

**RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS
TUESDAY, MAY 17, 2005**

- *T 9:00 a.m. – 10:00 a.m. Public Works Department – Chal Martin, Director
1. Discussion – Guemes Island Ferry System Fare Structure/Objectives and Policy Questions Involved in Setting Appropriate Fares
 2. Miscellaneous
- 10:00 a.m. – 11:00 a.m. Decision - Closed Record Appeals, PL05-0159 and PL05-0160 of Hearing Examiner Special Use Permit Modification (PL04-0167), to Allow the Bow Hill Mill to Extend Operating Hours Weekdays From 4:30 p.m. to 6:30 p.m. for the Purposes of Maintenance and Repair
- 11:00 a.m. – 11:15 a.m. Bid Opening – Three New Latest Model Diesel Engines and Reduction Gears for the Guemes Island Ferry
- 1:30 p.m. – 2:30 p.m. Work Session – Interim Site Designation for a Solid Waste Disposal Site - Cimarron Transfer and Recycling Company

The Skagit County Board of Commissioners met in regular session on Tuesday, May 17, 2005, with Commissioners Don Munks, Kenneth A. Dahlstedt and Ted W. Anderson present.

PUBLIC WORKS DEPARTMENT – CHAL MARTIN, DIRECTOR

1. Discussion – Guemes Island Ferry System Fare Structure/Objectives and Policy Questions Involved in Setting Appropriate Fares.

Chal Martin, Director, discussed the Guemes Ferry Fare Structure. Mr. Martin provided summary slides, which showed various budgetary information. He said he is convinced that there is no end to the ways the fare structure could be analyzed.

Commissioner Dahlstedt asked how Skagit County's operational costs compare to other systems. Mr. Martin said that information has not been evaluated. However, Mr. Martin did say that the average system loss over the past five years is over \$900,000 a year. The folks living on Guemes Island pay property taxes into the road levy and those taxes are partially credited back to the Ferry. A conservative estimate of the average loss is \$613,000 per year. Mr. Martin said that in ten to fifteen years, Skagit County will need to modify or replace the MV Guemes.

Chairman Munks asked how Skagit County's fares compare to Whatcom County fares. Mr. Martin presented a Fare Comparison Chart, which showed fares for Skagit, Whatcom and Pierce Counties. He indicated that data of an analysis that was done a couple of years ago proves the theory that the system needs additional revenue. Mr. Martin said the Department will be coming before the Board with a proposal in June.

Commissioner Dahlstedt asked if more revenue would be generated by increasing the number of hours the Ferry would run. Mr. Martin said his sense is that extending the hours would not completely pay for itself.

Commissioner Anderson asked when the Board is scheduled to discuss the extension of hours for the Guemes Island Ferry. Mr. Martin said they can combine the issues of extending hours and a proposed fare structure. Chairman Munks agreed to the idea.

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2. Miscellaneous.

Mr. Martin informed the Board of a recent meeting that was held with several staff members from the U.S. Army Corps of Engineers regarding the hydrology that is being developed in the Basin. Mr. Martin said the bottom line is that the County disagrees with the Corps hydrology. A short discussion ensued regarding other issues that were talked about at the meeting with the Corps.

DECISION – CLOSED RECORD APPEALS, PL05-0159 AND PL05-0160 OF THE HEARING EXAMINER SPECIAL USE PERMIT MODIFICATION (PL04-0167), TO ALLOW THE BOW HILL MILL TO EXTEND OPERATING HOURS WEEKDAYS FROM 4:30 P.M. TO 6:30 P.M. FOR THE PURPOSES OF MAINTENANCE AND REPAIR.

Commissioner Anderson said the Hearing Examiner granted the Bow Hill Mill extended hours of operation that was to be used for clean-up. That is the decision that is being appealed. He said he has carefully read through the record to arrive at a fair and equitable settlement. Commissioner Anderson read the following recommendations:

Amended Findings

Finding of Fact 15: The request to modify the Special Use Permit included clean-up activities among the activities sought to be conducted during the extended hours.

Finding of Fact 16: The Applicant provided that the operation of chippers and other loud machinery that is needed for clean-up activities could be completed between 4:30 p.m. and 5:30 p.m., the first hour of the requested extended hours of 4:30 p.m. and 6:30 p.m., Monday through Friday.

