Construction to comply with submittal of a performance bond and certificate of insurance under award of bid for Fakkema Road Improvements. Motion, seconded by Commissioner Koetje, carried unanimously.

Mr. Allen was requested by the Chairman to provide his recommendation to the Board in writing for the course of action in the event the contractor is unable to provide the performance bond and certificate of insurance.

HEARING HELD: RESOLUTION #C-80-89 - ESTABLISHING FEE FOR OPEN SPACE/OPEN TIMBER APPLICATION PROCESSING OF $30.00 OR MORE

A Public Hearing was held at 11:00 a.m. to consider the establishment of a $30.00 or more processing fee for Open Space and Open Timber Applications.

Chairman Caldwell explained that the County had never officially adopted a resolution establishing the fee but had been collecting a $30.00 fee authorized in the RCW. Recent changes to the R.C.W. deleted the $30.00 ceiling and allows local government to establish a reasonable fee.

As requested, H. O. Arnold, Island County Assessor, provided research showing administrative costs of County departments for processing deferred tax applications, estimating $297.00 each application, involving the Assessor's Office, Auditor's Office, Treasurer's Office, Planning Department, Planning Commission and Commissioners' Office. This is a one-time fee, and involves only about seven applications per year.

Commissioner Koetje moved that the third paragraph of Resolution #C-80-89 be amended to read: "NOW THEREFORE, BE IT HEREBY RESOLVED that Island County shall charge a processing fee of $300.00 for each application for Open Timber and Open Space Tax Status". Motion was seconded by Commissioner Colby for discussion.

The Chair was concerned in what the additional revenue would be used for or whether or not this is simply a raise in taxes.

Commissioner Koetje felt that when it becomes apparent that actual administration costs are closer to $300 than $30 to process an application he feels increase in fee is appropriate.

Commissioner Colby sees a benefit to every citizen of Island County when property remains in open space status helping to preserve the rural character of the County. He is less than enthusiastic to impose a large processing fee, but at the same time, the citizens already subsidize those who place property in the program through a reduction in taxes with corresponding increase in the taxation of the rest of the people. He feels one subsidy is adequate (as high as 80%), and unnecessary to further subsidize those people through a low application/processing fee. It is an important program and should be encouraged, but he is not willing to provide a second subsidy to that extent. He suggested the Board consider something in the area of $150.

Bill Semple, Freeland resident, concurred with Commissioner Koetje's proposal for a $300.00 processing fee. Much of the Open Timber land will be in that status for some period of time and result in a substantial tax savings to those in the program.

Chairman Caldwell felt no one had demonstrated a need to increase the fee; $30.00 fee had been good for a number of years and as far as he is concerned, $30.00 is good for the next few years.

Dur Roberson, North Whidbey property owner, felt that setting it up in this manner means that the County will charge and allocate any expenses to any amount the County wants to charge - the Planning Department could indicate it takes one million hours per applica-

tion, for example. When a person places his property in the program, that person looses flexibility inherent in the property owned, a restriction during the time the property is in the program. If the person takes the property out of the program anytime before 7 years the person will have to pay the back taxes plus substantial penalty. This would extend incentive to subdivide rather than retain current rural atmosphere.

Commissioner Colby moved that Commissioner Koetje's motion be amended to require a $150 versus $300 application fee. Motion died for lack of second.

Vote on Commissioner Koetje's motion resulted in adoption of the motion by majority vote; Chairman Caldwell voted no.

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF ISLAND COUNTY, WASHINGTON

IN THE MATTER OF OPEN TIMBER AND OPEN SPACE APPLICATIONS ESTABLISHING APPLICATION FEE) RESOLUTION NO. C-80-89

WHEREAS, R.C.W. 84.34.030 previously authorized the County Legislative Authority to establish a reasonable processing fee not to exceed $30.00 for each application for Open Timber or Open Space Tax status; and

WHEREAS, R.C.W. 84.34.030 has been amended to allow any reasonable processing fee established by the legislative authority;

NOW THEREFORE, BE IT HEREBY RESOLVED that Island County shall continue to charge a processing fee of $30.00 or more for each application for Open Timber and Open Space Tax status.

BE IT FURTHER RESOLVED that a Public Hearing be held on 7 August 1989 at 11:00 a.m. to consider establishing $30.00 or more processing fee.

DATED this 24th day of July, 1989.

BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON

C. R. CALDWELL, CHAIRMAN
DWAIN COLBY, MEMBER
GORDON H. KOETJE, MEMBER

ATTEST: HARRY H. FERRIER
ISLAND COUNTY AUDITOR & EX-OFFICIO CLERK OF THE BOARD

PASSED into law this 7th day of August, 1989, with a fee of $300.00 for each application. The effective date is September 1, 1989.

BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON

C. R. CALDWELL, CHAIRMAN (Voted No)
DWAIN COLBY, MEMBER
GORDON H. KOETJE, MEMBER

ATTEST: HARRY H. FERRIER
ISLAND COUNTY AUDITOR & EX-OFFICIO CLERK OF THE BOARD

LEASED DISTRICT COURT FACILITIES, OAK HARBOR STAIRWAY TO PARKING LOT - CORRECTIONS

Mr. Allen was asked late Friday to inspect the stairs leading from District Court building Island County leases in Oak Harbor up to a parking lot on a bank above the Court; in the last month or two, 4