Mayor Laurie Gere called to order the regular Anacortes City Council meeting of November 28, 2016 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Erica Pickett, Brad Adams, John Archibald and Matt Miller were present. Councilmember Liz Lovelett was absent. The assembly joined in the Pledge of Allegiance.

Mr. Walters moved, seconded by Mr. Archibald, to excuse the absence of Ms. Lovelett. The motion passed unanimously by voice vote.

Announcements and Committee Reports

Planning Committee: Mr. Walters reported that the regularly scheduled Planning Committee meeting earlier in the evening had been cancelled.

Public Comment

No one present wished to address Council on any topic not already on the agenda.

Consent Agenda

Mr. Johnson moved, seconded by Ms. Pickett, to approve the following Consent Agenda items. The motion passed unanimously by voice vote.

a. Minutes of November 21, 2016
b. Approval of Claims in the amount of: $267,821.35
c. Findings of Fact, Conclusions of Law and Decision: Mousel 2-story Building; 1st Floor Restroom serving the Marina; 2nd Floor Apartment; SSDP, & Land Use CUP (SDP-2016-1003)
d. Accept as Complete: Install VFDs at Pumps 3 and 4, Water Treatment Plant Intake Pump Station (15-054-WTR-002) – Dahl Electric
e. Accept as Complete: 2016 Overlay Project (15-005-TRN-006) - Lakeside Industries
f. DNR Lease Renewal

The following vouchers/checks were approved for payment:
Voucher (check) numbers: 82889 through 82979, total $239,793.82
EFT numbers: 209799 through 210580, total $23,753.60

At 6:02 p.m. Ms. Lovelett joined the meeting.

PUBLIC HEARINGS

Closed-record Public Hearing: Proposed Veterinary Clinic at 1812 Commercial Avenue (CUP-2016-1001)

Associate Planner Kaitlynn Nelson presented an application from Mike Miranda for a conditional use permit for a veterinary clinic in the Commercial zoning district at 1812 Commercial Avenue. Ms. Nelson reported that following the open record public hearing before the Planning Commission on November 9, 2016 the Planning Commission recommended approval with conditions and that no appeals had been filed. Planning Director Don Measamer described the parking provisions on the site. He noted that no parties of record other than the applicant and owner were in attendance for the closed-record public hearing so there would be no testimony.

Ms. Pickett moved, seconded by Mr. Adams, to approve Conditional Use Permit CUP-2016-1001 for a Veterinary Clinic at 1812 Commercial Avenue subject to staff's suggested conditions of approval and condition #4 added by the Planning Commission. Vote: Ayes – Walters, Pickett, Adams, Lovelett, Archibald, Miller and Johnson. Motion carried.

Ms. Lovelett apologized for her delayed arrival.

Continued Public Hearing: Ordinance 2994: Adopting 2017-2022 Capital Facilities Plan
Finance Director Steve Hoglund responded to councilmember questions raised during the public hearing on this topic at the November 21, 2016 City Council meeting regarding $100K included in the CFP in 2019 for the Commercial Avenue pocket park. He confirmed the funding sources already committed for this project for 2016 (eligible for carryover) and explained that the 2019 funding was reflected in the CFP in case additional funding were required for completion.

Mr. Johnson moved, seconded by Mr. Archibald, to adopt **Ordinance 2994** adopting the Capital Facilities Plan for 2017-2022.

Mayor Gere invited members of the audience to comment on this agenda item. No one present wished to address the Council. Mayor Gere closed the continued public hearing.

Vote: Ayes – Pickett, Adams, Lovelett, Archibald, Miller and Johnson. Nays – Walters. Motion carried.

OTHER BUSINESS

Mayor Gere moved Item 7a, Library Strategic Plan, to a later position on the agenda to accommodate presenter schedules.

Ordinance 2993: Adopting 2017/2018 Biennial Budget
Mr. Hoglund recalled that Council had postponed voting on the proposed 2017/2018 budget the prior week pending full Council attendance. He reviewed the summary of assumptions underlying the proposed budget; these had been included in the packet materials for the evening. Mr. Hoglund reported that Mayor Gere supported removing the increase in Transportation Benefit District vehicle license fees from the projected 2018 revenues and replacing that funding with real estate excise tax (REET) reserves in the same amount. He said neither Mayor nor staff proposed any other changes to the budget as presented at the November 7, 2016 public hearing and asked if councilmembers wished to direct any other changes to the budget or if it could be brought back for action on the Consent Agenda at the next regular City Council meeting.

Mr. Johnson asked that the assumption matrix just reviewed by Mr. Hoglund be included in the published budget. Mr. Walters listed a number of changes he would like to see in the budget including elimination of some or all of the added staff positions and moving funding for electronic content management forward from 2018 to 2017. Councilmembers discussed the staff positions proposed at some length. Mr. Adams advised that he would not be present at the December 5, 2016 City Council meeting and suggested taking action on the budget at the present meeting while all councilmembers were present.

