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- The public may also watch, listen to, or participate in the meeting live by visiting <https://us02web.zoom.us/j/89255646791> or by telephoning 1-253-215-8782 and entering Meeting ID 892 5564 6791.
- The public is encouraged to comment via email to cityclerk@cityofanacortes.org or via written comment addressed to City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received by the [City Clerk](#) prior to 3:00 p.m. the day of the meeting will become part of the record for the meeting, just as if presented in person.
- Complete guidelines for virtual participation in Anacortes City Council meetings are available [here](#). View the quick video example for connecting to the meeting [here](#).



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

November 14, 2022
6:00 PM

PRELIMINARY AGENDA
[Packet Materials](#) / [Watch Meeting](#)

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Economic Development Committee (Report)
 - b. Public Safety Committee (Report)
 - c. Parks and Recreation Advisory Commission Re-Appointments (Action)
 - d. Arts Commission Re-Appointments (Action)
 - e. Forest Advisory Board Appointment (Action)
4. **Public Comment**
5. **Consent Agenda**
 - a. Minutes of November 7, 2022 (Action)
 - b. Approval of claims in the amount of \$682,306.71 (Action)
 - c. Amendment #1 to Interlocal Agreement IL265 with Anacortes School District 103 for the School Resource Officer Program (Action)
 - d. Street Fair Event - Chamber Coastal Christmas Tree Lighting Event (Action)
6. **Public Hearings**
 - a. * Capital Facilities Plan Ordinance 4033 (Discussion/Possible Action)
 - b. * 2023 Budget Ordinance 4034 (Discussion/Possible Action)
7. **Other Business**
 - a. Mt Erie Cell Tower: Memorandum of Agreement with the Anacortes Kiwanis Club (Discussion/Possible Action)

Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under Public Comment. Citizens wishing to comment on items indicated with an asterisk () may do so as those items are considered by Council during the course of the meeting.*

The City of Anacortes is committed to making public meetings available and accessible to all members of the community. For assistance with special needs, please contact the City Clerk at 360-299-1960 in advance of the meeting.

8. Adjournment

Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under Public Comment. Citizens wishing to comment on items indicated with an asterisk () may do so as those items are considered by Council during the course of the meeting.*

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City Council Memo

TO: Anacortes City Council
FROM: Matt Miller, Mayor
DATE: November 14, 2022
RE: Parks and Recreation Advisory Commission Reappointments

Summary Statement:

The following re-appointments to the Parks and Recreation Advisory Commission are being presented at the regular City Council meeting on November 14, 2022.

I appreciate the contributions of these volunteers and their willingness to serve our community. If you have any questions or feedback regarding these candidates, please contact me prior to the meeting.

Appointed by the Mayor Requiring Confirmation by City Council

Parks and Recreation Advisory Commission Re-appointments:

- Brad Adams
- JoAnn York-Gilmore
- Five-Year Terms effective through December 2027

Recommended Motion:

- I move that Brad Adams and JoAnn York-Gilmore be re-appointed to the Parks and Recreation Commission



City Council Memo

TO: Anacortes City Council
FROM: Matt Miller, Mayor
DATE: November 14, 2022
RE: Arts Commission Reappointments

Summary Statement:

The following re-appointments to the Arts Commission are being presented at the regular City Council meeting on November 14, 2022.

I appreciate the contributions of these volunteers and their willingness to serve our community. If you have any questions or feedback regarding these candidates, please contact me prior to the meeting.

Appointed by the Mayor Requiring Confirmation by City Council

Arts Commission Re-appointments:

- Zachary Wight
- Laura Hamilton
- Three-Year Terms effective through December 2025

Recommended Motion:

- I move that Zachary Wight and Laura Hamilton be re-appointed to the Arts Commission



City Council Memo

TO: Anacortes City Council
FROM: Matt Miller, Mayor
DATE: November 14, 2022
RE: Forest Advisory Board Appointment

Summary Statement:

The following appointment to the Forest Advisory Board is being presented at the regular City Council meeting on November 14, 2022.

I appreciate the contribution of this volunteer and their willingness to serve our community. If you have any questions or feedback regarding this candidate, please contact me prior to the meeting.

Appointed by the Mayor Requiring Confirmation by City Council

Forest Advisory Board Appointment:

- Nathan Schwarck
 - Filling open position due to resignation of Nick Stowe 10/2022
- Five-Year Term effective through December 2027

Recommended Motion:

- I move that Nathan Schwarck be appointed to the Forest Advisory Board

Anacortes City Council Minutes - November 7, 2022

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of November 7, 2022 at 6:00 p.m. Councilmembers Jeremy Carter, Ryan Walters, Christine Cleland-McGrath, Carolyn Moulton, Bruce McDougall and Amanda Hubik were present.

Councilmember Young was absent. Mr. Carter moved, seconded by Ms. Hubik, to excuse the absence of Mr. Young. The motion carried unanimously by voice vote.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller reminded everyone to be careful driving with the recent time change. He then provided an update on the fiber internet outage due to a problem with an upstream provider, announcing that service was restored though there may be intermittent issues as the upstream provider continues with repairs to the network. He continued with an update on the Tommy Thompson Trestle project, mentioning that he is confident that it will cost less to repair than the previous incident in 2009 and that the City would have a final cost soon in order to provide a target for fundraising efforts. He continued announcing that project supplies were beginning to arrive and construction should start soon. He reminded the public that tomorrow is election day with two ballot box locations on the north side of the Library and on Sands Way in the Skyline area. He concluded with a reminder that Friday City offices would be closed and waste collection would be delayed until Monday because of the Veterans Day holiday, and there would be a Veterans Day event held at the Port Transit Shed.

Fiber Committee

Mr. McDougall reported from the Fiber Committee meeting held on October 27th. The topics discussed included current subscription numbers, including being at or near 48% market share in areas where Access Anacortes Fiber Internet has been available, while being at 28% in the Guemes View area with backbone construction scheduled to commence soon. He then provided a West End construction update, saying that construction was nearly complete with the contractor conducting final remedial work. He continued, mentioning tentative project milestones for the Economic Development Administration grant expansion area including materials contracts out for bid by mid-December 2022, construction bids in Spring 2023, a finalized construction contract in May 2023 and construction commencing in Fall 2023 with expected completion in Fall 2024. He concluded by announcing the recent hiring of Fiber Network Technician, Dawson Almer.

Finance Committee

Mr. Walters reported from the Finance Committee meeting held November 2nd. The topics discussed included the ongoing processing of the single bid received in response to the banking request for proposal and the 2023 budget and associated changes and additional information the Council required.

Public Works Committee

Ms. Moulton reported from the Public Works Committee meeting held earlier in the evening. The topics discussed included the Whistle Lake Dam and a Department of Ecology required geotechnical and hydrologic study to assess the dam's safety and any required hazard mitigation. She mentioned that the City will apply for a grant through the Federal Emergency Management Agency to assist with covering the project cost of \$214,000 along with a 35% (\$75,000) matching requirement from the City. She concluded the update with a discussion of the Former Water Treatment Plant cleanup that would be discussed later in the meeting.

Port/City Liaison Committee

Ms. Hubik reported from the Port/City Liaison Committee meeting held the previous Tuesday. The topics discussed included Port plans for the West Basin, the Rockwell property near the airport, Pier 2 stub wall work, a \$1.1 million Recreation and Conservation Office grant and bid schedule for the Cap Sante Marina RV Park, placing 4-hour parking signs on Market Street, ongoing budget discussions, and legislative priorities including \$1.5 million in design and mitigation for T Dock, shore-to-ship electrification, and a partnership with the City regarding pedestrian safety on Q Avenue. She concluded by reminding the pedestrians to be vigilant and wear visible clothing and walk against the flow of vehicle traffic.

Mayor Miller announced that if you are attending the meeting online there will be no video due to bandwidth limitations.

Public Comment

Mayor Miller invited the public to comment on any item not on the agenda.

Mary Ann Ryan of Anacortes asserted that the purpose of the community is to provide safety and security for its members, adding that societies were formed so that members would receive protection and reap the benefits and advantages of services provided that they lived within the bounds of mutually agreed upon rules. She claimed that criminals act with impunity, leaving law-abiding citizens at their mercy, as law enforcement cannot act due to legal limitations. She demanded that law enforcement be given the tools to do their jobs effectively and restore the community. She mentioned witnessing drug transactions near her home and a school bus stop, and advocated for emergency action to protect the community's children. She encouraged action to stop the flagrant use and sale of drugs, declaring that increased spending on affordable housing is not helping solve the problems associated with homelessness. Ms. Ryan then cited examples of other municipalities backing away from failed policies and cleaning up encampments, saying that Anacortes must not make the same mistakes and should make the City inhospitable to those who come to live here outside the law. She maintained that Anacortes does not have adequate infrastructure or law enforcement to manage the crisis. She asked the community to step up to address the situation in the interest of health and safety for all.

