

**RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS
MONDAY, APRIL 21, 2003**

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| 8:00 a.m. – 8:45 a.m. | Work Session – Commissioners |
| 8:45 a.m. – 9:30 a.m. | Work Session – County Administrator |
| 9:30 a.m. – 10:00 a.m. | Bid Opening – Haul Out and Dry Docking of the M/V Guemes |
| 10:00 a.m. – 10:45 a.m. | Department Head Meeting |
| *T 10:45 a.m. – 11:00 a.m. | Proclamation – “Soil and Water Stewardship Week” |
| 11:00 a.m. – 11:20 a.m. | Consent Agenda and Miscellaneous Items |
| *T 11:20 a.m. – 11:30 a.m. | Decision – City of Mount Vernon’s Fiber Optic Network Expansion Project |
| 11:30 a.m. – 11:45 a.m. | Public Comment Period |
| *T 11:45 a.m. – 12:00 p.m. | Introduction – Skagit Valley Tulip Festival Artist Monique Martin |
| 1:30 p.m. – 2:00 p.m. | Work Session – Baker FERC Relicense Flood Storage |
| 2:00 p.m. – 4:00 p.m. | Executive Session – Personnel, Litigation, and Land Acquisition |

The Skagit County Board of Commissioners met in regular session on Monday, April 21, 2003, with Commissioners Kenneth A. Dahlstedt, Ted W. Anderson, and Don Munks present.

BID OPENING – HAUL OUT AND DRY DOCKING OF THE M/V GUEMES.

Chairman Dahlstedt was absent for this part of the agenda.

Steve Cox, Public Works, opened the following bids for the haul out and dry docking of the M/V Guemes:

Lake Union Drydock Co.
1515 Fairview Avenue East
Seattle, WA 98102-3718
Bid Bond Enclosed
Addendum Acknowledged
Total Bid: \$242,277

Foss Maritime
660 West Ewing Street
Seattle, WA 98119-1587
Bid Bond Enclosed
Addendum Acknowledged
Total Bid: \$158,233

Mr. Cox indicated that he would review the two bids and make a recommendation by next week.

DEPARTMENT HEAD MEETING.

Skagit County Population and Health Information Manager Alex v on Cube gave a presentation regarding a report that was recently issued titled “Skagit County In Transition Demography 2003”. The report was funded by Island Hospital Health Foundation, the City of Anacortes, the City of Burlington, the Town of

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La Conner, the City of Mount Vernon, the City of Sedro-Woolley and the Skagit County Health Department. Commissioner Anderson stated that the data compiled by Mr. von Cube would be a great tool to use for obtaining grants. County Administrator Gary Rowe asked if the information was available on the County's website. Mr. von Cube said the Pdf version could be downloaded or anyone can obtain a hard copy by contacting him.

Mr. Rowe announced that the Human Resource Director's position is being filled by Billie Kadrmas, current Risk Manager. The two positions will be consolidated into one department. He also announced that David Blane has been chosen to be the new director for the Planning and Permit Center and will begin his duties on May 1, 2003. Dan Berentson, Communications Director, will be issuing a press release to that effect this week. Mr. Rowe advised everyone that Rich Doenges, Conservation Futures Director, will be leaving the County to take over a similar position in Pennsylvania. Tom Karsh, Natural Resource Policy Administrator has been asked to step into Mr. Doenges' role; therefore, it will be combined with his current job.

Commissioner Anderson invited everyone to attend an open house for the East County Community Resource Center Building, at 45770 Main Street in Concrete, this Friday, April 25 from 3:00 p.m. to 5:00 p.m. Refreshments will be served. The new 4,400 square foot facility will provide space for Skagit County Community Action, Skagit County Upriver Services, and the new Upper Skagit Library District, and also has a separate meeting room, which can be reserved for community functions.

Chairman Dahlstedt said the Commissioners will be addressing the City of Mount Vernon's Fiber Optics Expansion project this morning at 11:20 a.m. The Board has been in contact with all of the proposed parties and they hope to receive a positive result in order to work through some of the areas of concern.

Mike Almvig, Information Services Manager, provided a status report on the new financial system. He indicated that negotiations with Cayenta took place over a four to five month period. The Board is to sign a formal agreement with the vendor this morning under the Consent Agenda. If approved, a Cayenta representative will be on site next Monday to begin the transition. Mr. Almvig is hopeful that the new system will be tested in June.

PROCLAMATION – "SOIL AND WATER STEWARDSHIP WEEK".

