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More questions than answers in Anacortes

Public meeting on Tethys contract leaves residents wondering about details

By **KATE MARTIN** Staff Writer

ANACORTES — Four months after the city inked a contract with Everett businessman Steven Winter for 5 million gallons of city water per day for a possible beverage bottling plant, area residents are still seeking answers to their questions about the deal.

Negotiations were held mostly in secret and only made public during a Sept. 13 meeting for a City Council vote without allowing public comment. The contract commits the city to a 30-year agreement with Winter's business, Tethys Enterprises, and would allow the company to transfer its water allotment to another buyer.

The secretive process and the amount of water the city has committed to Tethys have aroused concern among many residents.

More than 80 people attending a meeting Tuesday had the opportunity to ask questions of Anacortes City Councilwoman Erica Pickett. The meeting at the Anacortes Public Library was hosted by a Sierra Club group called "Defending Water in the Skagit River Basin."

For many residents, it was the first time they could ask questions about the proposed Tethys plant to a city official in a public forum.

The meeting was cordial for the most part, with residents mainly seeking information about the plant and its potential impact on the region and environment.

Some speakers discussed the impact of plastics on the marine environment, on climate change's effect on the stream flows in the Skagit River and on groundwater movement through local aquifers.

"Frankly, you seem to have a lot more dramatic information than we have in the official City Hall," Pickett told the crowd.

Pickett said the plan for Tethys, other than what is outlined in the 29-page agreement, is largely unknown.

"We're really not too sure what (the plan) is, and they might not be sure what it is," Pickett said. "They might put together a business park that would have features of food and beverage processing. Obviously it didn't make sense to put together the property without being sure they had the water to do what they wanted to do."

Ryan Walters, an old town Anacortes resident and special deputy prosecuting attorney for Skagit County, said he left the meeting with more questions than answers. Walters said he was there as a resident of Anacortes and not representing the county.

When Walters asked what Anacortes was getting in exchange for selling water to Tethys, Pickett said, "How many people are here in the workplace? Is there anyone who even cares if there's a job in this town? ... People have to earn a living. If we're going to have children in this town we need to have some jobs for their parents."

Her answer did not satisfy Walters.

“She said we’d be getting jobs but that’s apparently her premonition,” Walters said Wednesday afternoon. “It’s not a guarantee. A contract is a set of mutual promises, but what did the city get promised? The city didn’t get promised jobs. There’s not even a promise of what Tethys would do with the water.”

The city of Everett and Tethys CEO Steven Winter were in negotiations for 15 months before the first public meeting was held early last year. Within a month, strong resident criticism of the plan arose. The contract talks were abruptly halted, partly because the city wanted a guarantee from Tethys that a certain number of jobs would be created by the facility.

In September, the city posted a copy of the Tethys contract three days before the council would later vote on it. Public comment was not accepted at the Sept. 13 meeting. Mayor Dean Maxwell said the council was acting as the city’s water utility, a process that doesn’t require a public hearing.

Pickett stressed Tuesday that the city is not selling the city’s water right, but rather, the water the city processes in its treatment plant. According to a 1996 agreement between the city and eight other entities, the city is entitled to 55 million gallons per day for its utility.

The city currently uses an average of 21 million gallons per day and serves the cities of Oak Harbor, La Conner and Anacortes as well as the area’s refineries.

The Shell and Tesoro refineries use about twothirds of that supply, Pickett said.

But she said the refineries may not be here forever, and the council is trying to plan for Anacortes’ future.

“You know we’re going to make a transition from an oil-intensive economy to one that uses less oil, and everyone’s looking forward to that,” Pickett said.

To date, Tethys Enterprises has not bought property on which to house its plant. A property could be located within the year, according to the contract. It would be even longer before residents could comment, in writing, about the plant’s impact on the local environment through the State Environmental Policy Act process.

Contacted Wednesday, CEO Winter said, “Things are going great. I don’t have a lot of detail to mention. Things are progressing as we had anticipated.”

The company is seeking land near March Point to locate the plant, which will require access to a rail line.

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