department – Chal Martin, Director.</u> <ol style="list-style-type: none">1) Public Hearing – To Consider Testimony regarding the Franchise Renewal of Samish Farms Water Association.2) Signature – Letter to Property Owners Potentially Eligible for the Agricultural Land Stream Buffer Options.3) Signature – Supplement No. 1 to Agreement with Environmental International, Ltd.4) Miscellaneous. |
| 10:00 a.m. – 11:00 a.m. | <u>Planning & Permit Center – Tom Karsh, Director.</u> <ol style="list-style-type: none">1) Setting Public Meeting Dates for Two Final Plats: Alger Valley Acres by W. Roy Hiatt and River Valley View Estates by Nielsen Brothers.2) Signature – Amendment No. 3 to Professional Services Agreement with Reid Middleton to Prepare a Supplemental Environmental Impact Statement for the Bayview Ridge Urban Growth Area Subarea Planning and Development Regulations.3) Miscellaneous. |
| 11:00 a.m. – Noon | Public Hearing – To Consider Testimony regarding the proposed Formation of Skagit County Lake Management District No. 3 for Lakes Erie and Campbell. |
| *T 1:30 p.m. – 3:00 p.m. | Presentation – Proposal to Construct a Performing Arts Center and Conference Center in Skagit County. |

The Skagit County Board of Commissioners met in regular session on Tuesday, May 1, 2001, with Commissioners Ted W. Anderson, Don Munks, and Kenneth A. Dahlstedt present.

PUBLIC WORKS DEPARTMENT – Chal Martin, Director.

1. Public Hearing – To Consider Testimony regarding the Franchise Renewal of Samish Farms Water Association.

Steve Flude, Assistant County Engineer, reported that currently Samish Farms Water Association has two Franchise Agreements, one which expires October 14, 2002, and the other which expires June 12, 2011. He explained that each agreement covers different roads within the County, and the proposed new agreement would replace the two existing agreements and would last for a period of 40 years. He stated that this franchise covers a long-standing water system, and that the draft agreement has been approved by the Prosecuting Attorney's Office and the Risk Manager. The agreement has also been executed by the Samish Farms Water Association ("SFWA").

Mike Fohn, 9825 Windy Ridge, Bow, spoke first as President of the Windy Ridge Homeowners Association. He advised that the Windy Ridge development is located a half-mile from the former Inman Landfill. He described the service area of the SFWA, explaining that when the wells in the area had been

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determined to be contaminated by the landfill, they became SFWA members. In this regard, the County has invested about \$700,000 in payments to SFWA for service to the Hillwood Addition, and the right to drill wells was removed. He commented that water rates for SFWA are double that of Skagit County PUD, and that connection rates are almost five times higher. He stated that the frustration of the Homeowners Association is that SFWA is a privately run corporation and in order to have standing you must be a member. He stated that an individual cannot become a member without a building permit. He stated that his subdivision consists of 8 lots, and 5 of those have no influence over the organization because they do not have building permits. Also, a connection fee of \$10,000 is assessed, and the amount could be higher at the discretion of the Board of Trustees of SFWA. He stated that the Homeowners Association would prefer to be PUD No. 1 customers. If that is not possible, he requested that the SFWA be required to amend their corporate by-laws so that all would have a voice in the management of the association.

Mr. Fohn next spoke as a member of the SFWA, noting that he had been a member for 10 years and that it was a difficult "forced marriage." He requested that the renewal not be approved. He stated that the SFWA is privately owned, privately run, and is managed for the benefit of the members, serving only a select few. He stated that property owners have very little choice other than to connect to the water system, and many are forced to connect without having any influence on the organization. Mr. Fohn stated that in 1997, there was a proposal made to allow Skagit PUD to take over the SFWA system. Unfortunately, a sufficient majority according to the by-laws did not prevail. He detailed the provisions of the by-laws. The PUD initiative failed because of an aggressive anti-PUD campaign by SFWA board members and employees. He indicated that there is some debate as to whether the current level of service is within State standards, and he stated that the level of service is below that of Skagit County PUD. He reported that the original charter expires in 2002.