Carolyn Kelly of the Skagit Conservation District stated that the 2003 Soil and Water Stewardship observance theme, "Food for the Future," addresses the most basic issue any society faces and one of the most complex. The ability to feed a world that could grow to eight billion by 2030 is a serious task that will require a serious stewardship ethic among all of us. In today's world and for tomorrow's needs, an ample supply of food requires:

- Productive soils and ample water supplies, maintained in a clean and healthy condition by people who practice effective stewardship;
- A wide and diverse variety of food crops;
- An economic and social system that provides security for people who produce food and fiber on the lands where they live;
- A transportation and distribution network that moves food rapidly and safely from the fields where it is produced to the consumers who need it; and
- A global network of support that allows people to quickly and effectively help those in hunger or famine.

Ms. Kelly said that as we celebrate Soil and Water Stewardship Week this year, the Skagit Conservation District would like to invite the community to join them in practicing backyard conservation. Food for the future will come from those people and nations fortunate enough to have the soil and water for agricultural production and the ability to provide stewardship for the land. This annual observance, celebrated between the last Sunday in April and the first Sunday in May, is to remind everyone of our individual responsibilities to care for the soil and water resources upon which we depend.

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Ms. Kelly then presented lapel pins to the Commissioners and introduced Jerry VanderVeen, a local farmer and member of the Board of Supervisors for the Conservation District and Sprig, the District's mascot. Mr. VanderVeen said each year a County-wide poster contest is held and prizes are awarded for various categories. He announced that this year's overall runner-up is Andrew Smith and the overall winner is Evan Repplier, both from Cub Scout Pack No. 125.

Commissioner Anderson then read the proclamation declaring April 27– May 4, 2003 as "Soil and Water Stewardship Week" in Skagit County.

CONSENT AGENDA.

Commissioner Anderson motioned to approve the Consent Agenda for Monday, April 21, 2003, items 1 through 29. Commissioner Munks seconded the motion, which passed unanimously.

COMMISSIONERS OFFICE:

1. Record of the Proceedings for Monday, April 14, 2003.
2. Record of the Proceedings for Tuesday, April 15, 2003.

ADMINISTRATIVE SERVICES:

3. Resolution authorizing the execution of an Interlocal Agreement with Northwest Regional Council (NWRC). (**Resolution No. R20030132**)
4. Interlocal Cooperative Agreement between Skagit County and Northwest Regional Council (NWRC) to provide for in-kind contributions and a payment of \$12,000 for 2003. The effective date of the agreement shall be January 1, 2003 and continue through December 31, 2003. (**Contract No. C20030173**)

HEALTH DEPARTMENT:

5. Personal Services Agreement with Skagit Valley YMCA to provide funding for the Heart Health Physical Activity Project. This is a new contract that will coincide with the duration of the Consolidated Contract for 2003-2004. This program will be transferred to Affiliated Health Services on March 18, 2003, thus, the agreement shall commence on January 1, 2003 and continue through March 17, 2003. Compensation shall be a total of \$5,210. (**Contract No. C20030174**)
6. Amendment No. 1 to Consolidated Contract **No. C20020436**, which will provide additional funding in the amount of \$17,699 for the Immunization and Maternal Child Health programs. The effective date of the amendment is January 1, 2003. All other terms and conditions of the original contract and any subsequent amendments hereto shall remain in full force and effect. (**Amendment No. A20030040**)
7. Out-of-State Travel Request for Peter Browning to attend the CDC 21st National Conference on Health Education and Health Promotion in San Diego, CA from May 20-24 for a total approximate cost of \$933.50. (**Approved**)

INFORMATION SERVICES:

8. Agreement for Computer Access with Island Title Company (Anacortes and Burlington sites) to access, via telephone line, into a County computer to view records held by the Assessor and Treasurer's Office. These records are only to be viewed by title companies only. The agreement shall commence on January 1, 2003 and continue through December 31, 2003. Island Title

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- Company shall pay a monthly fee of \$70 per site, payable on a quarterly basis. **(Contract No. C20030175)**
9. Letter for signature to cancel existing Contract No. C20020149 between LexisNexis and Skagit County on the date the existing contract expires. **(Approved)**
 10. Resolution authorizing the execution of an Interlocal Agreement with the Skagit County Emergency Medical Services (EMS) Commission. **(Resolution No. R20030133)**
 11. Interlocal Cooperative and Customer Service Agreement between Skagit County and the Skagit County Emergency Medical Services Commission for the purposes of leveraging competitive procurement opportunities and providing services. The agreement shall become effective on the date of execution. **(Contract No. C20030176)**
 12. Addendum No. 1 to Services Agreement **No. C20020449** with Cayenta, which replaces a draft statement of work with a final statement of work as negotiated by Skagit County and Cayenta. **(Amendment No. A20030041)**

