

**SUMMARY OF THE MINUTES
SAN JUAN COUNTY (SJC), WASHINGTON
COUNTY COUNCIL
December 10, 11, 2007**

Monday, December 10, 2007 - Council Conference Room

CALL TO ORDER – REGULAR STAFF MEETING AND WORK SESSION

Council Chair Bob Myhr called the staff meeting to order at 10:00 a.m. Council members Kevin Ranker, Rich Peterson, Howard Rosenfeld, Gene Knapp, and Alan Lichter; County Administrator, Pete Rose; Clerk to the Council, Laura Tuttle; Deputy Clerk, Valarie Graham; and interested members of the public were present.

Council schedules and agendas were reviewed. Council members gave an update on the Ferry Summit held in Bremerton on December 7, 2007 and discussed being very clear about having a seat at the table. The Clerk of the Council provided an update on the joint meeting with the Town Council of Friday Harbor scheduled for March 6, 2007. The Council decided it would be prudent to get a copy of the Town of Friday Harbor's priorities prior to the meeting. It was also decided that the meeting should be moved to December 18, 2007. The Council discussed the Solid Waste Rate Increase and Lichter suggested notifying the Solid Waste Advisory Committee to be present at the discussion the following day. Chair Myhr talked about the upcoming retreat scheduled for February 25, 2007. The 2008 calendar was discussed as was the resignation of Alan ("Skeeter") Lowe from the MRC. Council made plans to review the MRC's rules for meetings. The Clerk of the Council provided updates on Council office and staff work and discussed the upcoming move to the new legislative building.

RECESS - At 11:10 a.m., Council Chair Myhr recessed the meeting until 10:00 a.m., Tuesday, December 11, 2007.

Tuesday, December 11, 2007 - Council Hearing Room

CALL TO ORDER – REGULAR MEETING

Council Chair Myhr called the meeting to order at 10:00 a.m. The flag salute was conducted.

CITIZEN ACCESS TIME

No matters were brought before the Council.

ANNOUNCEMENTS/SCHEDULE CHANGES

The posted Council Agenda was revised.

APPROVAL OF MINUTES

Moved by Lichter, seconded by Rosenfeld, to approve the Minutes of **December 3, 4, & 5, 2007**. Motion carried.

CONSENT AGENDA

Moved by Ranker, seconded by Peterson, to approve the **Final Consent Agenda of December 11, 2007** as follows:

The County Council moves to:

A. Resolutions/Ordinances:

1. **Resolution _ - 2007 – Resolution to Terminate A Washington State Commissioners' Order for Easement (Second Class Tidelands) No. 51 CR 123 and to Authorize the County Administrator to Sign the Agreement and Order Terminating Board of State Land Commissioners' Order for Easement (Second Class Tidelands) No. 51-CR-123 – Orcas Island**

B. Contracts/Agreements: (No items.)

C. Budget Items: (No items.)

D. Personnel: (No items.)

E. Appointments: (No items.)

F. Correspondence: (No items.)

G. Miscellaneous:

1. Approve RCW 84.56.240 Cancellation of Uncollectible Personal Property Tax

H. Bid Openings: (No items.)

Motion carried.

ACTION AND DISCUSSION ITEMS

ORDINANCES/RESOLUTIONS:

RES. NO. 51-2007 - Resolution to Terminate A Washington State Commissioners' Order for Easement (Second Class Tidelands) No. 51 CR 123 and to Authorize the County Administrator to Sign the Agreement and Order Terminating Board of State Land Commissioners' Order for Easement (Second Class Tidelands) No. 51-CR-123 – Orcas Island

ORD. NO. 54-2007- (Refer to PUBLIC HEARING at 1:00 p.m. for details of action taken.)

ORD. NO. 55-2007- (Refer to PUBLIC HEARING at 1:00 p.m. for details of action taken.)

ORD. NO. 56-2007- (Refer to PUBLIC HEARING at 1:30 p.m. for details of action taken.)