John Gothie of Anacortes, a business owner on T Avenue, mentioned witnessing repeated drug transactions throughout the summer on T Avenue around RVs. He related multiple conversations with law enforcement and understands their limitations. He expressed agreement with Ms. Ryan's comments, saying they were representative of others' concerns throughout the community. He then cited costs associated with the discovery and clean-up of waste, including instances of defecation on the side of buildings and other property, and security measures to prevent property access. He asserted that the community and business owners of Anacortes deserve better.

Scott Fultz of Anacortes mentioned RVs and other vehicles camped along the side of the road on 4th Street. He expressed appreciation for Ms. Ryan's comments and cited the public health and safety problem associated with RVs parked along Market Street adjacent to the Cap Sante Marina RV Park. He added that the community is fed up with the current situation and if no action were taken, that he and other community members would take care of the problem themselves. He offered to bring the RVs to the Councilmembers' neighborhoods if the situation is not adequately addressed.

Kim Halley of Anacortes commented on homelessness, terming it a complex issue that includes being unhoused, substance abuse, increased crime and mental health needs, which are issues that are being seen in Anacortes and are a top priority for the community. She cited the example of the homelessness task force in Edmonds that includes multiple agencies, staff, a part-time human services manager and full-time social worker, faith-based providers, and citizens; a comprehensive city plan in Bellevue including services, policies and enforcement that is available on their website and have staff dedicated to the problem who work with social

work student interns to provide case management of homeless individuals. She then mentioned that Skagit Valley College offers an Associate of Arts degree program in human services with a substance abuse specialty, and suggested those program participants could serve as volunteers in a similar capacity in Anacortes. She went on to mention Auburn's homelessness task force and comprehensive plan and Federal Way mayor's task force on homelessness. She said the common theme among the examples cited is a comprehensive approach to the issue, suggesting measures such as peer navigators and a partnership with Skagit Valley College for human services interns. Ms. Halley concluded by urging Mayor Miller to form a task force on homelessness with measurable action steps that will be clearly communicated and easily accessible to the community.

Adam Paull of Anacortes, a new local business owner on T Avenue of an aluminum boat building company, expressed nervousness and hesitancy at establishing operations on T Avenue because of factors such as human waste, drug paraphanelia, and campers near the building. He added that these addicts present a serious health and safety concern to his enterprise that utilizes expensive tools and equipment to manufacture valuable products, which cannot be displayed openly because of the present threat posed by these individuals. He expressed concern for the safety of his children in the community, as he would like them to be able to walk to and from their activities without being exposed to drug-related activity. He encouraged the Council to take action to enable law enforcement to address the issue, offering video from his business' security cameras when needed.

Andie McMakin of Anacortes commented as a representative of her father, Branko Jurkovich, who is a property owner of several industrial buildings on T Avenue. She related the direct impact of the homeless population on T Avenue on her family's business concerns, which involved spending funds on installing additional fencing and cleaning up human waste. She expressed concern for the homeless drug problem and remarked that it had affected some of their tenants and other businesses along T Avenue. She understood that homeless individuals have mental illness and substance abuse problems, but said that it is unfair for tax-paying citizens to have to spend money to clean up after these individuals. She lamented the changing face of Anacortes and that law enforcement is limited in how it can respond to the problem. She expressed a desire to get involved in addressing the issues and recommended looking at other communities, learning from their successes and failures and applying those lessons locally. She worried not doing anything about the situation would only make it worse, concluding that the concerns of tax-paying citizens, especially business owners, should be heard.

Pat Gardner of Anacortes expressed agreement with previous speakers and urged the Council to consult experts on what can be done now to stop what is happening rather than putting it off, as it is getting worse.

Judy Ballenger who owns and leases a commercial property at 30th Street and T Avenue mentioned the health and safety hazard posed by the 8 permanent residents on T Avenue, detailing vehicle break-ins and associated security measures including locking water faucets, shutting off outside power, and installing cameras. She mentioned a recent article written about what was being done to clear residential areas, downtown and the parklands of homeless individuals and asked that the Council include the commercial and industrial areas around T Avenue in those efforts, as the numerous employees of the businesses in the area no longer feel safe.

Mayor Miller commented, explaining that he has considerable legal challenges associated with enforcing drug laws, despite 99 percent of crime in Anacortes being drug related. He cited the Blake decision as the principal challenge to enforcing existing laws and mentioned the letter that he and other area mayors had sent to the state legislature asking for changes in the drug laws. He then mentioned legal challenges associated with the Homestead Act, saying that the City purposely keeps certain enforcement actions quiet to avoid exposing the City to undue legal liability. He added that he and council members have been out in the area talking to homeless individuals with an outreach team that includes a social worker, a community paramedic, and police officers. He pointed out that law enforcement efforts have reduced the number of RVs on T Avenue from 14 to 8 since the beginning of 2022, though he understood that one is too many. He then mentioned that the Council

is working on bringing forward ordinances to help law enforcement on November 21st for Council review and discussion. He acknowledged that this is a challenging problem and that he could improve communication regarding this issue, and proposed having a roundtable discussion on these issues with citizens and the Police Chief, Dave Floyd prior to the November 21 Council meeting. He expressed appreciation for all the input and that he and the Council had heard public concerns.

Consent Agenda

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

- a. Minutes of October 24, 2022
- b. Approval of claims in the amount of \$819,367.25
The following vouchers/checks were approved for payment:
EFT numbers: 104645 through 104709, total \$742, 355.55
Check numbers: 104710 through 104736, total \$71,207.34
Wire transfer numbers: 312345 through 312955, total \$5,804.36
- c. Street Fair Application - Anacortes Pride Parade
- d. Street Fair Application - Anacortes Santa Run

Public Hearings

Public Hearing on 2023 Budget

Finance Director, Steve Hoglund, introduced the advertised public hearing for the 2023 Budget.

Mayor Miller opened the public hearing.

John Wilkinson of Cap Sante in Anacortes mentioned that he appreciated the work and response associated with the budget. He addressed the growth in budget and an associated reliance on money from the federal government which may not materialize. He asked how we are culling the budget to make it match up with the funding, and that projects that are not included in the budget are not mentioned. He suggested listing the projects by likelihood of being funded or not.

Dennis Clark of Anacortes expressed support for the 2023 budget, especially for improvements in street infrastructure and maintenance.

Councilmembers listed a number of topics that required more discussion.

Mayor Miller left the public hearing open for a future meeting.

Public Hearing on 2023-2028 Capital Facilities Plan

Finance Director, Steve Hoglund, introduced the advertised public hearing for the 2023-2028 Capital Facilities Plan (CFP).

Mayor Miller opened the public hearing. No one present wished to address the Council.

Councilmembers asked Mr. Hoglund to bring back additional information on several topics in the CFP, including a complete .pdf version of the plan for review and a prioritized list of facilities projects with cost estimates.

Mayor Miller left the public hearing open to a future meeting.

Other Business

Anacortes City Council Minutes - November 7, 2022

Contract Modification: Anchor QEA - Master Services Agreement #21-024-LEG-001

Public Works Director, Henry Hash, introduced the contract modification with Anchor QEA for contract 21-024-LEG-001. City Attorney, Darcy Swetnam, provided a project history and an overview of the cleanup process for the site. Ms. Swetnam then introduced Ms. Julia Fitz, project manager, and Rebecca Gardener, principal engineer, of Anchor QEA. Ms. Fitz reviewed the final scope of work for the project to include work through June 2024 including final demolition design, construction bid support, construction management, air monitoring oversight, cleanup support, and permitting. She recalled the initial discovery of contaminants in 2015 and the subsequent agreement with the Washington State Department of Ecology to remove all the site materials that include contaminants. The contract will include oversight of the demolition contractor to carefully monitor the activity to ensure the contaminated materials from the former water treatment plant do not adversely impact the current water treatment plant.

CAROLYN MOULTON moved, seconded by BRUCE MCDOUGALL, to authorize the Mayor to sign a contract modification with Anchor QEA in the amount of \$1,483,425.00, increasing the total contract price to \$2,244,033.00. Vote: Ayes - JEREMY CARTER, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - None. Result: Passed

Contract Award: Former WTP Demolition Project: Communications Liaison #22-204-WTR-002

Public Works Director, Henry Hash, introduced the proposed contract with Bayview Consulting, LLC for the former Water Treatment Plant demolition project communications liaison #22-204-WTR-002. Fred Buckenmeyer of Bayview Consulting, LLC detailed his past involvement and future involvement with the project. Mr. Walters asked for a change in the description of duties to reflect Mr. Buckenmeyer's role of special project manager rather than communications liaison and that it would be helpful to know that he would be working on the City's behalf to conserve staff time. Mr. Hash agreed to change the title of the contract to reflect the role of special project manager. Mr. Walters pointed out that maybe this is the first time that this contract has come before the Council and that this is the appropriate approach.

