Mayor Laurie Gere called to order the regular Anacortes City Council meeting of August 8, 2016 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Erica Pickett, Brad Adams, Liz Lovelett, John Archibald and Matt Miller were present. The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Planning Committee Report: Mr. Walters reported from the committee meeting held earlier in the evening. He advised that a public hearing on the PUD moratorium would be held before Council within weeks. He said the committee had reviewed a draft scope of work for Makers to rewrite portions of AMC Titles 16 and 17 (the remainder to be written by staff) and a draft ordinance creating new AMC Title 20 for code enforcement. Mr. Archibald added that the committee had also discussed the Main Streets program, a federal economic development program involving grants to revitalize main streets. He said the city would be looking into participating in the program.

Ms. Lovelett inquired about a policy for excusing the absences of councilmembers. Staff advised that the adopted Council procedures reference state law regarding unexcused absences from three consecutive regular meetings and allow for councilmembers to move and vote to excuse the absence of a member.

Mr. Archibald announced the Busker Fest event to be held as part of the annual Open Streets celebration on August 28, 2016. He also announced that three pianos decorated at the Arts Festival over the weekend had been located on sidewalks in the central business district for public use and enjoyment as part of the inaugural Pianocortes program.

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

Consent Agenda
Ms. Pickett removed Item 5d, Contract Award: Telemetry and Control Upgrades at WWTP PS 15, PS 8 and CSO4, from the Consent Agenda. Mr. Johnson removed Item 5c, Resolution 1958: Adopting Emergency Operation Plan, from the Consent Agenda.

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

a. Minutes of August 1, 2016
b. Approval of Claims in the amount of: $182,850.61
e. Interlocal Agreement with City of Marysville for Outdoor Video Services

The following vouchers/checks were approved for payment:

Voucher (check) numbers: 81535 through 81611, total $147,843.69
EFT numbers: 205998 through 206617, total $9,625.38

c. Resolution 1958: Adopting Emergency Operation Plan

Mr. Johnson noted the reference to the Anacortes-San Juan Chapter of the American Red Cross and asked if that chapter still existed. Administrative Services Director Emily Schuh said she would update that paragraph to reflect the generic reference to the Red Cross used elsewhere in the document. Mr. Johnson asked why on pages 24 and 25 both law enforcement and fire service had responsibility for establishing command posts. Ms. Schuh explained the distinction between the Emergency Operations Center and command posts established at incident scenes. Ms. Pickett suggested that the Skagit

Amateur Radio Emergency Communications Club be added to the list of Other Agencies/Organizations. Ms. Schuh concurred. Mr. Johnson moved, seconded by Ms. Lovelett, to approve **Resolution 1958** adopting the Emergency Operation Plan with the revisions discussed. The motion passed unanimously by voice vote.

d. Contract Award: Telemetry and Control Upgrades at WWTP PS 15, PS 8 and CSO4

Ms. Pickett asked how the telemetry upgrade would coordinate with the planned black fiber project. Assistant Public Works Director Matt Reynolds explained that the pump station communications currently depended on radio telemetry, that the upgrade to cell phone communication had already been planned prior to consideration of establishing a fiber optic network, and that the hardware installed under the subject contract could continue to be used after a transition to fiber. Ms. Pickett moved, seconded by Mr. Johnson, to approve Consent Agenda Item 5d. The motion passed unanimously by voice vote.

OTHER BUSINESS

Agreement Authorization: 3MG Reservoir Dept. of Health Drinking Water State Revolving Fund Loan

Mr. Reynolds presented and recommended approval of a Department of Health Drinking Water State Revolving Fund Loan contract agreement for the Blue Heron Circle 3MG reservoir project. Mr. Reynolds recalled that Council had previously approved a contract with HDR Engineering to inspect the existing reservoir, evaluate options and recommend a plan for addressing structural and coating degradation. Mr. Reynolds advised that the lowest cost option, maintaining continuous operation of a reservoir as required, was to build a new 1.5MG steel reservoir on site, then remove the existing 3MG reservoir and build a second 1.5MG steel reservoir. He said the terms of the $4,974,755 loan were 20 year pay back at 1.5% interest which reduced to 1% if the project was completed within 24 months of signing the contract which staff felt was achievable. He added that staff expected to advertise for bids for the first tank by the end of the year with the second tank to follow that. Mr. Miller confirmed with Mr. Reynolds that the construction contract would come to Council for approval before work began. Ms. Lovelett reported that the Public Works Committee had discussed the project at length and supported the presented design solution. Mayor Gere confirmed with Mr. Reynolds that 3MG total capacity between the two tanks was sufficient for the water system. In response to questions from Mr. Adams, Mr. Reynolds advised that staff expected the loan to cover most or all of the project cost and that the loan was the least cost funding option, more economical even than an interfund loan. In response to a question from Mr. Johnson, Finance Director Steve Hoglund advised that the water rates recently adopted by Council were sufficient to cover the loan payments.

Mr. Walters moved, seconded by Mr. Johnson, to approve the agreement authorization for the 3MG Reservoir Department of Health Drinking Water State Revolving Fund Loan. Vote: Ayes – Walters, Pickett, Adams, Lovelett, Archibald, Miller and Johnson. Motion carried.

There being no further business, at approximately 6:25 p.m. the Anacortes City Council meeting of August 8, 2016 was adjourned.