PARKS, RECREATION & FAIR:

13. Personal Services Agreement with the Skagit Valley Softball Umpires Association to provide trained, Amateur Softball Association certified umpires for Skagit County Parks & Recreation Department softball leagues and tournaments. The agreement shall commence on April 1, 2003 and continue through December 31, 2004, which covers the 2003 and 2004 softball seasons. The County shall remunerate the Association various fees, depending on the services being rendered. **(Contract No. C20030177)**

PROSECUTING ATTORNEY:

14. Personal Services Agreement with Ronald J. Richeson, M.D. to provide services as the Medical Program Director for Skagit County. The agreement shall commence on April 1, 2003 and continue through December 31, 2003. Compensation shall total \$38,245.50 for the contract period. **(Resolution No. R20030178)**

RISK MANAGEMENT:

15. Personal Services Agreement with Favorite Consultants, Inc. to provide nurse care case management services for worker's compensation claims, as requested by the Risk Manager. The agreement shall commence on February 15, 2003 and continue through December 31, 2003. Compensation shall not exceed \$5,000. **(Contract No. C20030179)**

PUBLIC WORKS DEPARTMENT:

16. Resolution authorizing funding for the planning, design, permits and construction of asphalt overlays on the following roads in the Town of Edison: MacTaggart Avenue No. 20020, Cain's Court No. 20030, Gilmore Avenue No. 22400, and Main Avenue No. 22390. **(Resolution No. R20030134)**
17. Resolution authorizing funding for the planning, design, permits, right-of-way acquisition, construction engineering and contract construction to remove and replace the Burlington Alger Bridge at Mile Post 2.79. **(Resolution No. R20030135)**
18. Resolution authorizing funding for the planning, design, permits, right-of-way acquisition, construction engineering and contract construction to improve 0.365 miles of Casino Drive. **(Resolution No. R20030136)**

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19. Resolution authorizing funding for preliminary engineering, right-of-way acquisition, construction, construction engineering, and day labor to design and complete installation of drainage crossing improvements under and adjacent to East Lake Drive. **(Resolution No. R20030137)**
20. Resolution authorizing funding for the planning, design, permits, right-of-way acquisition, construction engineering and day labor construction to construct and improve 0.55 miles of McFarland Road. McFarland Road will be realigned as it intersects with Farm to Market Road. **(Resolution No. R20030138)**
21. Resolution authorizing funding for the planning, design, permits, right-of-way acquisition, construction engineering and day labor construction to improve and reconstruct 0.37 miles of North Texas Road. **(Resolution No. R20030139)**
22. Resolution authorizing funding for the planning, design, permits, right-of-way acquisition, construction engineering and contract construction to reconstruct 1.07 miles of Peterson Road. **(Resolution No. R20030140)**
23. Vendor Services Agreement with Rinker Materials to provide road maintenance materials consisting of mixed asphalt products. The agreement shall commence on April 1, 2003 and continue through March 31, 2004. Material purchases are expected to exceed \$25,000. **(Contract No. C20030180)**
24. Amendment No. 1 to Personal Services Agreement **No. C20020257** with KCM, Inc. dba Tetra Tech/KCM Inc., which will increase compensation by \$30,000 for a new total of \$85,000. The additional funds are necessary to continue the Skagit River flood modeling project and for preliminary hydraulic engineering for the Three Bridge Corridor. The term of the agreement shall be extended to December 31, 2003. **(Amendment No. A20030042)**
25. A Right-of-Entry and Agreement with Kevin Breier to allow Public Works staff to spread and level ditch spoils on Mr. Breier's property and furnish and deliver 100 native plants. **(Contract Nos. C20030181 and C20030182)**
26. Right-of-Entry Agreement with Leonard Wells, which allows Skagit County access to Mr. Wells' affected parcel to extend the existing drainage system. **(Contract No. C20030183)**
27. Amendment No. 4 to Interlocal Agreement **No. 05457** between Skagit County and the Skagit Conservation District in which the County shall provide monetary support for the District's implementation of their small farm technical assistance and Best Management Practice program, which in turn supports the County's effort to protect critical areas on lands used for agricultural activities. County support shall be in the form of up to \$30,000 in pass-through funding to reimburse landowner cost-share expenses. This action does not increase the existing not-to-exceed amount. **(Amendment No. A20030043)**
28. Personal Services Agreement with People for Puget Sound to complete three of nine Skagit Marine Resources Committee projects in 2003. The agreement shall commence on April 1, 2003 and continue until March 15, 2004. Skagit Marine Resources Committee projects are 100% grant funded from the National Oceanic and Atmospheric Administration of the US Department of Commerce. **(Contract No. C20030184)**
29. Supplement No. 1 to Local Agency Standard Consultant Agreement **No C20020338** with SvR Design Company to provide architectural landscaping services for the Main Street Reconstruction Project in the Town of Concrete. Additional compensation in the amount of \$19,950 shall be added for a new total of \$31,950. **(Amendment No. A20030044)**