Amanda Hubik moved, seconded by RYAN WALTERS, to authorize the Mayor to sign contract 22-204-WTR-002 with Bayview Consulting LLC in the amount of \$70,000.00 to perform as the Special Project Manager for the Former Wastewater Treatment Plant Demolition Project. Vote: Ayes - JEREMY CARTER, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - None. Result:

Ordinance 4032 1% Property Tax Increase

Finance Director, Steve Hogle, introduced Ordinance 4032 for a 1% property tax increase. He referred to slides that were included in the packet materials for the meeting. He reminded the Council that the property tax level is required to be submitted to the County by November 30th. Mr. Walters expressed support for the 1% property tax increase, though he pointed out that the increase does not keep pace with inflation for goods and services and that the City actually receives less revenue annually despite the tax increase.

Mr. Carter asked if lowering the stipend for the Council for one year could alleviate the burden on the citizens of Anacortes. Mr. Walters expressed sympathy with Mr. Carter's view but pointed out that he has not had citizens approach him asking for a reduction in services.

CAROLYN MOULTON moved, seconded by AMANDA HUBIK, to Approve Ordinance 4032 as presented.. Vote: Ayes - RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - JEREMY CARTER. Result: Passed

Ordinance 4028 - Day Care II Facilities in the R4 Zone

Senior Planner, Grace Pollard, introduced Ordinance 4028 (this item was incorrectly labeled as Ordinance 4024 on the agenda and was corrected to read Ordinance 4028) - Day Care II Facilities in the R4 Zone.

CHRISTINE CLELAND-MCGRATH moved, seconded by RYAN WALTERS, to Approve Ordinance 4028 as presented. Vote: Ayes - JEREMY CARTER, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDUGALL, AMANDA HUBIK. Nays - None. Result:

Adjournment

There being no further business, at approximately 8:31 p.m. the Anacortes City Council meeting of November 7, 2022 was adjourned.

The following claims against the City of Anacortes have been preaudited and certified by the Clerk-Treasurer as ready for City Council approval at the November 14, 2022 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
313153	3/15/2022	5536	AXIOM DIVISION 7 INC SEATTLE	PUBLIC SAFETY ROOF LEAK	\$ 913.92	pwfac
313154	3/15/2022	5537	AXIOM DIVISION 7 INC SEATTLE	LIBRARY ROOF LEAK REPAIR	\$ 522.24	pwfac
313158	9/13/2022	325932B	BAY CITY SUPPLY	FACILITY SUPPLIES	\$ 589.90	pwfac
313159	9/13/2022	327126A	BAY CITY SUPPLY	FACILITY SUPPLIES	\$ 531.43	pwfac
313316	9/30/2022	2233	SKAGIT COUNCIL OF GOVERNMENTS	STAFFING SERVICES FOR GROWTH MANAGEMENT ACT SUPPORT IN SK CO - 7/1/22-9/30/22	\$ 1,547.43	plan
313347	10/1/2022	0542005-001	UNUM LIFE INS CO OF AMERICA	NOVEMBER, UNUM LONG TERM CARE INSURANCE	\$ 1,024.90	hr
313317	10/3/2022	16-560	LOUIS NUTTER SR	WTP LAGOON #2 SEDIMENT REMOVAL	\$ 3,692.40	dwtpt
313325	10/3/2022	i9466	A-1 MOBILE LOCK AND KEY, INC.	WTP REPLACEMENT HOLLOW METAL DOOR	\$ 1,438.95	dwtpt
313160	10/4/2022	328185A	BAY CITY SUPPLY	FACILITY SUPPLIES	\$ 566.65	pwfac
313161	10/4/2022	328257	BAY CITY SUPPLY	FACILITY SUPPLIES	\$ 2,189.85	pwfac
313326	10/11/2022	i9566	A-1 MOBILE LOCK AND KEY, INC.	WTP REPLACEMENT HOLLOW METAL DOOR - DOOR CLOSER	\$ 173.76	dwtpt
313230	10/14/2022	17092-20	H W LOCHNER, INC	R AVENUE LONG-TERM IMPROVEMENT PROJECT - ENGINEERING - SEP 17 THRU OCT 14 2022	\$ 6,450.22	pw1
312999	10/19/2022	0292269-IN	REISNER DISTRIBUTOR INC	BULK 15W-40 OIL	\$ 3,052.73	dshop
313346	10/19/2022	39729118	LIFELINE	LIFELINE SERVICES, LEOFF 1 RETIREE 10/18-11/18/22	\$ 124.74	hr
313072	10/21/2022	0001-278706	NAPA	WIPER BLADES- #019	\$ 20.13	dshop
313144	10/25/2022	278938	NAPA	OIL SEAL	\$ 7.87	dshop
312998	10/25/2022	46793	VAN'S EQUIPMENT CO	PARTS #423	\$ 206.06	dshop
313229	10/26/2022	155636055	ULINE, INC.	INCINERATOR MAINTENANCE - SHELVING	\$ 3,308.64	dwwtpt
313066	10/26/2022	1969429	MILES SAND & GRAVEL CO.	PARKS MAINTENANCE SUPPLIES	\$ 117.50	parks1
313330	10/26/2022	9919190556	VERIZON WIRELESS	WTP SCADA 9/27-10/26/22	\$ 521.73	dwtpt
313074	10/27/2022	1969815	MILES SAND & GRAVEL CO.	1-3/8" WASHED ROCK	\$ 130.56	dshop
313163	10/27/2022	329148	BAY CITY SUPPLY	FACILITY SUPPLIES	\$ 14,470.13	pwfac
313076	10/27/2022	7238370-00	TURF STAR WESTERN	CARTRIDGE FILTER- #7000	\$ 57.89	dshop

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
313240	10/28/2022	22-43056	BUDGET TOWING & AUTO REPAIR	TOWING; MOTORHOME APD CASE 22-A07948	\$ 380.80	apd
313314	10/28/2022	9919260368	VERIZON WIRELESS	City Cell Phones 9/29-10/28/22	\$ 11,223.19	finance
313350	10/28/2022	B16051225	SHI INTERNATIONAL CORP.	CISCO DUO SECURITY STANDARD ACCESS	\$ 4,177.92	infosys
313138	10/31/2022	11120	PETDATA, INC	PETDATA LICENSING FEES OCT	\$ 42.00	finance
313139	10/31/2022	12P21245	MOTOR TRUCKS, INC	GLASS KIT VEH #610	\$ 126.84	dshop
313248	10/31/2022	12W2925	MOTOR TRUCKS, INC	PARTS- #601	\$ 6,816.04	dshop
313014	10/31/2022	18999	TRANSPORTATION SOLUTIONS INC	32ND AND M INTERSECTION DESIGN - SEP 16, 2022 THROUGH OCT 15, 2022	\$ 11,763.75	pw1
313256	10/31/2022	2020-115	CURTIS EMERGENCY SERVICES LLC	EMERGENCY MANAGEMENT SERVICES - AUGUST-OCTOBER 2022	\$ 1,080.00	medic
313078	10/31/2022	2100119	UTILITIES UNDERGROUND LOCATION	OCTOBER LOCATE TICKETS	\$ 313.47	dshop
313083	10/31/2022	223275	INFOSEND, INC.	OCTOBER 2022 PROCESSING	\$ 3,791.42	finance
313006	10/31/2022	300000006951	PUGET SOUND ENERGY INC	STREET LIGHTS 9/29-10/28/22	\$ 464.83	dshop
313007	10/31/2022	300000290043	PUGET SOUND ENERGY INC	STREET LIGHTS 9/1-9/30/22	\$ 17,927.03	dshop
313005	10/31/2022	300000340004	PUGET SOUND ENERGY INC	STREET LIGHTS 9/29-10/28/22	\$ 81.87	dshop
313344	10/31/2022	32120	ORCA INFORMATION, INC	BACKGROUND CHECKS	\$ 244.00	hr
313165	10/31/2022	43833	PACIFIC SECURITY	SECURITY DETAIL OCTOBER 2022	\$ 700.00	court
313155	10/31/2022	64315	WEIDNER FIRE	FIRE STATION MAGNEGRIP ANCHOR	\$ 689.20	pwfac
313069	10/31/2022	773068	REECE, STORMIE	DEPOT CLEANING SERVICES	\$ 1,452.00	parks1
313013	10/31/2022	CL51143	REISNER DISTRIBUTOR INC	VEHICLE FUEL - OCT 2022	\$ 33,349.25	finance
313252	10/31/2022	FB-2007	CITY OF MOUNT VERNON	DARK FIBER	\$ 350.00	fiber
312996	10/31/2022	I6258329	HD FOWLER COMPANY INC	3/4" METER SWIVEL NUTS	\$ 413.50	wdist
313315	10/31/2022	IN948439	NOANET	MUNICIPAL FIBER NETWORK COORDINATED SERVICES - OCTOBER 2022	\$ 7,513.37	fiber
313080	11/1/2022	0001-279608	NAPA	OIL FILTERS - STOCK SHOP	\$ 238.25	dshop
313143	11/1/2022	0001-279615	NAPA	SPRAYGUN, ZERO RUST PAINT	\$ 181.74	dshop
313081	11/1/2022	0001-279657	NAPA	CABIN AIR FILTER	\$ 12.20	dshop
313145	11/1/2022	052-0010-00	CITY OF ANACORTES	OPS 10/1-10/31/22	\$ 1,550.51	dshop
313341	11/1/2022	10/25/2022	ECONOWASH LAUNDRY&CLEANERS	UNIFORM CLEANING 9/25-10/25/22	\$ 74.80	apd