Mr. Adams moved, seconded by Mr. Archibald, to adopt **Ordinance 2993** adopting the 2017/2018 biennial budget. Mr. Walters moved, seconded by Ms. Lovelett, to amend the motion to include changing approximately $300K of 2018 pavement management funding from an increase in vehicle tab fees to REET reserves. Vote: Ayes – Adams, Lovelett, Archibald, Miller, Johnson, Walters and Pickett. Motion carried. Vote on amended motion: Ayes – Archibald, Miller, Johnson, Pickett, Adams. Nays – Lovelett and Walters. Motion carried.

Library Strategic Plan
Library Director Sheri Miklaski presented the library's 2016-2020 Strategic Plan, referring to her slide presentation which was added to the packet materials for the evening. She discussed the funding for the plan development with consultant Primary Source. Ms. Miklaski summarized the library's mission, vision and values. Library Public Services Manager Diana Farnsworth presented the library's strategic focus including an emphasis on teens and young adults. Ms. Farnsworth then summarized the goals identified in the strategic plan. Librarian Jeff Vogel described plans to expand digital offerings and online resources including expanded offerings for students. Ms. Farnsworth discussed plans to evaluate and expand

access to library services including possible hour changes and outreach opportunities. She elaborated on the objectives for enhanced communications and branding. Mr. Vogel reported on space planning and utilization including modernizing and expanding meeting room space, rearranging space to provide a more welcoming entrance and better traffic flow, and planning for a future makerspace/computer lab. Ms. Miklaski addressed library staffing and professional development objectives to support the other initiatives outlined in the plan. She closed by noting that the 8-page Strategic Plan document was included in the packet materials for the evening and was also available on the library website.

Mr. Walters asked that the new library logo clearly identify the library as a city facility. Councilmembers discussed the notion of a regional library district to include the rest of Fidalgo and possibly Guemes Islands. Ms. Miklaski reminded that voter approval would be required for such a change and that a countywide library district had been rejected by the voters in the past. Library staff responded to councilmembers questions about the future of print media and concluded that print books would continue to be in demand by all age groups for the foreseeable future.

Ordinance 2990: Amending 2016 Budget for Equipment Rental & Replacement Transfer
Mr. Hoglund reiterated his comments from the discussion of the budget earlier in the evening, noting that the biennial budget just adopted by Council included full annual funding for the ER&R fund each year but did not include any extra amounts to make up for underfunding of that account since 2008. He advised that he hoped to have firm year end revenue projections prepared in the next few weeks and would bring Ordinance 2990 back to Council for consideration and action at its December 19, 2016 meeting when he could better report on year end cash flow and the effect of the proposed transfer on cash reserves in light of the fund balance policy adopted by Council on November 21, 2016. Mr. Hoglund confirmed for Mr. Adams that the proposed transfer would not negatively impact the city's bond rating.

Ordinance 2991: New Standards for Stormwater Management
Public Works Director Fred Buckenmeyer introduced David Roberts of consultant Kulshan Services. Mr. Roberts summarized Kulshan's work with city staff and Councilmember Walters over the past year developing new stormwater codes, based on guidance from the Department of Ecology, other jurisdictions, and staff and councilmember expertise. He noted that the accompanying engineering standards were still being developed but the code presented addressed the minimum requirements imposed by DOE. Mr. Roberts summarized that proposed Ordinance 2991 would modernize how the city addressed stormwater, clean up and simplify the codes, and incorporate low impact development (LID). He described the statewide shift in responsibility for both quality and quantity of water runoff from governments to site owners, with the goal of reducing costs to municipalities while improving habitat and reducing water pollution. Mr. Roberts reminded Council that the deadline for code adoption was the end of the year.

City Attorney Darcy Swetnam called Council's attention to a letter she had distributed to them earlier in the evening from David Halinen, attorney representing MJB Properties LLC, proposing revisions to draft AMC 19.76.050. Ms. Swetnam reported that she had explained to Mr. Halinen that the changes he suggested did not meet the requirements of the city's NPDES permit and the DOE stormwater manual.

Mr. Miller objected to the ordinance's specific penalty language and nebulous language about public education. He described his experience applying established technology to prevent contamination of runoff on a large scale and urged that the regulations should focus on helping the public to adopt proven technologies rather than imposing fines. Mr. Walters clarified that draft AMC 18.30.050 allowed penalties *up to* $1000 and argued that the Director needed that authority to address egregious violations but agreed with Mr. Miller that emphasizing education was the preferred alternative. Councilmembers discussed best practices and enforcement options with Mr. Measamer, who clarified the intent of draft AMC 18.30.040 and called attention to AMC 18.30.030(B) which listed allowable discharges. Mr. Walters added that AMC 18.30.030, sections C and D, provided for conditionally allowed discharges and exemptions. Ms. Swetnam reminded Council that the proposed code was intended to be adopted in conjunction with new AMC Title 20, Civil Enforcement and Penalties, which provided for an escalating sequence of remedies.

Ms. Lovelett moved, seconded by Mr. Archibald, to adopt **Ordinance 2991** setting new standards for stormwater management.

Mayor Gere invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Mr. Walters asked that AMC 19.76.060, Bonds and Liabilities, be corrected to 19.76.090.

Vote: Ayes – Archibald, Johnson, Walters, Pickett, Adams and Lovelett. Nays – Miller. Motion carried.

There being no further business, at approximately 7:37 p.m. the Anacortes City Council meeting of November 28, 2016 was adjourned.