Mr. Fohn requested that the application for renewal not be approved, as it is not good public policy. However, if the franchise is renewed, he asked that the Board require all future upgrades be approved by Skagit County PUD, and that SFWA operate in accordance with its by-laws. He also cautioned that newcomers to the SFWA should not be penalized for the benefit of the membership.

Jack Wallace, 1163 Blue Heron Road, Samish Island, indicated that he was a former SFWA Board Member when the PUD alternative was explored. He reviewed the procedures for becoming a member of SFWA. He explained that by virtue of granting this franchise, citizens are denied hooking up to a public utility. He stressed that hooking up to the waterline should have a voice in the management. He noted that SFWA has done an incredible job of providing water to Samish Island, where there were a number of failing well systems, and PUD was too expensive. SFWA filled that need for four decades and provided service at a reasonable cost. However, costs have increased due to the incorporation areas where wells were failing, more aggressive State regulations, and other health concerns. Mr. Wallace wondered if it is prudent to maintain Samish Farms as a private company displacing PUD and not giving area residents a say if they are outside of the service area. SFWA owns the lines and water towers, and the by-laws require a two-thirds majority to turn the system over to the PUD. He discussed that there was a lack of proxy voting. He stated that it has been SFWA's policy to try to offset the costs of upgrade of its existing plant onto the new customers, so that essentially new customers are paying for their service and also to bring the system up to date.

Chairman Anderson commented that as a PUD customer, he does not have a voice other than electing a commissioner, and that he has no choice of which water purveyor he can choose. He stated that he does not see a difference in the SFWA service area.

Mr. Wallace clarified that if an individual bought a lot without a water meter outside of the city limits, the individual would have a choice of digging a well or hooking up to an existing system. And, if the individual does not immediately purchase a water share, he has no voice. The difference is at the PUD the individual would have the right to choose a commissioner and be heard at public hearings. He added that by virtue of the franchise, the County is treating SFWA as a public utility. And, if the individual has a

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building lot not yet served, they have no voice until they are hooked up and become an owner of the corporation.

Rick Reed, President of Samish Farms Waters, 11302 Blue Heron Road, Bow, stated that he is new to Samish Island and SFWA, which is a non-profit organization in the middle of a large expansion project. He stated that anyone can have a say and be involved; that it just takes participation. He detailed the \$2,000,000 expansion project, noting that the SFWA is able to do the project far cheaper than PUD with low interest loans and a grant from the government. He stated that bids came in lower than anticipated.

Colonel Betz, an attorney representing SFWA, indicated that all of the problems Messrs. Fohn and Wallace spoke to, whether real or perceived, could be addressed through the SFWA or the courts. The allusions to mismanagement could also be addressed. He reviewed that the County asked SFWA to put the water system in at Hillwood, at a cheaper cost than could be provided by PUD. In fact, SFWA's cost was one-half of that proposed by PUD. The SFWA serves 426 homeowners and has been in existence since 1952. He confirmed that the issue of reverting to PUD did come forward in 1997 pursuant to the by-laws. He stated that the by-laws cannot be changed at the County's direction as that is outside of the Board's jurisdiction in this regard. However, the franchise is assignable, and if SFWA desires, the PUD could simply take over where SFWA ends. He stated that SFWA is securing great upgrades to the existing system and will ultimately provide better service at a cost equal to or less than PUD. Mr. Betz indicated that Mr. Fohn is the co-owner of the lots he mentioned and has a vested interest to get a cheaper hook-up. Mr. Betz advised that Mr. Fohn has an agreement with SFWA wherein he can hook-up these lots for \$3,500 each, to which he has not yet taken advantage. He reminded the Board that a lot of people think the PUD is a monopoly as well. He urged the Board to strongly consider approving the renewal of the franchise. He stated that to deny the franchise renewal would cause difficulties with the loan and grant for system improvements.

Chairman Anderson stated that the Board generally does not make a decision at the public hearing, but takes time to digest the testimony for a few days..

Val Bradfield, Samish Island, reviewed that he had been a SFWA commissioner for 30 years, and that state and local regulations have made costs go up considerably.