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
313345	11/1/2022	1000075	ROSEMOUNT, INC	CABLES FOR PROBES X 3	\$ 575.07	dwtp
313227	11/1/2022	10624	PORT OF ANACORTES	MOORAGE FOR MARINE 29	\$ 385.61	medic
313016	11/1/2022	1195	SKAGIT COUNTY PUBLIC HEALTH	3RD QTR CITY SHARE OF LIQUOR TAX	\$ 6,806.46	finance
313251	11/1/2022	13315713	HACH COMPANY	SENSION HARDNESS PROBE	\$ 1,284.64	dwtp
313068	11/1/2022	135010	VENTEK INTERNATIONAL	WA PARK PAY STATION MONITORING 11/1-11/30/22	\$ 135.00	parks1
313065	11/1/2022	1395592-0043-8	WASTE MANAGEMENT	OCTOBER 2022 CONTRACTED SERVICES	\$ 130,007.45	finance
313312	11/1/2022	1412	BLYTHE MECHANICAL, INC	HVAC ANNUAL PREVENTIVE MAINTENANCE 2022 - CITY HALL	\$ 1,148.93	pw1
313164	11/1/2022	190-1840-00	CITY OF ANACORTES	WWTP 10/1-10/31/22	\$ 5,781.11	dwwtp
313249	11/1/2022	1970769	MILES SAND & GRAVEL CO.	5/8" CSTC	\$ 198.02	wdist
313147	11/1/2022	1970770	MILES SAND & GRAVEL CO.	SAND	\$ 268.74	dshop
313148	11/1/2022	1970771	MILES SAND & GRAVEL CO.	SAND	\$ 1,343.70	dshop
313151	11/1/2022	200012505505	PUGET SOUND ENERGY INC	WTP 10/1-10/31/22	\$ 76,901.97	dwtp
313003	11/1/2022	220025931985	PUGET SOUND ENERGY INC	CHERRY LN & ORCHARD AVE #ST LIGHTS 10/1-11/1/22	\$ 7.84	dshop
313002	11/1/2022	220030712800	PUGET SOUND ENERGY INC	STREET LIGHTS 10/2-11/1/22	\$ 8.21	dshop
313222	11/1/2022	2543	OAB ENGINEERING, LLC	INTERNET SERVICE 29-3 - NOVEMBER	\$ 150.00	medic
313237	11/1/2022	296536	ANACORTES ANIMAL HOSPITAL	BOARD & DISTRAINER; OCT 2022	\$ 198.50	apd
313152	11/1/2022	3117151043	IDEXX DISTRIBUTION, INC	SAMPLE VESSELS	\$ 446.93	dwtp
313242	11/1/2022	35167184	SAFEGUARD CASCADES	CASH RECEIPTS FOR FRONT OFFICE	\$ 423.14	apd
313008	11/1/2022	5065978656	RICOH USA, INC	S/N C86078711 LIBRARY FL1 STAFF COPIER 8/1-10/31/22	\$ 1,012.32	publib
313009	11/1/2022	5065978928	RICOH USA, INC	S/N C86111692 ENG 8/1-10/31/22	\$ 37.73	finance
313010	11/1/2022	5065979020	RICOH USA, INC	S/N C86078755 LIBRARY FL2 ADMIN COPIER 8/1-10/31/22	\$ 8.38	publib
313239	11/1/2022	5065979239	RICOH USA, INC	S/N C86146548 APD PATROL OFFICE 8/1-10/31/22	\$ 98.42	apd
313011	11/1/2022	5065979455	RICOH USA, INC	S/N C86180481 PARKS 8/1-10/31/22	\$ 21.04	finance
313012	11/1/2022	5065979744	RICOH USA, INC	S/N C86152062 HR COPIES 10/1-10/31/22	\$ 6.83	finance
313349	11/1/2022	BC1744693	GALLS, LLC.	NAMETAGS	\$ 36.72	medic
313073	11/2/2022	0001-279754	NAPA	WIPER BLADES- #050	\$ 18.89	dshop
313142	11/2/2022	0001-279769	NAPA	SEALED MARKER	\$ 6.53	dshop
313070	11/2/2022	0001-279799	NAPA	ALARM #170	\$ 27.54	dshop

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
313140	11/2/2022	0001-279809	NAPA	DRILL BIT	\$ 3.57	dshop
313241	11/2/2022	23002095	WASHINGTON STATE PATROL	BACKGROUND CHECKS; OCTOBER 2022	\$ 132.50	apd
313067	11/2/2022	23002147	WASHINGTON STATE PATROL	SENIOR CENTER VOLUNTEER CHECK	\$ 11.00	pkrec
313004	11/2/2022	300000325005	PUGET SOUND ENERGY INC	17TH ST STREET LIGHTS 9/8-10/6/22	\$ 89.19	dshop
313226	11/2/2022	724521774	CARDINAL HEALTH 110, INC.	PHARMA: DEXTROSE, ONDANSETRON.	\$ 676.36	medic
313254	11/2/2022	8498 30 017 0319913	COMCAST	LIBRARY INTERNET ACCESS 11/9-12/8/22	\$ 185.14	fiber
312995	11/2/2022	ContractWeisz	WEISZ, PAUL	COUNTY SOCCER REF	\$ 100.00	pkrec
313086	11/3/2022	00001	SKAGIT VALLEY YOUTH SOCCER	SOCCER REFEREES FOR 2022 COUNTY SOCCER	\$ 699.04	pkrec
313071	11/3/2022	0001-279750	NAPA	GAUGE - SHOP	\$ 36.30	dshop
313150	11/3/2022	112153	WALTON BEVERAGE COMPANY, INC	WTP BREAKROOM SUPPLIES	\$ 57.50	dwtpt
313331	11/3/2022	1970922	MILES SAND & GRAVEL CO.	5/8" CSTC/ BUILDING SAND	\$ 466.76	dshop
313156	11/3/2022	2211010	CASCADE GUTTER SERVICE, INC.	GUTTER REPLACEMENT FOR WA PARK SHOP	\$ 1,354.56	pwfac
313157	11/3/2022	2211011	CASCADE GUTTER SERVICE, INC.	REPLACEMENT GUTTERS @ OPS	\$ 897.60	pwfac
313319	11/3/2022	2274	THE CLEAN TEAM	2022 JANITORIAL SERVICES -	\$ 4,300.00	pw1
313146	11/3/2022	2275	THE CLEAN TEAM	LTAC PUBLIC RESTROOM MAINTENANCE INV #10	\$ 3,200.00	plan
313320	11/3/2022	2276	THE CLEAN TEAM	2022 JANITORIAL SERVICES - CITY HALL & SENIOR CENTER 10/17/22-10/21/22	\$ 600.00	pw1
313321	11/3/2022	2277	THE CLEAN TEAM	2022 JANITORIAL SERVICES - CITY HALL & SENIOR CENTER 10/24/22-10/28/22	\$ 480.00	pw1
313084	11/3/2022	Invoice #2	ANACORTES HOUSING AUTHORITY	CDBG B-22-MC-5300-18 HA ROOF REPLACEMENT	\$ 89,471.00	plan
313141	11/4/2022	0001-279631	NAPA	WATER TRAP #824	\$ 17.47	dshop
313231	11/4/2022	001-279991	NAPA	FUEL FILTER #205A	\$ 44.46	dshop
313233	11/4/2022	022589651	GALLS, LLC.	UNIFORM BOOTS; OFC MELTON	\$ 172.01	apd
313311	11/4/2022	12582	ANCHOR QEA, LLC	FORMER WTP MATTER NO. 96	\$ 2,193.75	legal
313324	11/4/2022	300000006951	PUGET SOUND ENERGY INC	STREET LIGHTS: 10/1-11/1/22	\$ 3.79	dshop
313234	11/5/2022	00005W5A83452	UNITED PARCEL SERVICE, INC	UPS SHIPPING; WEEK ENDING 11-5-22	\$ 8.78	apd
313235	11/7/2022	11/07/2022	FIDALGO CLEANING	APD CLEANING & SUPPLIES	\$ 800.00	apd