PUBLIC HEARINGS/MEETINGS/WORK SESSIONS

COUNCIL DISCUSSION/UPDATES/OTHER ACTION ITEMS:

1. Ferry Summit – Alan Lichter provided an update on the Ferry Summit held in Bremerton, WA on December 7, 2007. Lichter stated it was a sold out crowd with 130 participants, and the conference was structured as solution-oriented with break-out sessions in the afternoon. Lichter stated that WSF is in extremely bad shape with an aging fleet, rising fares, low ridership, dilapidated terminals, and no sustainable funding. Lichter also noted that WA State Law says that ferries have to be built in Washington State and that BC Ferries are being built in Germany at a considerable cost savings. San Juan County was repeatedly cited as having the highest ferry fares in the system. US Representative Norm Dicks noted that the entire state needs to see the ferries as an extension of the highway system. Lichter suggested that all ferry-served communities in Puget Sound form a partnership to look at the ferry system as a whole to create a powerful lobbying position with state legislators. Lichter stressed the importance of finding new funding sources, such as passenger-only ferries and terminal amenities. WSF is the largest ferry system in the U.S. and we need to explore a mix of private and public operators. Bob Distler, Transportation Commissioner, said that possibility had been surveyed and couldn't be achieved at a profit. The owner of the Victoria Clipper said it could be: the Clipper had been operating for over 20 years at a profit. Ranker noted that every 1 cent increase in fuel, costs the ferry system \$170,000.

2. Solid Waste Rate Structure Review – Ed Hale, Utility Manager, Public Works, addressed the Council to discuss rate structures for Solid Waste. Mr. Hale explained that for years, solid waste has been operating in the red. The expenditures are greater than the revenue brought in, with the cost of ferries and Waste Management hauling service. There is no fee charged for recycling at the transfer facility. John Shannon, Public Works Director, stated that state law statute allows the County to charge an excise tax in the disposal district and the Town of Friday Harbor had the choice to join, but they didn't. Ranker asked, what's the impact of the Town not being a part of the district. Mr. Shannon responded that the County's position is that the Town is providing space at the facility for free. Mr. Shannon noted that there is subsidized disposal for the following services: Litter control, composting workshops, e-waste events, weed control, medical waste and beach clean-up, yet all these services show up in the Solid Waste Budget. Mr. Shannon also stated that SJC hasn't reached the state recycling limit of 40%. King County is well above 60% and most is green waste. San Juan County's 21% of

recycled goods are the standard consumer items, cans and paper. Mr. Hale noted that recycling services are 100% subsidized by garbage and if more people recycle, the garbage rate has to increase. In 2006, the cost of recycling was 276K. That is the cost of physically handling the material. The question is; what rate does the County charge and how to calculate the appropriate share of costs? Mr. Rosenfeld suggested a base rate and everyone should contribute whether you use it or not. Solid Waste Advisory Committee Chair George Post told the council, "This is an inoperative system. There is no incentive to do the right thing: reduce the volume." He urged the council to find an alternative to the "enterprise fund" system of financing so that the utility can finance system improvements and develop programs that reduce waste.

3. Updated Travel Policy – Milene Henley, Auditor, addressed the Council with an updated Travel Policy for Charter Implementation. Ms. Henley stated that ferry fares would only be reimbursed at the commute price and encouraged everyone to buy the books, and turn remaining tickets into the Auditor's office. Ms. Henley stated that if the employee couldn't afford to buy the book, exceptions could be made. Ms. Henley encouraged carpooling whenever possible. If a meeting is out of county, same place, same time it is reasonable to ask that people carpool. Ms. Henley stated that when private boats are used for transportation, the standard rate of \$25.00 per hour will be used for reimbursement with no commute charges incurred. When a private plane or chartered plane is used, a \$1.07 per mile reimbursement will be used. Ms. Henley stated that all out-of-state travel requires advance written approval. Ranker informed Ms. Henley that the Auditor doesn't have the authority to regulate travel out of state for the Council, only to determine reimbursement policy. Myhr noted that he had concerns about this as well. Pete Rose, CA noted that the ultimate statement of budgetary responsibility lies with the Council. Myhr thanked Ms. Henley for the detail and asked her to make some final revisions.

RECESS – Chair Myhr recessed the meeting at 12:15 p.m., until 1:00 p.m.

PUBLIC HEARINGS

1:00 p.m. - A public hearing was held to consider Emergency Appropriations for the 2007 Budget. Present: Full Council; County Administrator, Pete Rose; Auditor, Milene Henley; Director Public Works, Jon Shannon; Juvenile Court Administrator, Tom Kearney; Deputy Clerk to the Council, Valarie Graham; and interested members of the public. Milene Henley, Auditor, informed the Council that two emergency appropriations were needed; one for the Sheriff and one for Juvenile Court. The Sheriff's Department is in need of an emergency payroll appropriation whose net increase would be zero after transfers. The second emergency appropriation needed was 11K for Juvenile Court. Tom Kearney, Juvenile Court Administrator, informed the Council that juvenile detention costs have risen in Skagit County. Normally, there are one or two juveniles arrested during a year. This year there have been 7, most coming in the last few months. The types of detention used are jail, home detention, and inpatient treatment. Ms. Henley stated that the language in the RCW's says the department head is responsible as well as the Auditor, and the costs for confinement are the responsibility of the County and Legislative authority. Public testimony was opened, none submitted, and closed. Deliberations were held and the following action was taken:

Moved by Peterson, seconded by Rosenfeld, to adopt An Ordinance Amending San Juan County's 2007 Budget For Emergency Appropriations. Motion carried.