There being no further testimony forthcoming, Commissioner Munks moved to close the public hearing. Commissioner Dahlstedt seconded the motion, which passed with a unanimous vote. The public hearing was closed.

It was announced that a decision in this matter would be made on Tuesday, May 8, at 11:30 a.m.

2. Signature – Letter to Property Owners Potentially Eligible for the Agricultural Land Stream Buffer Options.

Ric Boge, Natural Resources Program Manager, indicated that he was before the Board to obtain their signature on a letter to property owners regarding the agricultural land stream buffer program. He reviewed the survey card and mailing brochure.

Chairman Anderson suggested making some minor language changes to the third paragraph before the Board signed. He asked to soften the language about the County's commitment to the program.

Commissioner Dahlstedt stated that it would be helpful to identify the top 10-12 landholders, contacting them with the actual dollar amounts were they to choose to participate. He explained that if there is a way people could see their own financial benefits, it would assist the Board in choosing a direction to go. He cautioned that the Board could not make any decisions until a commitment is forthcoming from the State or other agencies.

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Commissioner Munks indicated that he agreed, and does not want it to appear that the Board has made a decision in this regard. He indicated that the County is under a mandate from the Growth Management Hearings Board, but if funding is not forthcoming, the County will not proceed. He commented on the conciseness of the brochure.

Chal Martin, Director, confirmed that the wording would be changed to "gathering information" rather than "moving ahead with implementation."

Chairman Anderson commented that a great job was done on the brochure

Mr. Martin indicated that he is preparing a "Voice of the Valley" article for the Skagit Valley Herald, and advised that he would not commit the County to the program, but despite the uncertainties of funding, the County is taking reasonable actions to move forward. He reviewed that the Growth Management Hearings Board will review the County's progress in June, as will the Legislature.

Chairman Anderson stated that the County is only behind because of unrealistic timelines. He indicated that he is concerned with doing things right and with the best results for salmon.

A discussion ensued on the timelines imposed by the Growth Management Hearings Board, the progress on the baseline monitoring program and the delineation of assessment areas

3. Signature – Supplement No. 2 to Agreement with Environmental International, Ltd.

Dave Brookings, Public Works Administrator, presented to the Board for their consideration Supplement No. 2 to a Professional Services Agreement with Environment International Ltd. He explained the additional scope of work that would be necessary for public involvement for the Skagit River Flood Feasibility Study. The scope was being revised to include four additional working group meetings and additional environmental and administrative assistance. Compensation for the additional work will not exceed \$46,000, for a total contract amount of \$173,933.75. The contract date is also being extended from June 30, 2001 to December 31, 2001.

Commissioner Munks moved to approve the Supplemental Agreement between Environment International Ltd. and Skagit County, increasing compensation from \$127,933.75 to \$173,933.75. Commissioner Dahlstedt seconded the motion, which passed with a unanimous vote. **(Contract No. 4658)**

4. Miscellaneous.

There were no Miscellaneous items for discussion.

PLANNING & PERMIT CENTER – Tom Karsh, Director.

1. Setting Public Meeting Dates for Two Final Plats: Alger Valley Acres by W. Roy Hiatt and River Valley View Estates by Nielsen Brothers.

Kendra Smith, Assistant Director, reviewed the history of the two short plats in question, indicating that it was originally thought in 1996 that the Board could approve short plats with up to 9 lots. Cities have been allowed to proceed in this manner, and counties have wanted to do so. During the timeframe in question, the County had 8 applicants that came forward requesting 9-lot short plats. It was determined that these had to go through the long plat process and that their applications were vested. Consequently, the long plat procedure has been followed and the preliminary plats have been approved.

The Board instructed Staff that they would consider formal approval of these short plats on Monday, May 7, at 11:30 a.m.

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2. Signature – Amendment No. 3 to Professional Services Agreement with Reid Middleton to Prepare a Supplemental Environmental Impact Statement for the Bayview Ridge Urban Growth Area Subarea Planning and Development Regulations.