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
313318	11/7/2022	1200476070	HDR ENGINEERING, INC	WTP CONTROLS MODIFICATIONS PROJECT - ENGINEERING - 28-AUG-2022 TO: 22-OCT-2022	\$ 632.32	dwtp
313343	11/7/2022	1265846	LIFE ASSIST, INC	RESUS PACKS, MEGAMOVERS, EXAM GLOVES.	\$ 2,307.62	medic
313338	11/7/2022	1384443	SKAGIT COUNTY SOLID WASTE FUND	WTP DUMP RUN 0.22 TN	\$ 23.48	dwtp
313335	11/7/2022	1384571	SKAGIT COUNTY SOLID WASTE FUND	WTP DUMP RUN 0.84 TN	\$ 89.64	dwtp
313337	11/7/2022	1384639	SKAGIT COUNTY SOLID WASTE FUND	WTP DUMP RUN 0.84 TN	\$ 89.64	dwtp
313244	11/7/2022	144-2650-02	BELL, GEORGE & JEANNE	UB Refund Cst #051641	\$ 91.14	finance
313334	11/7/2022	168825	USA BLUE BOOK	LAB FLASK	\$ 195.22	dwtp
313340	11/7/2022	220013286491	PUGET SOUND ENERGY INC	APD 10/6-11/4/22	\$ 2,284.92	apd
313253	11/7/2022	220013286525	PUGET SOUND ENERGY INC	HEART OF ANACORTES 10/6-11/4/22	\$ 88.03	plan
313323	11/7/2022	220015523313	PUGET SOUND ENERGY INC	501 Q AVE: 10/6-11/4/22	\$ 35.17	dshop
313339	44872	220021901958	PUGET SOUND ENERGY INC	SKYLINE TSUNAMI SIREN 10/	\$ 10.89	dwwtp
313310	11/7/2022	222286	BLYTHE MECHANICAL, INC	WWTP SECONDARY DRAIN LINE REPLACEMENT	\$ 3,640.45	dwwtp
313255	11/7/2022	22612.00-2	GRAY & OSBORNE INC	TOMMY THOMPSON TRAIL TRESTLE RESTORATION - CONDITION SURVEY - 10/9/22-11/5/22	\$ 4,952.76	parks1
313257	11/7/2022	6007	GRINDLINE SKATEPARKS INC	SKATE PARK DESIGN AND BID DOCUMENTS - OCTOBER 2022	\$ 17,536.35	parks1
313232	11/7/2022	7931	ANACORTES TOWING, LLC	TOWING; APD CASE 22-A08141	\$ 163.20	apd
313329	11/8/2022	03188	SKAGIT COUNTY SHERIFF'S OFFICE	JAIL TAX PAYMENT PER CONTRACT	\$ 96,014.17	finance
313342	11/8/2022	1265941	LIFE ASSIST, INC	ZOLL ELECTRODES	\$ 561.63	medic
313328	11/8/2022	21-043-FIN-001	ANACORTES FAMILY CENTER	AFFORDABLE HOUSING TAX PAYMENT	\$ 36,342.04	finance
313327	11/8/2022	21-247-FIN-001	ANACORTES HOUSING AUTHORITY	AFFORDABLE HOUSING TAX PAYMENT	\$ 36,342.04	finance
313333	11/8/2022	22-065-SEW-0011	VECA ELECTRIC & TECHNOLOGIES	RETAINAGE RELEASE	\$ 441.89	pw1
313336	11/8/2022	ReimbHatch	HATCH, KYLIE	TRAVEL REIMBURSEMENT	\$ 500.00	pw1
	Total				\$ 682,306.71	



City Council Agenda Bill

Meeting Date: November 14, 2022 **Agenda Item:** 5.c.

Agenda Item Title: Amendment #1 to Interlocal Agreement IL265 with Anacortes School District 103 for the School Resource Officer Program

Staff Contact(s): CHRIS FULLER, DAVE FLOYD

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
TIFFANY MATSON	Contract Modification

Item Summary: City staff seeks approval to execute Amendment #1 to Interlocal Cooperative Agreement IL265 with Anacortes School District (ASD) 103 for the School Resource Officer (SRO) Program.

Background:

1. Reason for the Contract Change: Updates to the agreement are needed to maintain school safety by giving the School Resource Officer access to student information as well as access to school surveillance systems in the event of an emergency.
2. History: The City and ASD 103 first entered into an Interlocal Agreement to create the SRO Program in June of 2015, and the current Interlocal Agreement IL265 was executed on 6/14/2018. Since that time, SRO has worked in the schools and both City and School District have been very happy with the success of the program.

Budget Impact:

Previous Action: Interlocal Agreement [IL265](#) was approved at the [6/4/2018](#) Council meeting.

Recommended Motion: I move that City Council authorize the Mayor to execute Amendment #1 to Interlocal Cooperative Agreement IL265 between City of Anacortes and Anacortes School District 103.

Alternative Actions: Not approve the interlocal amendment.

Attachments (listed in order presented):

1. IL265 Amendment 1

IL265 AMENDMENT #1 TO AGREEMENT BETWEEN THE CITY OF ANACORTES AND THE ANACORTES SCHOOL DISTRICT 103 FOR SCHOOL RESOURCE OFFICER PROGRAM

This First Amendment to Agreement Between the City of Anacortes and the Anacortes School District 103 for the School Resource Officer Program, which amends a certain Agreement Between the City of Anacortes and the Anacortes School District 103 for School Resource Officer Program, dated June 14, 2018, is entered into by and between the City of Anacortes, a Washington municipal corporation ("City"), and Anacortes School District 103, a Washington municipal corporation ("District"), individually referenced as Party or collectively as Parties.

RECITALS

1. On June 14, 2018, the Parties entered into an agreement pursuant to Chapter 39.34 of the Revised Code of Washington entitled the "Agreement Between the City of Anacortes and the Anacortes School District 103 for School Resource Officer Program" ("2018 Agreement"), for the provision of a commissioned Anacortes Police Officer to serve as a School Resource Officer ("SRO") in the Anacortes Public Schools through a shared funding model.
2. The SRO program has been very successful in improving school safety, providing resources to improve student outcomes, connecting youth and police officers, and reducing juvenile crime, and the Parties wish to continue the program consistent with the terms of the 2018 Agreement.
3. In developing safety plans for various emergency situations, including active shooter scenarios, the Parties have identified additional resources that the Anacortes Police Department should be able to access in those emergencies to ensure prompt and effective responses.
4. The Parties now wish to amend the 2018 Agreement to provide additional resources to assist the Anacortes Police Department's ability to respond to emergency situations.

NOW, THEREFORE, the Parties agree to amend the 2018 Agreement as follows:

A new Paragraph 18 shall be added to the 2018 Agreement as follows:

18. Access to District Resources

a. Student Information

At the discretion of the principal or designee, the SRO may be provided necessary student information to support, respond to, or investigate a safety issue. The SRO will work with appropriate school staff (counselors, principals or other administrators) to coordinate support.

b. District's Video Surveillance System

Upon request from the School Resource Officer, the District may provide the SRO with access to the District's surveillance system in the event of an emergency, at the direction of the building principal, superintendent, or designee. The SRO will follow applicable District policies and procedures related to video surveillance, including District Policy [6610](#).

All remaining terms of the 2018 Agreement remain in full force and effect.

Signed

City of Anacortes

Dr. Justin Irish, Superintendent
Anacortes School District

Date

Date



City Council Agenda Bill

Meeting Date: November 14, 2022 **Agenda Item:** 5.d.

Agenda Item Title: Street Fair Event - Chamber Coastal Christmas Tree Lighting Event

Staff Contact(s): DON MEASAMER

Approved for Submittal to Council by **Action Type**

Joann Stewart

Motion

DON MEASAMER

Item Summary: Friday, December 3, kick off to the holiday season with the annual Christmas Tree lighting event at the Chamber of Commerce parking lot, 9th & Commercial. Commercial Ave. will be closed between 9th and 8th Streets with 9th closed half way between O and Commercial and Q and Commercial. Streets to be closed from 5:30 p.m. to 7:30 p.m. with event beginning at 6 p.m. and ending at 7 p.m. This coincides with the first Friday Art Walk and the Lions Club Christmas parade the following day.