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MISCELLANEOUS.

1. 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, April 21, 2003, the Board by majority vote, did approve for payment those vouchers included in the above-mentioned list and further described as follows:

ACH Transfer Request Form and Certification to Premera Blue Cross from Clearing Fund 696 in the total dollar amount of \$75,767.72 (Transmittal No. C-44-03); and

Warrant number 142269 from Clearing Fund 696 in the total dollar amount of \$5,000 (Transmittal No. C-45-03); and

Warrants numbered 142270 through 142745 from Clearing Fund 696 in the total dollar amount of \$1,068,077.44 (Transmittal No. C-46-03); and

Warrant number 142746 from Clearing Fund 696 in the total dollar amount of \$86,609.71 (Transmittal No. C-47-03).

2. Staff presented Amendment No. 1 to Interlocal Cooperative Agreement **No. C20030003** between Skagit County and Bullerville Utility District, which revises the payment terms to disburse funds directly to vendors on behalf of the Water District. All other terms and conditions of the original contract shall remain in effect.

Commissioner Anderson motioned to approve the amendment for the Bullerville Utility District. Commissioner Munks seconded the motion, which passed unanimously. **(Amendment No. A20030045)**

DECISION – CITY OF MOUNT VERNON’S FIBER OPTIC NETWORK EXPANSION PROJECT.

Chairman Dahlstedt stated that contrary to what many may have read in the local newspaper yesterday on the editorial page, the Skagit County Commissioners have no intent to renege on any promise in regard to extending Mount Vernon’s fiber optic system into Burlington, out to United General, and to the Port of Skagit County. The editorial was correct in saying there are some politics going on here. The politics that Skagit County is engaging in is to make sure that the economic development dollars that we all pay for are expended in a fair manner. He said the Board’s objection is not to the need for a fiber optic network in our community providing reasonable rates to both the private and public sectors. Their objection is to what they see as one-sided interlocal agreements that allows the City of Mount Vernon a significant 15% commission, utility tax, or as some have called it, a “kickback” for the private users on the line.

Chairman Dahlstedt said the Board applauds Mount Vernon and Mayor Richendrfer for taking the lead on a project that should provide a great economic benefit, not only for Mount Vernon but for other parts of Skagit County as well. But once again, the Board is concerned about the 15% that Mayor Richendrfer told us will go to his City’s general fund. The Board has an issue with Mount Vernon recouping costs or being paid for services provided, but beyond that, all the partners in this enterprise should have a stronger say in the distribution of these funds.

Commissioner Munks stated that during last week’s work session, a lot of questions were asked regarding the financial aspects of the 15% commission. Unfortunately, the editorial staff from the Skagit Valley Herald didn’t take the time to call any of the Commissioners; therefore, they paraphrased what their thoughts were, making the article erroneous. He said the Board made it clear during the work session that they were committed to the project as long as they were able to obtain answers to their questions.

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Commissioner Anderson asked if anyone from the Skagit Valley Herald was present today and no one came forward. His view is that if he is to sign off on this project, it will be to create jobs. He also believes that if the Board supports the project, then they should have some financial oversight on it. Commissioner Anderson expressed displeasure about the fiber optics expansion not going all the way into Sedro-Woolley. He indicated that once all the questions are answered and all parties decide to move ahead, so be it, but from his position, this money was not meant to let one person create a utility.

Chairman Dahlstedt said he felt it was important to contact the benefactors of the Fiber Optic Network Expansion; therefore, he had several meetings with them last week. He then read into the record a letter that was sent to Mount Vernon Mayor Richendrfer and the City Council Members, signed by Chairman Dahlstedt, Sedro-Woolley Mayor Sharon Dillon, Burlington Mayor Roger Tjeerdsma, and Superintendent Rick Jones of the Burlington-Edison School District. He also read a letter from Jerry Heller, Executive Director of the Port of Skagit and signed by Rick Jones, Roger Tjeerdsma, and Chairman Dahlstedt.

