

**RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS
TUESDAY, AUGUST 26, 2014**

The Skagit County Board of Commissioners met in regular session on Tuesday, August 26, 2014, with Chair Ron Wesen, Commissioner Kenneth A. Dahlstedt, and Commissioner Sharon D. Dillon present.

I. CALL TO ORDER:

Chair Wesen called the proceedings to order at 8:30 a.m.

II. PLEDGE OF ALLEGIANCE:

Chair Wesen led the gallery in the salute to the flag.

III. AGENDA:

a) 8:30 a.m. - 10:00 a.m. Public Works - Dan Berentson, Director:

1. Work Session/Presentation: Guemes Island Ferry Replacement Plan by Elliott Bay Design Group

Dan Berentson, Director; and Rachel Rowe, Ferry Operations Manager were present to introduce the agenda item and answer questions.

Ms. Rowe said that Elliott Bay Design Group was hired to provide the County with a ferry transportation and vessel replacement plan for the M/V Guemes. She introduced Matt Williamson; and Kurt Jankowski with Elliott Bay Design Group. Mr. Williamson presented the Ferry Replacement Plan, dated November 22, 2013, and provided a PowerPoint presentation.

Mr. Williamson provided a brief history of the passenger ferry M/V Guemes and noted that the vessel was designed by Nickum & Spaulding Associates and was built in 1979 at Gladding Hearn Shipbuilding in Somerset, Massachusetts. He said the report was intended to address three major areas:

1. Identify the service needs of the Guemes Island community;
2. Assess the remaining economic life of the M/V Guemes; and
3. Estimate the capital and operating costs for vessel replacement options.

Mr. Williamson reported on the historical growth trends in Skagit County and on Guemes Island, as well as the current projections. He further discussed the condition of the vessel and said that the structural integrity of the ship was considered good for a thirty-five (35) year old vessel. He said that while the overall condition of the vessel was fair, it was recommended that the M/V Guemes not be operated for more than another ten (10) years without a major overhaul. This was due to the age and the high cost of extending operation of the vessel beyond its economic useful life of thirty (30) to forty (40) years.

Three options based on a twenty-three (23) year total ownership costs were suggested:

Option A - immediate vessel replacement at the cost of 19.54 million;
Option B - Delayed vessel replacement at the cost of \$21.50 million; or
Option C - mid-body extension at the cost of \$26.74 million.

Mr. Williamson reported that based on the projections for population growth and the

annual ridership statistics, it was recommended that a moderately larger ferry vessel be built. The vehicle capacity should allow for twenty-six (26) vehicles, which would be four (4) more cars from the current ferry capacity.

Mr. Williamson said that Elliott Bay Design Group recommended that Skagit County begin replacement of the M/V Guemes, as shown in Option A.

Commissioner Dahlstedt said that it was important to review the condition of the ferry and the most critical issue was how the County would pay if it was decided that the vessel needed to be replaced and if state or federal funding would be available. He said that if the County planned for the future, it would be better prepared when the economy improved and chances for funding would be available.

Commissioner Dillon said she believed that it was important to plan for the future. She discussed whether it would be feasible to replace the ferry and keep the old vessel as a backup so that there would be no interruption of service when the ferry was hauled out for maintenance.

Chair Wesen said that the final report was issued on November 22, 2013, and was presented to attendees of the Guemes Island Ferry Operations Forum on March 26, 2014. Chair Wesen discussed whether it was necessary to increase the size of the vessel.

There was a discussion about loading and offloading times; level of service; whether increasing the size of the vessel was necessary; passenger accommodations; engine design; ridership trends; and operational expenses.

Steward Charles of 4453 Guemes Island Road, addressed concerns about ferry service if the existing boat were taken out of service for maintenance and the cost to lease a replacement.

Steve Orsini of 4971 Guemes Island Road and Chair of the Guemes Island Ferry Committee, addressed concerns he had with the Ferry Replacement Plan and the methodology used to calculate the numbers for the three options. He said he appreciated the County taking the time to review options for the replacement but would recommend modernizing the propulsion system and upgrade the electronics instead of purchasing a new boat. He requested that the dolphins on the Guemes side be removed and requested clarification about how the numbers were developed.