Budget Impact:

None

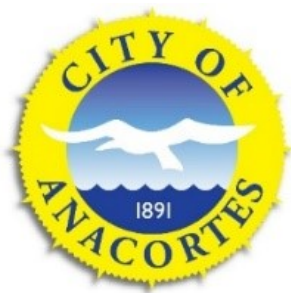
Previous Action: Annual Event approved yearly

Recommended Motion: Approve application as submitted

Alternative Actions: Deny Application

Attachments (listed in order presented):

1. Chamber Christmas Tree Lighting Event



Street Fair Application Processing

Administrator reviews the application for completeness. Administrator contacts the applicant to obtain any missing information and updates the application accordingly, including a legible copy of the Indemnification Agreement if that was not provided. It is recommended that the Administrator also verify that the applicant has entered phone and email correctly! Administrator then sets the target City Council date and routes the application for review by department heads.

View Anacortes Municipal Code [Chapter 7.04, Special Events](#)

Application

Application Date *

11/3/2022

Event Name *

Coastal Christmas Tree Lighting Ceremony

Applicant/Organization Name *

Anacortes Chamber of Commerce

Mailing Address *

819 Commerical Ave Suite F

Event Contact Person *

Kate Helmreich

Event Contact Email *

kate@anacortes.org

Event Contact Phone *

(360) 293-7911

Event Website

<https://anacortes.org/event/anacortes-coastal-christmas-tree-lighting>

Estimated Number of Participants/Attendees *

1000

Event Description *

Jingle all the way down to the Anacortes Chamber of Commerce for the Coastal Christmas Tree Lighting featuring music, guest appearances from Santa and the Town Crier, hot cocoa, and festive cheer. The Anacortes Coastal Christmas Tree will shine brightly all month long. We would like to close the block in front of the tree for the ceremony.

Will food vendors participate in this event? *

All Food Vendors must be inspected by the Fire Marshall on site prior to the start of the event.

☐ Yes ☒ No

Date Event Starts *

12/2/2022

Time Event Starts *

6:00:00 PM

Date Event Ends *

12/2/2022

Time Event Ends *

7:00:00 PM

Date Street Closure Starts *

Include requested closures before and after the event hours if required for set up and tear down.

12/2/2022

Time Street Closure Starts *

5:30:00 PM

Date Street Closure Ends *

12/2/2022

Time Street Closure Ends *

7:30:00 PM

Event Location *

List end points of each street that will be closed (e.g. 6th Street from O Ave to Q Ave). Also include location and dimensions of any structures that will be erected and locations of the event that will not be on city street right of way.

The tree lighting will be at 819 Commercial Ave. We would like to block to be closed on Commercial Ave between 8th and 9th streets. On 9th street, we will need to close half the block each way towards Q and O streets.

Parking Location

List any public parking areas that the event requests to use for dedicated event parking, including handicapped parking.

The parking lot in front of the Chamber of Commerce will be closed for ceremony.

Event Map (optional)

Upload one or more maps of the event

Indemnification Agreement *

Upload scan of SIGNED indemnification agreement

[doc00143320221103084145...](#) 334.4KB

Download the Indemnification Agreement [here](#).

Signage

Street closure signs will be provided by the City of Anacortes. Applicants must contact City staff one week prior to the event to arrange sign delivery. Event sponsor personnel are responsible for placing street closure signs, which may not be posted more than 72 hours prior to the approved closure, must be removed immediately following the event, and must be returned to city staff the first business day following the event.

Insurance

The applicant may be required to provide public liability insurance subject to the provisions of AMC 7.04.100. Applicants will be notified following application approval of insurance requirements for the specific event.

Electronic Signature Agreement

By checking the "I agree" box below, you agree and acknowledge that 1) your application will not be signed in the sense of a traditional paper document, 2) by signing in this alternate manner, you authorize your electronic signature to be valid and binding upon you to the same force and effect as a handwritten signature, and 3) you may still be required to provide a traditional signature at a later date.

I state that I am over the age of 18, that I agree to assume responsibility for the above-described event and to abide by all conditions stipulated by the approval of the application. *

☒ Yes

Signature

KATE HELMREICH

Admin Review

Council Meeting Date *

Target date for presentation to City Council; no later than 30 days prior to event

11/14/2022

Staff Review Deadline *

Staff review/approval required no later than 7 days prior to City Council meeting to allow packet preparation

11/7/2022

Administrator comments and conditions of approval

Please review this as soon as possible. Chamber, with all new employees after Covid, was not aware of the processes for this event. Thank you.

Insurance Certificate

Insurance certificate may be required by staff or as a condition of Council approval

Departmental Review

Building Department will provide the following services for this event:

Building Department concerns, objections, or conditions of approval *

None

Fire Department will provide the following services for this event:

N/A

Fire Department concerns, objections, or conditions of approval *

None

Parks Department will provide the following services for this event:

Parks Department concerns, objections, or conditions of approval *

None

Police Department will provide the following services for this event:

Regular police patrols

Police Department concerns, objections, or conditions of approval *

None

Public Works Department will provide the following services for this event:

Public Works Department concerns, objections, or conditions of approval *

None

Departmental attachments

Upload any staff memos, guidelines, or requirements that will be in effect for this event.



Legend

 Barricade



Coastal Christmas Tree Lighting Event

Friday, December 2nd

0 25 50 100 Feet



SPECIAL EVENT INDEMNIFICATION AGREEMENT

The undersigned applicant, by signing below, certifies that the applicant is the authorized officer of the sponsoring organization and agrees as follows:

Pursuant to Anacortes Municipal Code Title 7.04.090, the undersigned applicant agrees to defend, indemnify and hold the City of Anacortes, its agents, employees and officers, harmless from any and all claims, injuries, suits, damages, losses, demands and judgments including the attorneys' fees and other costs of their defense, arising out of in whole or in part, the activities, omissions or appliances of the applicant, his employees, agents, volunteers or otherwise, except any claims arising from the sole negligence of the City. The applicant further agrees to comply with all provisions of pertinent laws, rules and regulations, and agrees that any failure to so comply may lead to revocation of an applicant's permit. This Indemnification Agreement constitutes substantial adequate consideration in return for the City's issuance of a special event permit.

Date: 11.3.22

Kate Helmreich

Name and Title – Printed

Events Coordinator

Kate Helmreich

Signature

Name and Title – Printed

Signature



City Council Agenda Bill

Meeting Date: November 14, 2022 **Agenda Item:** 6.a.

Agenda Item Title: Capital Facilities Plan Ordinance 4033

Staff Contact(s): STEVE HOGLUND

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
STEVE HOGLUND	Public Hearing

Item Summary: The Capital Facilities Plan covers the budget years 2023 - 2028 and totals \$273,444,524

Budget Impact:

\$273,444,524

Previous Action: Council review on [October 3](#) and [October 10](#); and public hearing on [November 7](#).

Recommended Motion: I make a motion to approve ordinance 4033 adopting the 2023-2028 Capital Facilities Plan.

Alternative Actions: Do not approve and direct staff as to next steps.

Attachments (listed in order presented):

1. Ord 4033 Adopting 2023-2028 CFP

ORDINANCE NO. 4033

AN ORDINANCE ADOPTING THE CAPITAL FACILITIES PLAN (CFP)
FOR THE 6-YEAR PERIOD 2023-2028

Section 1. The Growth Management Act mandates development of a capital facilities element consisting of a six-year financing plan [RCW 36.70a.070-(3)].

Section 2. The City of Anacortes Comprehensive Plan is hereby amended adopting the 2023-2028 Capital Facilities Plan. Adoption of the 2023-2028 Capital Facilities Plan will replace the 2022-2027 Capital Facilities Plan.

Section 3. The total estimated expenditures/revenues for each major category and the aggregate total for all such categories combined are summarized and set forth as follows:

General Government	\$ 25,497,000
Parks	\$ 6,325,000
Fiber	\$ 10,900,000
Fire/EMS	\$ 6,050,000
Waste Water	\$ 79,567,000
Solid Waste	\$ 270,000
Storm	\$ 1,426,750
Transportation	\$ 101,752,994
Water	\$ 41,655,780
Total	\$ 273,444,524

Section 4. Effective date. This Ordinance shall take effect from and after five (5) days after its passage and publication, as required by law.

PASSED AND APPROVED this 14th day of November, 2022

CITY OF ANACORTES, WASHINGTON

BY: _____
Matt Miller, Mayor

ATTEST:

Steven D. Hoglund, City Clerk

APPROVED AS TO FORM:

Darcy J. Swetnam, WSBA # 40530
City Attorney



City Council Agenda Bill

Meeting Date: November 14, 2022 **Agenda Item:** 6.b.

