about regulation and inspection.

-Need to know the real economics of aquaculture.

-Need to know impacts on other industries -- on commercial fishing industry. Note that in Canada 150 fish farms account for 500 full time jobs and another 500 part time jobs, and fishermen are making the case that whatever happens in the fish farm business will be at the expense of the small businessman who is fishing.

-Enough is not yet known about how the County will be effected in terms of responsibilities and costs. How ever, there is no revenue flowing to the County at this point.

-Examine whether or not a property tax can be applied to a floating raft.

-Impact on land values.

-Need to re-examine all of the County's regulatory process and rules to find out if the regulations are up to date and consider some of the new forms of aquaculture.

Ian Jefferds, President, Penn Cove Mussels, Inc., an Island County business for about 13 years, reiterated Mr. Pickard's request to allow provisions not restricting any changes in permits as already issued. Originally they went to the long lines because of community feelings about aesthetics and to create the least visual impact. Mr. Jefferds stated that the problem with long lines is the large population of Scoder ducks or diving ducks eating the mussels; the ducks can wipe out $100,000 worth of product in about one or one and a half weeks. He requests that the County look at a provision which would allow changing long lines to rafts. Attention was called by Mr. Jefferds to the fact that his business is a small family business, employing about 15 people, and having pumped about $100,000 in the last year by way of payroll into the County.

He stated that Penn Cove Mussels, Inc. was the first commercial mussel farm on the West Coast, and the second commercial mussel farm in the U.S. Canadians took heed of this, along with what the Europeans were doing and now have a 50 million dollar industry on the Atlantic Coast. Penn Cove Mussels, Inc. would like to be able to have the opportunity to supply more product and more jobs in this county -- rural industry, sea farmers. He confirmed they have no desire to create a situation of covering the bay or cove with rafts, but would like to set up the industry in areas which would not create a visual impact. He stated that this product is internationally known, commanding a good price for their product because of the way grown and location close to good shipping.

Bob LaLanne, Saratoga Cove Foundation (SCF), stated that in view of the fact that the Assistant Attorney General, on request of Doug Sayan, issued an opinion that the moratoriums in his opinion were illegal, and SCF's feeling that the opinion has no legal clout, SCS obtained the services of Peter J. Eglick, Attorney, to provide a complete legal study documenting every case available to support the position of the County and refute the Assistant Attorney General's Opinion. The 20 page document [Exhibit #30] is entitled: "Saratoga Cove Foundation's Memorandum of Law in Support of Legal Validity of Moratorium", and will also be forwarded to members of the Marine Environmental Consortium.

Mr. LaLanne mentioned Frenchman's Cove, an operation in Hood Canal being designed by Rev. Moon's organization; the EIS as submitted was ruled inadequate; note that Hood Canal flushes 1/2 that of Puget Sound, and NOAH established that Puget Sound does not flush at all.

Norweign-American Newsletter May, 1986, reports 7 fish pen operations in British Columbia, and 400 projected in 1988 stating: "it is a total euphoria easily a case of over-investment" ; and, "Norway fish farms in recent years have turned to Ireland, Scotland and

North America after the licensing in Norway became more restrictive".

With regard to the current aquaculture districts, Mr. LaLanne recalled that the County's Shoreline Planner in 1983 stated with regard to mussel farming that no money is returned to the County by the State; and, because the lease beds are on State-owned land, no property taxes, other than structures, can be assessed. He further recalled that former Commissioner, Wm. Dunlop, in September of 1986 stated that the benefit to Island County via payroll, additional taxes or enhanced land value of property was minimal.

Mr. LaLanne remembered that during the earlier moratorium period, Sealife Company, Inc. (A. Star) presented to the County a plan for 40x40' laminated wood rafts with air tanks attached, requiring only 4 buoys, located 30' under water -- no problems with birds, and enhanced the growth of scallops; cost factor, however, probably twice the cost of a wooden raft.

Although DNR recently completed the EIS concluding that Nori farming impact was minimal, and the only unavoidable impact is to loss of navigation to commercial fishing, recreation, sports fishing, Mr. LaLanne believes these are quite important. Because shorelines are a fragile natural resource, he feels time is necessary to learn everything before committing the shorelines to long term leases.

Ida Mae Wolf, interests in Sea Harvest Corporation and Clam Shacks Corporation, although not aware of the problems with mussels or salmon farmers, explained that her interest has always been with regard to holdings consistent with private leases. She has gone through 17 years and half a million dollars in cost in an effort to harvest the renewable resource on privately owned leases. She did agree initially that the mechanical harvester made very deep trenches, but that had lasted only a brief period of time, and since then, trenches were reduced down to a guaranteed 8". A hydraulic was then developed making a trench of not over 2", enhances the tide flats and protects against waste of hand-digging. A study using the hydraulic rakes in Skagit County was completed, and part of the proposal requires written approval of the results of the test from the Planning Department, Department of Ecology, Department of Fisheries and others; final report is being prepared at this time, and she anticipates no problem with that.

She is of the opinion that the mechanical hydraulic rake is superior to the Hanks Harvester, and noted huge amounts of claims having died because of the lack of harvesting. Mrs. Wolf did point out that the Governor of Washington speaks in favor of aquaculture. With regard to the market for clams, Mrs. Wolf confirmed that there had not been a day there has been no market, rather, the price fluctuates. With regard to employment she has in hand 128 names and telephone numbers of people calling to ask for work.

Mrs. Wolf does not believe there should be any further moratorium since there has already been far too much time taken up.

Carol Church, Camano Cove, Camano Island, explained that Camano Cove lost a case before the Shorelines Hearings Board to a mussel farmer, the reason the mussel farmer was allowed to have 2-1/2 acres of mussel farming in that bay was because he would have long lines only; the SHB decision was that this was not obtrusive enough, but did not want anything obtrusive in the bay, and listed 16 conditions which the mussel farmer had to do to keep the operation from being obtrusive. Mrs. Church cannot see that a mussel farmer should be allowed to automatically without County review go from long lines to rafts.

Dick Jennings, Mutiny Bay, South Whidbey, expressed his hope that the moratorium be put into place and during that time invited the Commissioners to visit British Columbia, particularly the Sea Shell Peninsula. Mr. Jennings, from a visit last spring, has in possession a brochure on fish farming put out by the British Columbia government regarding the process by which fish feed lots were to be introduced into B.C., and at that time there were 46 siting units in the Sea Shell Peninsula; he drew a parallel to that of Hood Canal conditions. Mr. Jennings stated that the salmon pen operation tied to the shore violates a covenant of the B.C. Government. The