Moved by Peterson, seconded by Lichter, to adopt A Budget Ordinance Amending San Juan County's 2007 Budget For Transfers. Motion carried.

1:30 p.m. - A public hearing was held to consider An Ordinance Of San Juan County, Adopting A Fee Ordinance For Solid Waste Services Provided By The San Juan County Public Works Department. Present: Full Council; Director Public Works, Jon Shannon; Public Works Utility Manager, Ed Hale; County Administrator, Pete Rose; Communications Program Manager, Stan Matthews; Clerk to the Council, Laura Tuttle; Deputy Clerk, Valarie Graham; and interested members of the public. Ed Hale informed the Council that the 3 major categories for the 7.3% rate increase are the transfer station on San Juan Island; the shift of funds to ER&R fund, and labor costs. There was a 3% increase for the labor contract. Lichter asked, when was the last time the tipping fee was raised. Mr. Hale responded that March 31, 2007 the tipping fee was last increased and the 7.3% rate increase would become effective on April 1, 2008. Public testimony was opened, submitted by Jack Cory, George Post and John Evans, and closed. Deliberations were held and the following action was taken:

Moved by Ranker, seconded by Peterson, to adopt An Ordinance Of San Juan County, Adopting A Fee Ordinance For Solid Waste Services Provided By The San Juan County Public Works Department. Motion

carried 4 to 2 with Lichter and Rosenfeld opposed. (Deputy Clerk's note: Ranker requested to put the fees discussion on the retreat agenda for February 25, 2008)

2:00 p.m. – (Commenced at 2:15 p.m. due to time constraints) A continued public hearing from December 4, 2007 was held to consider the 2008 Budget Review and An Ordinance to Adopt the 2008 San Juan County Budget. Present: Full Council; Auditor, Milene Henley; County Administrator, Pete Rose; Communications Program Manager, Stan Matthews; Prosecuting Attorney, Randall Gaylord; Assessor, Charles Zalmanek; Public Works Director, Jon Shannon; Clerk to the Council, Laura Tuttle; Deputy Clerk, Valarie Graham; and interested members of the public. Lichter urged the Council, because of upcoming revenue declines and competing demands for county dollars, to be conservative in considering the final budget. Milene Henley, Auditor, informed the Council that changes had been made to the budget and proceeded to update the Council with the changes. Ms. Henley passed out comparison sheets to the Council that noted the changes. Public testimony was opened, submitted by Jack Cory and John Evans and, closed. Deliberations were held and the following action was taken:

Moved by Ranker, seconded by Peterson, to adopt An Ordinance For San Juan County, Washington, Adopting The Annual Budget For 2008 Setting Forth Estimated Revenues And Appropriations, with the changes discussed today (including a late addition of \$20K for the Assessor's Office), for a total 2008 Budget of \$53,056,035.00. Motion carried. (Clerks note: Ordinance to be put on the December 18, 2007 Consent Agenda.)

ADJOURNMENT - Moved by Ranker, seconded by Peterson, to adjourn the meeting at 3:55 p.m. Motion carried. Council Chair Myhr adjourned the meeting at 3:55 p.m. A Special Meeting was scheduled for Monday, December 17, 2007, and the next regular meeting was scheduled for Tuesday, December 18, 2007.

**COUNTY COUNCIL
SAN JUAN COUNTY, WASHINGTON**

Bob Myhr, Chair
District 6, Lopez/Shaw

ATTEST: Clerk of the Council

Howard Rosenfeld, Vice Chair
District 3, Friday Harbor

By: _____
Valarie Graham, Deputy Clerk

Kevin M. M. Ranker, Member
District 1, San Juan South

Rich Peterson, Member
District 2, San Juan North

Alan Lichter, Member
District 4, Orcas West/Waldron

Gene Knapp, Member
District 5, Orcas East