Agenda Item Title: 2023 Budget Ordinance 4034

Staff Contact(s): STEVE HOGLUND

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
STEVE HOGLUND	Public Hearing
STEVE HOGLUND	

Item Summary: The public hearing for the 2023 budget was opened on November 7, for public comment on the City's proposed fiscal year 2023 \$129.4M operating budget.

Budget Impact:
\$129,491,924 across 19 funds.

Previous Action: [October 3](#) public hearing on Revenues, Council review on [October 17](#), [October 24](#), public hearing on [November 7](#).

Recommended Motion: I make a motion to approve ordinance 4034 adopting the 2023 operating budget.

Alternative Actions: do not approve direct staff as to next steps.

Attachments (listed in order presented):

1. Ord 4034 Budget 2023

ORDINANCE NO. 4034

AN ORDINANCE ADOPTING THE BUDGET FOR ALL MUNICIPAL PURPOSES
AND USES FOR THE YEAR 2023

Section 1. The 2023 Budget for the City of Anacortes, Washington as established by the City Council and made available for distribution to the general public through the office of the City Clerk-Treasurer, is hereby adopted by reference.

Section 2. The total estimated revenues and appropriations for each budgeted fund and the aggregate total for all such funds combined is itemized below. Estimated revenues and expenditures include overhead accruals to the General fund from the utility funds as authorized by state law. As the City of Anacortes utilizes the Mayor in a fulltime capacity overseeing all funds including the utility funds, such accruals provide for inclusion of the Mayor's office to recover associated costs. All revenues and expenditures for all budgeted funds are summarized and set forth as follows:

Fund		2023 Revenues/ Expenditures
001	GENERAL FUND	28,638,445
101	PARKS & RECREATION FUND	2,384,451
102	GRANDVIEW CEMETERY FUND	272,776
103	PUBLIC LIBRARY FUND	1,758,064
104	STREET MAINTENANCE FUND	3,973,282
105	ARTERIAL STREET CONSTRUCTION	6,582,350
107	WASHINGTON PARK FUND	267,233
108	PARKS CAPITAL IMPROVEMENT	1,615,000
109	AFFORDABLE HOUSING	695,459
110	AMBULANCE SERVICE FUND	5,495,357
112	DEVELOPMENT IMPACT FEE	784,077
113	ACFL MANAGEMENT FUND	43,637
135	TOURISM FUND	504,610
335	REET	1,730,500
401	WATER FUND	32,206,193
440	SEWER FUND	32,860,687
445	STORM DRAINAGE FUND	1,652,869
450	SANITATION FUND	4,886,280
501	EQUIPMENT RENTAL FUND	3,140,655
	Total	129,491,924

Section 3. The City Clerk-Treasurer of the City of Anacortes is hereby authorized to transmit a complete copy of the final budget, as herein above adopted by reference, to the Division of Municipal Corporations in the Office of the State Auditor, to the Association of Washington Cities, and to the Municipal Research & Services Center of Washington.

Effective date. This Ordinance shall take effect from and after five (5) days after its passage and publication, as required by law.

PASSED AND APPROVED this 14th day of November 2022

CITY OF ANACORTES, WASHINGTON

By: _____
Matt Miller, Mayor

ATTEST

Steven D. Hoglund, City Clerk

APPROVED AS TO FORM

Darcy J. Swetnam, WSBA # 40530
City Attorney



City Council Agenda Bill

Meeting Date: November 14, 2022 **Agenda Item:** 7.a.

Agenda Item Title: Mt Erie Cell Tower: Memorandum of Agreement with the Anacortes Kiwanis Club

Staff Contact(s): JONN LUNSFORD

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
JONN LUNSFORD	Discussion

Item Summary: The City of Anacortes has a lease with Puget Sound Energy to use the Mt Erie Cell Tower site which expired in 2011 and has been on a month to month basis since. The Anacortes Kiwanis Club gifted the summit of Mt Erie to the City in 1951 for parks purposes. The Kiwanis Club entered into an agreement with Puget Sound Energy in 2000 to have revenues from the cell tower lease go to the Club which they use to benefit the community. The City and the Kiwanis Club wish to collaborate on a new lease with Puget Sound Energy.

Budget Impact:

This action should not have an impact on the budget.

Previous Action: The Anacortes Kiwanis Club board approves of this MOA.

Recommended Motion: Approve the MOA with the Anacortes Kiwanis Club.

Alternative Actions: Request more information from staff

Attachments (listed in order presented):

1. 221007 Parks - MOA Kiwanis Club
2. PSE Mt Erie lease 1986

MEMORANDUM OF AGREEMENT
between the
CITY OF ANACORTES
and the
KIWANIS CLUB OF ANACORTES, Inc.

This Memorandum of Agreement ("MOA"), executed this ____ day of _____, 2022, is made by and between the City of Anacortes, a Washington Municipal Corporation (the "City"), and the Kiwanis Club of Anacortes, Inc., a 501(c)(4) non-profit corporation located in Anacortes, Washington ("Kiwanis Club"), collectively referred to as "the Parties".

RECITALS

WHEREAS, the mission of the Kiwanis Club is to improve the world one child and one community at a time;

WHEREAS, the Kiwanis Club was created on March 6, 1926 and later incorporated as a tax-exempt, non-profit organization with 501(c)(4) status; and

WHEREAS, the City recognizes the Kiwanis Club is a separate private, non-profit 501(c)(4) social welfare organization established for the purpose of supporting children and community; and

WHEREAS, the Kiwanis Club operates as a legal entity separate from the City, and is governed by an independently elected Board of Trustees; and

WHEREAS, the Kiwanis Club transferred its interest in the summit of Mount Erie to the City to be used only for "parks purposes" in 1951 and retained a reversionary interest if at any point in the future, the property ceases to be used for parks purposes; and

WHEREAS, the Property conveyed to the City is part of Skagit County Parcel number P19300, a 78 acre parcel with a site address of 1300 Erie Mountain Drive which includes the summit of Mount Erie("Property"); and

WHEREAS, the City entered into a lease agreement for a portion of the summit of Mount Erie, more particularly described and depicted in Attachment A attached hereto and incorporated by reference ("Site"), with Puget Sound Energy ("PSE") for the operation of two cell towers and related equipment in 1986 for a term of 20 years with one 5-year extension, with the lease currently in a holdover status since 2011; and

WHEREAS, The Kiwanis Club and PSE entered into a Memorandum of Understanding on March 21, 2000, by which the Kiwanis Club allowed PSE the use of the property for commercial purposes in exchange for a portion of all revenues generated by the operation of the cell towers on the property; and

WHEREAS, the Kiwanis Club and the City wish to collaborate in jointly negotiating a new MOA between City of Anacortes and
Kiwanis Club of Anacortes

lease agreement with PSE for the Parties mutual benefit and the benefit of the community.

NOW THEREFORE, for and in consideration of the premises and mutual promises contained in this MOA, the City and the Kiwanis Club agree as follows:

AGREEMENT

1. Purpose and Agreement

- a) The Parties intent in executing this MOA is to provide the structure for collaboration on negotiating a new lease agreement with PSE.
- b) The Parties acknowledge and agree that the Site may continue to be used for telecommunications infrastructure, provided the Parties can reach a reasonable agreement with PSE.

2. Responsibilities of the Parties

- a) The City and the Kiwanis Club will work cooperatively to jointly negotiate a new lease agreement with PSE for its continued use of the Site. The Parties agree that the City will act as lead negotiator with PSE in developing the new lease agreement.
- b) The City and the Kiwanis Club agree not to negotiate independently with PSE for the duration of this agreement.
- c) The Parties agree to split equally the annual revenue generated pursuant to the new lease with PSE.
- d) The Parties will attempt to negotiate terms in the new lease that require PSE to make equal payments to each Party. In any event, the Parties will work cooperatively to ensure an equal split of all revenue received from PSE under the new lease, with the exception of the one-time administration fee described in Paragraph 2(e) below.
- e) The City will seek a one-time payment from PSE in the lease to cover administration expenses associated with the negotiation and development of the new lease agreement. The Parties acknowledge that the full amount of the administration fee will pass to the City.
- f) Other than the one-time administrative fee referenced in paragraph 2(e) above, all revenue received by the City and Kiwanis Club pursuant to this agreement and any lease with PSE will be used solely for parks purposes. The Parties acknowledge that both Parties' use of revenue for parks purposes meets the requirement that the Property be used for parks purposes in the 1951 deed.
- g) The Parties agree to share all records and information received in association with this Agreement or the new lease agreement with PSE.
- h) The Parties will meet annually to provide updates or coordinate on details related to the lease agreement with PSE.

