

Anacortes City Council Minutes - March 28, 2022

Call to Order - Special 5:30 Start Time

Mayor Matt Miller called to order the Anacortes City Council meeting of March 28, 2022 at the advertised special start time of 5:30 p.m. Councilmembers Jeremy Carter, Ryan Walters and Bruce McDougall were present. Councilmembers Christine Cleland-McGrath and Amanda Hubik participated in the meeting remotely via Zoom. Councilmembers Anthony Young and Carolyn Moulton were absent.

Mr. Carter moved, seconded by Mr. Walters, to excuse the absences of Ms. Moulton and Mr. Young. The motion carried unanimously by voice vote.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

EXECUTIVE SESSION

Potential Litigation or Litigation per RCW 42.30.110(1)(i) (45 minutes)

Mayor Miller announced that City Council and the City Attorney would convene in Executive Session per RCW 42.30.110 (i) for approximately 45 minutes until 6:15 p.m. to discuss potential litigation or litigation. The mayor advised that the regular meeting would then reconvene with no final action having been taken. Councilmembers Jeremy Carter, Ryan Walters, Christine Cleland-McGrath, Bruce McDougall and Amanda Hubik attended the executive session. At 6:15 p.m. the regular session resumed.

Announcements and Committee Reports

Mayor Miller removed Item 7c, Contract Award: 32nd Street and M Avenue Intersection Improvements Project #19- 002-TRN-003, from the agenda. He said that item would come back to Council for consideration the following week.

Mayor Miller reported that COVID case rates continued to fall in Skagit County.

Finance Committee: Mr. Walters reported from the Committee meeting held the previous week. The meeting consisted of an examination of regional water rate reconciliation questions posed by Dan O'Donnell from La Conner.

Fiber Committee: Mr. McDougall reported from the Committee meeting held the previous week. The topics discussed included current customer and order statistics and construction progress.

Housing Affordability and Community Services Committee: Mr. Walters reported from the Committee meeting held the previous week. The topics discussed included a proposal by Habitat for Humanity to build housing on City-owned property, the Samish Commons project in Bellingham, an upcoming presentation by Jennifer Johnson, and homelessness topics in Anacortes.

Public Comment

Mayor Miller invited the public to comment on any item not on the agenda. No one present wished to address the Council on any topic not already on the agenda.

Consent Agenda

Mr. Walters removed Item 6h, Contract Award: Purchase of a New Public Safety Building Generator #22-099-ERR-001, from the Consent Agenda.

Mr. Carter moved, seconded by Mr. McDougall, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

- a. Minutes of March 21, 2022
- b. Approval of claims in the amount of \$283,921.95
 - The following vouchers/checks were approved for payment:
 - EFT numbers: 102788 through 102831, total \$261,549.91
 - Check numbers: 102832 through 102841, total \$10,664.67
 - Wire transfer numbers: 300349 through 301013, total \$11,707.37
- c. Street Fair Application - Waterfront Festival Car Show
- d. Street Fair Application - July 4 Parade
- e. Street Fair Application - Oyster Run Event
- f. Contract Award: Old Water Treatment Plant 36-Inch Line Disconnect #22-094-WTR-001
- g. Contract Award: Water Treatment Plant Lagoon #1 Dike Armoring #22-098-WTR-001
- i. One Washington Memorandum of Understanding Between Washington Municipalities Relating to the Allocation and Use of the Proceeds from Opioid Settlements #22-096-LEG-001

h. Contract Award: Purchase of a New Public Safety Building Generator #22-099-ERR-001

Mr. Walters asked about the generator at the Public Library and ongoing noise concerns with that generator. Operations Manager Wil Ludemann explained factors affecting the library generator installation and noise mitigation, as well as the costs of installing the proposed new generator at the Public Safety Building.

Mr. Walters moved, seconded by Mr. McDougall, to approve Consent Agenda Item 6h. The motion carried unanimously by voice vote.

OTHER BUSINESS

Ordinance 4017: Authorization to Issue Bonds to Refund the 2012 Utility System Revenue Bonds

Finance Director Steve Hogle introduced Ordinance 4017 which would authorize issuance bonds to refund the remaining 10 years of the 2012 water treatment plant bonds at a lower rate of interest. Justin Monwai of the City's bond consultant, Piper Sandler, addressed Council, referring to his slide presentation which had been included in the packet materials for the meeting. Mr. Monwai noted the rapid change in rates that was eroding the potential savings to the City. Mr. Hogle encouraged Council to adopt the ordinance as soon as possible to try to maximize the cost savings.

Mr. Walters moved, seconded by Mr. McDougall, to suspend City Council Procedures Section 7.4(b) which requires two reads of ordinances.

Mr. Hogle and councilmembers discussed the minimum savings clause in Exhibit B. Alice Ostdiek, bond counsel from Stradling Yocca Carlson & Rauth, said a parameter is required but it can be zero. She confirmed that the reference to Exhibit A at the bottom of page 16 of the raft ordinance should refer instead to Exhibit B.

RYAN WALTERS moved, seconded by JEREMY CARTER, to adopt Ordinance 4017 authorizing the City Utility System refunding bond issue with two revisions: at the bottom of page 16, change the reference from Exhibit A to Exhibit B, and in Exhibit B, paragraph (j)(2)(a) change the minimum savings from 2% to 0%. Vote: Ayes - JEREMY CARTER, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - None. Result: Passed

City Council Ward Redistricting

Mr. Hoglund updated Council on the status of the City's required redistricting plan following the 2020 census. Referring to the packet materials for the meeting, Mr. Hoglund explained that no ward boundary adjustments were anticipated. He shared the schedule for the remainder of the public process for the redistricting plan.

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

Ordinance 4019: Creating a New Chapter 2.48, Lodging Tax Advisory Committee

Planning Director Don Measamer introduced draft Ordinance 4019 for discussion and public comment. Mr. Walters explained the goals of the ordinance.

Mayor Miller invited members of the audience to comment on this agenda item.

Pamela Allen, 14533 Jura Place, a former hotelier in Anacortes, disagreed with proposed paragraph 42.48.040(E) regarding conflicts of interest. She said all hoteliers will have a conflict of interest. Ms. Allen asked if all hoteliers in Anacortes had been sent the draft ordinance for comment.

Sara Holahan, 1511 38th Street, endorsed the changes presented and encouraged including citizens at large in the committee membership.

Councilmembers discussed the public comments, particularly the conflict of interest provision. Mayor Miller summarized that Mr. Measamer would coordinate public and councilmember comments and bring a final version of the ordinance back to Council for consideration and possible action the following week.

Ordinance 4015: Critical Areas Regulation Amendments

Planning Director Don Measamer introduced Ordinance 4015 which would amend the Critical Area Regulations contained in Anacortes Municipal Code Chapter 19.70, Table 19.70.235(B), Section 19.70.330(C) Section 19.70.330 (F) and Section 19.70.340. He briefly summarized the proposed changes, referring to the packet materials for this agenda item. Mr. Measamer reported that at its March 16, 2022 Public Hearing, the Planning Commission unanimously recommended approval to the City Council.

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

RYAN WALTERS moved, seconded by JEREMY CARTER, to approve Ordinance 4015 as presented. Vote: Ayes - JEREMY CARTER, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, BRUCE MCDUGALL, AMANDA HUBIK. Nays - None. Result: Passed

Adjournment

There being no further business, at approximately 7:30 p.m. the Anacortes City Council meeting of March 28, 2022 was adjourned.