Gary Christensen, Assistant Director, presented Amendment No. 3 to a Professional Services Agreement with Reid Middleton to prepare a Supplemental Environmental Impact Statement for the Bayview Ridge Urban Growth Area Subarea Planning and Development Regulations. He reviewed that Reid Middleton prepared the Skagit Regional Airport Land Use Compatibility Study, identifying general aviation airport uses and the compatibility with surrounding land uses. He reviewed the amendments to this contract previously and the reasons therefore.

He stated that this amendment would enable the County to move forward as part of the public planning process, in particular the environmental review process. He reviewed the parameters of the requirements of further environmental review under SEPA. He indicated that the Department is proposing this agreement to have Reid Middleton assist us with a supplement environmental impact statement. He stated that there are three different land use alternatives, including the recommended proposal from the Citizens Advisory Committee (CAC). A Scoping Notice will be issued which will invite the public to comment on each alternative. The process will take about four months and will cost an additional \$16,000. Mr. Christensen stated that an effort is being made to reduce costs by doing some of the tasks in-house such as producing the maps and arranging for publication. He reviewed the entire financial obligations of the contract with Reid Middleton, which will total approximately \$46,000.

Chairman Anderson reviewed the consultant hiring process for the benefit of the two new commissioners.

Mr. Christensen reported that the County has engaged the services of Reid Middleton and that they are well versed in this subject and in the project area. He stated that this amendment would take us through the development of the Supplemental Draft Environmental Impact Statement. He stated that the Department would come back to the Board at the end of the summer to determine how the County will be responding to the comments to the EIS.

A lengthy discussion ensued on the contents of the three proposals to be released for public comment and the alternatives that would be available to the County.

Commissioner Munks moved to approve the Supplemental Agreement as presented by Mr. Christensen, and Commissioner Dahlstedt seconded the motion. The motion passed with a unanimous vote.

(Contract No. 04771)

3. Miscellaneous.

A. Tom Karsh, Director of Planning & Permit Center, asked the Board about scheduling a meeting to consider the Planning & Permit Center's work program for the future. He stated that the Department has been working with legal counsel pursuant to the Board's wishes, and this has placed a duty upon the Department to do certain things. The list totals 80 items, and it is well founded that the Department cannot accomplish every item. He suggested reviewing the list with the Board for direction.

Chairman Anderson suggested that the Department develop an executive summary in this regard to help speed up the process. He suggested scheduling work sessions of 2-hours duration for this review.

B. Mr. Karsh advised that Patti Chambers would be joining the Staff of the Planning & Permit Center as an Administrative Coordinator.

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- C. Mr. Karsh advised that the Department has been searching for a Code Compliance officer and has interviewed four finalists. The top candidate was offered the job, and has decided not to take the position. He stated that the Department would pursue the next candidates and would report back to the Board shortly.

PUBLIC HEARING – TO CONSIDER TESTIMONY REGARDING THE PROPOSED FORMATION OF SKAGIT COUNTY LAKE MANAGEMENT DISTRICT NO. 3 FOR LAKES ERIE AND CAMPBELL.

Ric Boge, Natural Resources Project Manager, introduced Lee First, Lake Management Technician, to the Board.

Mr. Boge reviewed that this public hearing is another attempt to form a lake management district for Lakes Erie and Campbell, following a failed vote previously primarily due to votes received by the Department of Fish & Wildlife. It has been indicated that Fish & Wildlife will abstain from voting this time and will let the community make the decision. He stated that the purpose of this hearing is to receive verbal and written testimony regarding the proposed formation. He reported that if sufficient information is received at today's hearing, and the Board signs the necessary Resolution, ballots would be mailed to affected property owners immediately. He advised that nothing has changed in the proposed treatment plan or assessment role, and that another public hearing will be held to set the assessments.