Mike Skehan of 2040 Granger Way on Lummi Island, complemented the County for being able to obtain funding for the Anacortes Ferry Dock Rehabilitation & Guemes Island Ferry Dock Repair Project. He discussed the level of service standards for the ferry; and where the funding would come from to replace the ferry.

Chair Wesen stated that Skagit County was fortunate because the plan for the Anacortes Ferry Dock Rehabilitation & Guemes Island Ferry Dock Repair Project had already been prepared which allowed the County to take advantage of federal stimulus funds.

Jim Dickinson of Whatcom County and founder of the Lummi Island Advisory Subcommittee, said that Whatcom County had a fifty-two (52) year old ferry. He said the ferry costs more to maintain than it would cost to replace and maintain a new ferry. He suggested that Skagit County replace the M/V Guemes. He complemented Skagit County for being forward thinking in looking at options to replace and/or refurbish the vessel.

Ms. Rowe announced that there would be a Guemes Island Community Forum taking place on Wednesday, September 17, 2014, at 5:30 p.m. at the Guemes Island Community Center, located at 7549 Guemes Island Road on Guemes Island. She noted that the Ferry Replacement Plan had been added to the Capital Facilities Plan and the Six-Year Capital Improvement Plan in an effort to be prepared once funding became available.

2. Miscellaneous

There were no miscellaneous items for Public Works to discuss.

Chair Wesen recessed the proceedings at 9:41 a.m.

b) 11:30 a.m. - 11:45 a.m. Board of County Commissioners:

Chair Wesen reconvened the proceedings at 11:30 a.m.

1. County and Individual Success Stories

Tamara Thomas, Environmental Engineer in Mount Vernon, said she had volunteered with the Skagit County Climate Action Plan. Ms. Thomas thanked the Board of County Commissioners for hiring a Sustainability Coordinator and encouraged them to keep pressure on to implement the recommendations outlined in the Climate Action Plan and commented on the opportunity to have the new jail LEED-certified.

2. Public Comment Period

Steve Orsini Chair of the 4971 Guemes Island Road, said that there was a mistake in April 22, 2014, presentation about whether the revenue target for the Guemes Island Ferry was being met. He said that there was a misinterpretation about how the revenue target would be met and that Public Works would be correcting the error. He said that Public Works may ask the Commissioners to modify the ferry fare Resolution No R20110382 and noted that the Ferry Committee resolution was opposed to modifying the Resolution. He said that before a discussion about a fare increase, the Ferry Committee would like an opportunity to discuss operational costs of the ferry. He went on to say that the Ferry Committee disagreed with the Elliot Bay Design Groups' Ferry Replacement Plan.

3. Miscellaneous Announcements

Chair Wesen discussed several events that he had attended including the Work Boat Races at the Port of Anacortes on Saturday, August 23; the LaConner Rotary Auction on Saturday, August 23, and the tour of Shell Puget Sound Refinery on Sunday, August 24.

c) *2:00 p.m. - 2:45 p.m. Executive Session Litigation - (RCW 42.30.110(1)(i))

Chair Wesen, Commissioner Dahlstedt, and Commissioner Dillon attended an executive session on Tuesday, August 26, 2014, from 2:00 p.m. to 2:40 p.m. for the purpose of Litigation – RCW 42.30.110(1)(i). (Matters relating to County enforcement actions, actual litigation, or potential litigation.) The following attorney was present and provided legal advice to the Commissioners: Deputy Prosecuting Attorney Steve Fallquist. Other Attendees: County Administrator Tim Holloran; Public Works Director Dan Berentson; County Engineer Paul Randall-Grutter; and Human Resources/Risk Manager Jessica Neill Hoyson.

IV. ADJOURNMENT:

Chair Wesen adjourned the proceedings at 11:45 a.m.

**BOARD OF COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Ron Wesen, Chair

Kenneth A. Dahlstedt, Commissioner

Sharon D. Dillon, Commissioner

ATTEST:

Clerk of the Board