Finding of Fact 17: A schedule for noise abatement is required to resolve outstanding issues concerning noise pollution.

Amended Conditions

Condition #1 is amended to read as follows:

1. The Applicant shall comply with the conditions contained in the Hearing Examiner's decision of May 17, 1993, for the original Special Use Permit (SPU92-006) with the exception that the hours permitted for maintenance, repair and clean-up of the Mill are extended from 4:30 p.m. to 6:30 p.m., Monday through Friday. The following summarizes the permitted activities:
 - A. Sawmill operation (activities normally involved in the production of finished product) shall be permitted Monday through Friday, from 7:00 a.m. to 4:30 p.m.
 - B. Equipment and machinery maintenance (regularly scheduled measures to maintain equipment), repair (fixing unanticipated breakdowns), and clean-up activities (equipment cleaning and wood debris removal) shall be permitted Monday through Friday, from 7:00 a.m. to 6:30 p.m. and on Saturdays.

Clean-up activities requiring the use of the chipper shall be completed by 5:30 p.m. Sawmill operation that occurs outside of the hours of 7:00 a.m. to 4:30 p.m., Monday through Friday shall continue to constitute a violation of this condition.

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Condition #3 is amended to read as follows:

3. Bow Hill Mill shall develop a noise mitigation plan according to the following schedule:
 - a) Within 30 days: Retain a licensed sound engineer, who has experience abating industrial noise.
 - b) Within 120 days: Present a mitigation plan for industrial noise from Mill operations to the Skagit County Planning and Development; and
 - c) Within 12 months: Implement the mitigation plan.

Commissioner Anderson motioned to recommend denying both appeals based on the amended recommendations. Commissioner Dahlstedt seconded the motion, which passed unanimously.

Commissioner Dahlstedt said this decision addresses most of the concerns expressed by both sides. Chairman Munks concurred.

Jim Bucknell asked for clarification of Commissioner Anderson's motion. He said if the chipper is not allowed after 5:30 p.m. on weekdays, would it not then be allowed on Saturdays. Commissioner Anderson said the chipper would not be operating on Saturdays.

Bill Vaux said that is not the case. He said the chipper runs from 11:00 a.m. to 1:00 p.m. on Saturdays because further clean-up takes place. Mr. Vaux said none of the decisions had anything to do with Saturdays. The application was to modify the operating hours, from 4:30 p.m. to 6:30 p.m., Monday through Friday.

Oscar Graham, Assistant Director of Planning and Development Services, concurred with Mr. Vaux. He said the issue of operating on Saturdays was addressed in the original Special Use Permit issued in 1993.

Mr. Bucknell questioned why it isn't considered production when the Mill is making a profit from selling chips. He feels it is an expansion of their use. Chairman Munks said that issue is not what is being considered.

Commissioner Anderson asked if the chipper was allowed to be operated on Saturdays under the original Special Use Permit issued in 1993. Mr. Graham indicated that the conditions spoke to maintenance and repair of machinery on Saturdays. It didn't specifically address the use of a chipper.

BID OPENING – THREE NEW LATEST MODEL DIESEL ENGINES AND REDUCTION GEARS FOR THE GUEMES ISLAND FERRY.

Ann Marie Gutwein and Linda Christensen opened the following bids for three new latest model diesel engines and reduction gears for the Guemes Island Ferry:

Tacoma Diesel and Equipment Company
444 54th Avenue East
Tacoma, WA 98424
Bid Bond Not Enclosed
Addendum #1 Acknowledged
Total Bid Including Tax: \$419,424.00

Cummins Northwest, Inc.
4711 North Basin Avenue
Portland, OR 97208
Bid Bond Enclosed
Addendum #1 Acknowledged
Total Bid Including Tax: \$355,584.45

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Ms. Gutwein indicated that a recommendation would be forthcoming.

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, May 17, 2005, 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 \$58,109.30 (Transmittal No. C-64-05).

ADJOURNMENT.

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

**BOARD OF COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Don Munks, Chairman

Kenneth A. Dahlstedt, Commissioner

Ted W. Anderson, Commissioner

ATTEST:

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