Harold Berlin, 12735 Marine Drive, Anacortes, stated that he does not live in the proposed lake management district, but is a property owner. He indicated that he felt there were inconsistencies and irregularities with regards to the notice for today's hearing. He quoted RCW 36.61, which he stated he reviewed at the Anacortes Public Library and was current as of April 27, 2000. He stated that one provision stated that "the public notice shall indicate whether revenue bonds" will be issued based on the rates and charges, and that the notice for today's hearing He stated that upon review of the public notice for this meeting and the previous election, the notices did not contain this required provision. He asked for the Board's consideration as to whether the notice is in compliance with the State regulations. He stated that he would have no objection to having this meeting continued for 30 days, and would like to know if the Commissioners intend to issue revenue bonds. He indicated that if the Board is considering retaining the option for the issuance or revenue bonds, the budget for the lake management district should contain contingency fees to cover administrative costs.

Mr. Berlin objected to this "basic re-vote" on the original issue, which failed. He asked the Board to reconsider the submitted public comments, and possible changes to the management plan if it were to be resubmitted. To understand the plan procedure, it is important that the voters have a copy of the integrated management plan that is referred to by resolution. He stated that it is difficult to contemplate different treatments and their validity without a copy of such plan. He briefly discussed the specific treatment plan for Lake Erie.

Chairman Anderson stated that no revenue bonds would be issued, and that individual assessments to property owners would be the only revenue source other than grants. He stated that the County's position in all of this is mainly as a facilitator, and not a dictator of policy. He stated that people in the area brought this proposal forward, and the County's role is as facilitator, not administrator.

Mr. Berlin stated that Commissioner Anderson's response answered his questions.

Bob Bell, 5916 Campbell Lake Road, Anacortes, thanked the County for the assistance in getting the community to this stage and in finding financing. He stated that the property owners are minor users of the lake, noting that the majority of users come from other areas and are not contributing in any direct way to solving the problems of these lakes. He asked the Board to use their influence to try to get some action by the legislature for fresh-water boats to contribute to a fund for this purpose. He commented on the atrocious noise levels of jet skis and other boats, and their inherent ability to re-infect the lake. He

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discussed the possibility of a usage curtailment, such as the one enacted by San Juan County. He asked for cooperation in solving these problems.

Chairman Anderson responded that it was the County's intent originally to involve Fish & Wildlife as they would contribute a sizable amount to help mitigate the problems of non-resident boaters. He stated that the Board has a willingness to work through the Legislature to try to get laws passed that would assist in this regard. However, in the short term, the best way to address these problems are through an assessment for the Fish & Wildlife boat launch. He indicated that there are all kinds of jurisdictional issues regarding access, management of the lake, crime prevention and response, among others.

Mr. Bell stated that the biggest difficulty is enforcement. He reported that the Sheriff does respond to calls, but does not issue many citations. He urged the Board to proceed with the formation of the lake management district, but asked them to be cognizant of the long-range problems. He stated that many of the problems are caused by transient boats.

Diane Ramerman, Chairman of the Citizens Advisory Committee, 13154 Hart Lake Road, reported that there is general support for the lake management district from the lake community. She stated that the plan is the same as in the past. She indicated that contact had been made with persons asking why they did not vote in favor of the formation of the district. Further, four community meetings have been held, together with the distribution of informational letters. She stated that Mr. Berlin had been unable to attend the meetings and so was trying to catch up on the information that had been disseminated. The first year of the plan is devoted to reducing the growth of the weeds so that fewer carp will have to be introduced, and therefore a better lake ecology will be maintained. She emphasized the need to address all of the safety issues mentioned by Mr. Bell, and to keep the lakes available for everyone's use.

Mr. Boge summarized two letters received regarding the formation of the Lake Management District.

There being no further public testimony forthcoming, Commissioner Munks moved to close the public hearing. Commissioner Dahlstedt seconded the motion, which passed with a unanimous vote. The public hearing was closed.

Chairman Anderson confirmed with Staff that if the Board voted to proceed with the formation of the Lake Management District and the issuance of ballots, that another public hearing would be held on the assessment role and rate structure.

Mr. Boge clarified that the final step in the process is the adoption of the assessment role. If it is decided to send out ballots, May 22nd is the date the ballots would be returned, with final results presented to the Board on May 29th. He explained that there is a 40-day appeal period from the date the official notice of the ordinance is published.

Chairman Anderson stated that he would be in favor of encouraging moving forward and allowing the ballots to be sent out for the lake property owners to vote.