The three Commissioners were in agreement that when questions about who will manage and maintain the network are answered, they would be in favor of the proposal. They also see the need to establish interlocal agreements with all the parties.

Commissioner Munks motioned to defer the Board's decision until their questions could be answered. Commissioner Anderson seconded the motion, which was carried.

PUBLIC COMMENT PERIOD.

Several citizens remained from the previous discussion to lend their views on the City of Mount Vernon's Fiber Optic Network Expansion project.

Jerry Heller said he appreciates the Board's consideration with regard to the grant and asked that a member of the Board be appointed to be active in the discussion between all parties. He also asked that the technical professionals to get this matter back before the Board again as soon as possible.

Bob Fiedler, Mount Vernon City Council Member, said he is here today representing a few other council members and is surprised that we are at this juncture after the decision was made in October to award the money to Mount Vernon for this project. He expressed concern about expanding the network outside Mount Vernon's city limits, as it was really intended only for the City. He said he has a problem with the control of the system and would like to ask the Council to take a step back and consider not expanding at all. Perhaps the County should take the lead in expanding the network outside the city limits.

Rick Jones stated that he had read the editorial in the Skagit Valley Herald and chooses to believe this is not a political issue. He said it is a fantastic idea, born of great vision from Mount Vernon's leadership and is an issue long past its time. It would be a far reaching benefit to the community and to businesses alike. He feels there are a lot of players and a lot of misunderstandings; however, he thinks everyone believes that it's a project that has tremendous worth in Skagit County.

Dale Ragen, Mount City Council Member, stated that this project is an extremely collaborative effort with the different entities. In order to get fiber optics out to Janicki Industries, we must strive to get it closer and closer to Sedro-Woolley. This is state of the art and it's important to get the County together to provide the benefit and potential employment opportunities. Mr. Ragen said we need to move forward to get a successful County-wide system in place.

A representative from CSS Integration stated that this has been a lengthy process that involves multiple areas and provides both public and private opportunities. Customers come to this area to get connected to the fiber optic network. The company's goal is to connect with Whatcom County to make it a regional development so that every community can benefit. Mount Vernon has spent the last 2-3 years trying to get this project going.

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Mayor Richendrfer said they have worked tirelessly since 1996 to combine their leadership, vision, and grants writing to create a system that is starting to pay off. He said the proposal to move forward relates to a specific business model and if that business model changes, he will personally negotiate around the percentage modifications. However, when the Board starts taking about oversight with an additional management level, he can't accept it. If this is not a package that can be approved, then Mount Vernon needs to look at a different set of circumstances. The Mayor said this has been a collaborative effort thus far that has not gotten them where they need to be. His recommendation is for the City to step back and withdrawal their application.

Eric Landon with Skagit State Bank stated that two branches of the bank have hooked up to the fiber optic network and looks for fiber in the future to supply a single network for all Skagit State banks. He would like to see the bureaucracy stay out of this decision and let the system grow and expand.

Richard Allen, Collins Office Supply, said their business was connected with Mount Vernon's network several months ago and they welcomed the opportunity. He said it has really helped their company as about 20% of all businesses can only be contacted through the web. Assistance and questions have been answered efficiently by the City and he is sure that if the public sector had the opportunity, they would certainly want to take advantage of it.

Pam Baird, Sedro-Woolley School Board Member, stressed the importance of having Sedro-Woolley become a part of this team effort as they have always been a team player. She said surprisingly enough, their superintendent knew very little about the project. She feels it is vital for jobs and for the future.

Chairman Dahlstedt said again that the Board hopes to communicate with the appropriate parties to get all the details worked out and then thanked everyone for their input.

Jamie Lanning, Clear Lake, expressed concerns about cleaning up debris located in the County right-of-ways in Clear Lake.

INTRODUCTION – SKAGIT VALLEY TULIP FESTIVAL ARTIST MONIQUE MARTIN.

This item was postponed and will be announced at a later date.

ADJOURNMENT.

Commissioner Anderson made a motion to adjourn the proceedings. Commissioner Munks seconded the motion, which passed unanimously.

**BOARD OF COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Kenneth A. Dahlstedt, Chairman

Ted W. Anderson, Commissioner

Don Munks, Commissioner

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ATTEST:

JoAnne Giesbrecht, Clerk of the Board
Skagit County Board of Commissioners