Commissioner Munks stated that the issues and comments heard today do not change the process. He indicated that he was interested in putting this issue out for a vote of the property owners. Commissioner Munks moved that the Board approve "A Resolution Submitting the Question of Creating Skagit County Lake Management District No. 3 for Lakes Erie and Campbell." The motion was seconded by Commissioner Dahlstedt and passed with a unanimous vote. **(Resolution No. 18237)**

PRESENTATION – PROPOSAL TO CONSTRUCT A PERFORMING ARTS CENTER AND CONFERENCE CENTER IN SKAGIT COUNTY.

Commissioner Anderson welcomed the large crowd assembled.

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Alicia Huschka, Finance Director, indicated that the purpose of this meeting is to inform the Board and citizens about the proposal to construct a Performing Arts Center and Conference Center in Skagit County. She stated that several speakers would be discussing various facets of the proposal. She introduced Lanie McMullen, a representative of the donor family.

Ms. McMullen thanked the Board for their time, and advised that the Performing Arts Center is not a new idea to Skagit County. She stated that individual municipalities have looked at the proposals, and Skagit Valley College, the Skagit Valley Community Foundation, and an arts alliance group called the Skagit Performing Arts Council have kept the ball rolling toward a Performing Arts Center. She reported that the County's Parks & Recreation Comprehensive Plan calls for a Performing Arts Center. Consequently, this is not a new idea. She stated that the last culminating effort of great strength was shown by the Skagit Performing Arts Council, who commenced a study to see if it was feasible to have a Performing Arts Center, what would it look like, and where should it be. Ms. McMullen reported that about that same time, there came forth an anonymous donor with the good of the County in mind. This donor proposed a \$6,000,000 donation to Skagit County for the good of its citizenry. The donor's criteria stated that the Performing Arts Center must benefit the entire community, would be built to accommodate existing groups' needs and ideas, would utilize best management practices in scheduling and other functions, and that no one entity would be unduly financially strapped with overhead. The donor also asked that the facility be a beautiful landmark in Skagit Valley. Ms. McMullen had been retained to help get answers to those questions and to assess the financial feasibility of such a plan. Such a proposal is now forthcoming, and a willing partnership has been established.

Ms. McMullen next discussed the financial aspects of the proposal. As previously stated the generous donor family has not only given the project \$6,000,000, but also the ability to leverage for other funds. The Legislature allows us to form a Public Facility District ("PFD"), wherein the County can recoup a certain small percentage of the sales tax to use for local needs. There are some restrictions on that money, and only certain types of projects can be built, such as a conference center, arena, or entertainment center. Construction must begin by January 1, 2003, the building must be owned by the PFD, and there must be a local match of up to one-third. Ms. McMullen explained that this money is not a new tax, but a rebate of existing sales taxes back to the local jurisdiction. With the help of Ms. Huschka and others at the County, it has been determined that would enable the PFD to bond for \$8,000,000 of capital funding. Consequently, that means that \$14,000,000 would be available for construction of the project. It has been estimated that the facility will cost between \$17,000,000 to \$18,000,000. Ms. McMullen stated that other sources of money have been identified such as corporate assistance and private donations. This amount of money would allow for a hallmark facility; an amenity that enhances the quality of life to the community and brings in tourist dollars for overnight stays, meals, and related items.

Ms. McMullen stated that the PFD must own the building, but one of the wishes of the donor was that it needed to be an educational building for Skagit Valley College, and be located at a neutral county site. Further, programming and usage needs to be scheduled for every day. She explained that by using it as an education facility, and utilizing donated leased land at Skagit Valley College, the greatest economies can be achieved that could not be achieved with a stand-alone building. There will be a need to have someone manage the building, and a management agreement with Skagit Valley College would most likely be enacted. Details and numbers will be worked out in the future.

Ms. McMullen next reviewed what the architects' conceptual drawings have determined the building would look like.

She stressed the need to start this project immediately as the timeline is finite. If all partners are willing to proceed, construction must begin by January 1, 2003. Ms. McMullen commented on the great partnerships that have been developed in formulating the parameters for the Performing Arts Center.

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Chairman Anderson thanked Ms. McMullen for her informative presentation, and stated that the Board knows there are details to be worked out, but generally supports the concept of the Performing Arts Center project.

Ms. Huschka next reviewed the County perspective on the formation of a PFD. She stated that PFD's have been in existence since 1988, wherein cities or counties are allowed to take back .033% of the sales tax collected by the State. This would generate about \$540,000 per year for 25 years for Skagit County. The County's bond counsel advisor has said that the County could then bond for \$8,000,000. She reiterated that this is not an additional tax, but is a rebate and keeps the money local.

She further explained that a PFD is a municipal corporation, is its own separate taxing authority, and has a Board of 5-7 members. Only the County Commissioners can form a PFD, and that is why the County has become a major stakeholder. Ms. Huschka stated that the facility would be owned by the PFD. One of the most important aspects from the County's perspective is that the entire community must be accessible to the facility and conference center. Further, the facility must be continuously used, and due diligence must be utilized to make sure that it does not sit empty. She reiterated that the facility must be started by January 1, 2003, must come within budget, and the operation cannot be onerous. She reported that the major stakeholders are the donor family representatives, Skagit Valley College, Skagit Performing Arts Council, and Skagit County. She stated that sub-committees have been formed to look at various issues. She reviewed the focus areas of each sub-committee – these include Design & Feasibility, Operations, Governance, and Capital Funding.

Brian Clark, attorney for the McIntyre family, introduced the family to the Board. He acknowledged the absence of Jack McIntyre who succumbed to cancer recently. He reviewed his personal history with Mr. McIntyre, and Mr. McIntyre's successful business ventures in Skagit County, and most particularly the Sedro Woolley area. He stated that Mr. McIntyre had remained active in the community after retirement and living in Seattle and Arizona. He reviewed Mr. McIntyre's strong ties to the Sedro Woolley community and the endowment of a scholarship fund in memory of his father, Sidney S. McIntyre. Over \$1,400,000 in scholarship grants have been made to students, with 24 students assisted annually. Another scholarship fund was developed at Skagit Valley College through Jack's brother, Sidney, Jr.

Mr. Clark stated that the donor family has been involved in this project from its inception and this gift is from the family of Jack McIntyre. He stated that the McIntyre's do not simply make gifts and contributions. They seek to create legacies to enhance the lives of others for years to come. Mr. Clark stated that Mr. McIntyre had viewed the conceptual plans, and died taking comfort that the College, County and Skagit Performing Arts Council had expressed the collective will to move forward toward the realization of this project. He introduced John McIntyre, son of Jack McIntyre, who spoke on behalf of the McIntyre family.

John McIntyre indicated that it was his father's desire to thank everyone involved in the project, and to come together on common ground to move ahead with the Performing Arts Center. He stated that although his parents have lived in Seattle and Arizona the past few years, Skagit Valley was always home. Jack & Shirley began two years ago looking for a project that would give back to the community, and it was a natural for Jack to contribute to the design of a center for Shirley's passion for the arts. They realized the need for a major gift and formed a foundation. He thanked Mr. Clark for all of his hard work, and the efforts of the many people involved to date. On behalf of the McIntyre family, he expressed sincere appreciation for the cooperation of the community.

Sherrill Myers of LMN Architects discussed the parameters of the proposed Performing Arts Center that had been identified to be within the budget and still be a state of the art facility that would serve the entire community. He reviewed that the conceptual facility consists of 42,000 square feet, with seating for 700 in the theater, catering facilities, a conference hall that would seat 500 people in a lecture configuration, and a lobby that would be very grand, and expand the use of the conference hall. He next discussed the proposed configuration and reviewed models and exhibits showing the proposed arrangement of the

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facility. He advised that the site of the proposed building is near the existing tennis courts. He stated that there is a potential to create a state-of-art facility that will serve the arts community and the people of the Skagit Valley.

Dr. Lydia Ledesma-Reese, President of Skagit Valley College, extended the support of the College to the formation of the PFD for the construction and operation of a Performing Arts Center on the campus of Skagit Valley College. She thanked the McIntyre family fro this magnificent gift and the County for their support. She also thanked the Skagit Performing Arts Council for their involvement. Dr. Ledesma-Reese stated that it is the College's mission to meet the diverse life-long educational needs of the community, and that this partnership will enhance that goal. She commented on the availability to provide lectures and other educational events for students and members of the community utilizing this facility. She stated that it is hoped that the facility would be booked 360 days a year, and that rental fees be kept reasonable to facilitate this wish. She commented that scheduling should be a collaborative effort that benefits every citizen of the community. She reiterated the College's full support for this project..

Joan Penney, President of the Skagit Performing Arts Council, thanked the Board for hosting this history-making event. She stated that there is overwhelming support from the County Arts Council for the formation of a PFD. She reviewed that the County is tied with Thurston County in having the largest number of performing arts groups per capita in the State of Washington. However, the County is severely behind in facilities and performing arts venues, and that many organizations perform in venues that are unsuitable. By forming a PFD, County government will be fulfilling its duties in serving over 2,000 local residents that perform in local organizations. She made several comments on this worthwhile commitment to the arts. She thanked the McIntyre family for their gracious gift that will make the Performing Arts Center a reality.

Skye Richendrfer, Mayor of Mount Vernon, stated that as a performing artist, mayor, and the Chair of the Lincoln Theater Capital campaign, he was happy to celebrate the gift of the McIntyre's that lets the community come together for this project. He stated that the City of Mount Vernon supports the project 100%.

Sharon Dillon, Mayor of Sedro Woolley, indicated that she had met with Ms. McMullen to discuss this project and was amazed at the partnerships that have been developed for the betterment of Skagit County. She thanked the McIntyre family for giving back to the whole community, and indicated that the chosen location is perfect for the Performing Arts Center. She stated that Sedro Woolley supports the project wholeheartedly.

Don Wick, Executive Director of the Economic Development Association of Skagit County (EDASC) discussed the contributions of the McIntyre family to the community, and the benefits that the Performing Arts Center will contribute to local businesses and organizations. He stated that this would be a community asset that allows us to show off our community.

Brian Young, County Employee and Actor, indicated that he has been a member of the performing arts community and understands the need for this project. He stated that Skagit County is being asked to create the PFD and this is obviously a huge responsibility. He suggested putting guidelines and written policies in place to give easy access to local performing arts groups and the community. He further recommended a community-based Board of Directors be appointed, with the incorporation of a mission statement that would include keeping the facility accessible to local performing arts partners.

Theodore Anderson, private citizen, stated that this project began with the interest of two special people, Jack McIntyre and Burl Ives. He indicated that the project was started almost 10 years ago, and was focused originally on the enrichment of children. He commented on the need to create activities for families. He urged the Board to support this project.

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Mike Crawford, private citizen, spoke to his relationship with Jack McIntyre as a long-time business partner, mentor and friend. He stated that this is an historic event that is unequalled in Skagit County. He stated that through this generosity of the McIntyre family, those assembled need to forge ahead and build Mr. McIntyre's dream.

Commissioner Dahlstedt thanked those assembled for being here, and expressed his delight at the optimism and enthusiasm of the presenters, and the generosity of the McIntyre family. He indicated that there are many difficult challenges ahead, but he is thankful to have a small part in the process.

Commissioner Munks stated that this project has been talked about for several years, and now it is approaching reality. He spoke to the generosity of the McIntyre family in making the project happen.

Chairman Anderson indicated that he was fortunate to have known the McIntyre family for years, and has known that they were people of vision. He stated that the Performing Arts Center would be a wonderful legacy to Jack. He suggested naming the facility the "McIntyre Performing Arts & Conference Center." He stated that the Board would do everything in their power to make this happen.

ADJOURNMENT.

Chairman Anderson made a motion to adjourn the proceedings. Commissioner Munks seconded the motion and it passed unanimously.

**BOARD OF COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Ted W. Anderson, Chairman

Kenneth A. Dahlstedt, Commissioner

Don Munks, Commissioner

ATTEST:

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