- 3. **Term**: The term of this MOA shall be for the length of the lease with Puget Sound Energy, as it may be extended or held over including any extension or holdover terms that may occur.

4. General Terms and Conditions

- a) In the execution and performance of this MOA, the City and the Kiwanis Club act independently and not as agents, employees, partners or joint ventures. The agents or employees of one party shall not be construed to be the agents or employees of the other.
- b) The parties agree that if there is a dispute as to any provision of this MOA, or if either party materially breaches or fails to perform its obligations under this Agreement, the other party may give notice in writing of the dispute or material breach. The parties agree to meet to resolve the dispute or material breach within 30 (thirty) days of receipt of this notice.
- c) Any notice or notices required or permitted to be given pursuant to this MOA shall be given by certified mail, postage prepaid, return receipt required, as follows:

To the City:

Darcy Swetnam, City Attorney
City of Anacortes
904 6th Street
Anacortes, WA 98221

To the Kiwanis Club:

Dorothy Engom or then current President
Kiwanis Club of Anacortes
420 "O" Avenue
Anacortes, WA 98221

- d) Governing Law; Jurisdiction: This MOA shall be governed as to all matters, whether of validity, interpretations, obligations, performance or otherwise, exclusively by the law of the State of Washington, and all questions arising with respect thereto shall be determined in accordance with such laws. The parties shall comply with all federal, state and local statutes, ordinances, and regulations now in effect or thereafter adopted, in the performance of its obligations set forth herein. Any and all suits for any claims or for any and every breach of dispute arising out of this Agreement shall be filed with the trial courts of Skagit County, Washington.
- e) During the term of this MOA, each Party will defend, indemnify, and hold harmless the other Party and its agents, employees, volunteers, servants, and officials from any liability arising from the acts or omissions of its respective officers directors, employees, volunteers or agents. This provision shall survive the termination, cancellation, or expiration of the Agreement.
- f) This MOA may only be modified by agreement of the parties, and which shall be executed by the authorized representatives of the City and the Kiwanis Club.
- g) Neither party shall, without the prior written consent of the other party, assign, delegate, or otherwise transfer, in whole or in part, this MOA, or any rights or obligations arising hereunder.
- h) This MOA may be amended upon review and approval of both Parties.

- i) Severability: any provision or clause of this MOA that is deemed invalid by a court or otherwise by law shall not affect the validity of the remainder of the Agreement.
- j) No Partnership: No provision of this MOA shall be construed to create a partnership or joint venture or any other arrangement where one party would be in any way responsible for the debts, losses, or liabilities of another party to this Agreement.
- k) Waiver: A waiver by any of the parties to this MOA shall not be construed as a continuing waiver of a provision, or a waiver of other provisions of the Agreement. Any waivers of the Agreement conditions shall be done in writing and signed by all parties.
- l) Entire Agreement: This MOA constitutes the only agreement, and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. This Agreement including any Exhibits hereto, may not be amended or modified, except in writing and signed by all parties to this Agreement.

The Parties, by their authorized representatives, affix their authorized signatures hereto:

CITY OF ANACORTES By: Matt Miller, Mayor	Date:
KIWANIS CLUB OF ANACORTES By XXXXXX, President	Date:

RESOLUTION NO. 890

A RESOLUTION AUTHORIZING AND DIRECTING EXECUTION OF THAT
CERTAIN LEASE AGREEMENT BY AND BETWEEN THE CITY OF
ANACORTES AND PUGET SOUND POWER & LIGHT INCORPORATED, A
WASHINGTON CORPORATION

WHEREAS, the City of Anacortes owns certain property and facilities located on top of Mt. Erie and said property is available for lease, and

WHEREAS, the City of Anacortes has determined that the lease of said property on terms and conditions as negotiated with Puget Sound Power & Light, Inc., a Washington corporation, is in the best interest of the City of Anacortes; now therefore,

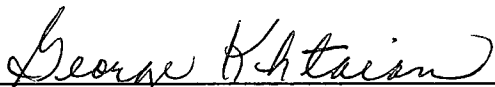
THE CITY COUNCIL OF THE CITY OF ANACORTES, WASHINGTON HEREBY RESOLVES that that certain lease agreement and attachments between the City of Anacortes and Puget Sound Power & Light Incorporated, a copy which is attached hereto and by this reference made a part hereof, being and it is in all respects ratified and approved and the Mayor and City Clerk are hereby authorized and directed to execute said lease referred to herein and deliver the same to Puget Sound Power & Light upon receipt of the sum of \$40,000 for park capital improvements and \$15,000 as the first years rental, which are designated for park capital improvements as the official act and deed of the City of Anacortes.

PASSED AND APPROVED this 18th day of AUGUST, 1986.

CITY OF ANACORTES


By: James Rice, Mayor

ATTEST:


George Khtaian, City Clerk-Treasurer

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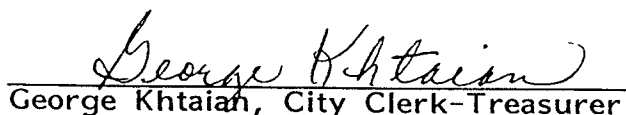
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CITY OF ANACORTES


By: James Rice, Mayor

ATTEST:


George Khtaian, City Clerk-Treasurer

CITY OF ANACORTES

MT. ERIE

Communications Site Lease Agreement

Initials


CITY OF ANACORTES
MT. ERIE

Communications Site Lease Agreement

THIS LEASE AGREEMENT is made this 4th day of September, 1986, by and between the CITY OF ANACORTES, a municipal corporation of the State of Washington (hereinafter referred to as the "City"), and PUGET SOUND POWER & LIGHT COMPANY, a Washington corporation (hereinafter referred to as "Puget").

LEASE AGREEMENT

The City hereby leases to Puget and Puget hereby leases from the City: (i) a building (formerly used by the United States Army Air Force as a radar site), more particularly identified in Exhibit A, attached hereto and incorporated herein by this reference; and (ii) that certain real property situate in the County of Skagit, State of Washington, more specifically described as follows:

See Exhibit B, attached hereto and incorporated herein by this reference.

The above described real property and the above described building situated thereon are hereinafter collectively referred to as the "Property."

This Lease Agreement (the "Lease") is subject to the terms and conditions hereinafter set out:

SECTION 1 OCCUPANCY

1.01 Term. The term of this Lease shall be for a period of twenty (20) years, commencing on September 1, 1986 and ending on August 31, 2006 (the "Term").

1.02 Option to Renew. Puget shall have the right to renew the Term for one (1) additional five (5) year term, such renewal term commencing on September 1, 2006 and ending on August 31, 2011 (the "Renewal Term"). If not then in default under the terms and conditions of this Lease, Puget may exercise its right of renewal by giving the City written notice of its intent to renew not less than one hundred eighty (180)

Initials


days prior to the expiration of the Term. Any lease during a Renewal Term shall be on the same terms and conditions of this Lease.

1.03 Holding Over. If Puget elects not to exercise its option to renew the Term but shall, with the written consent of the City, hold over after expiration of the Term (or the Renewal Term, if any), such tenancy shall be deemed to be a month-to-month tenancy and not a renewal of the Term. The monthly rent payable to the City during such holdover tenancy shall be one-twelfth (1/12) of the annual Rent payable, pursuant to subsection 3.01 below, upon expiration of the Term (or the Renewal Term, if any) or as otherwise agreed to in writing by the City and Puget. In such event, the parties shall be bound by all terms, covenants and conditions of this Lease, so far as applicable.

SECTION 2 USE OF SITE

2.01 Permitted Use. Puget may use the Property to construct, install, maintain, repair, replace, remove and operate communications facilities and any and all Tenant Improvements necessary to accommodate such use; provided, however, not more than two (2) unguyed communications towers shall be maintained by Puget upon the Property (and each such tower shall not exceed a maximum height of one hundred fifty (150) feet).

2.02 Property Management. Puget shall manage and supervise the use of the Property as a site for communication and related facilities. Puget shall have sole authority and discretion to determine the type, scope and extent of any and all facilities to be maintained upon the Property. Such discretion and authority includes, without limitation, the right to exclude any Permittee or other third party from the Property or from making any use of the Property or any improvements thereon. The City shall not interfere with Puget's management, supervision and control of the Property as a site for communications facilities, except to the extent Puget exercises such management, supervision and control in a manner which is otherwise inconsistent with the terms and conditions of this Lease. The City shall not construct, maintain or use (or permit the construction, maintenance or use of) any structures, buildings, improvements or facilities which obstruct or interfere with the use of the Property as a site for communications facilities. Puget shall, at all times, maintain the Property in a neat, clean and good condition.

SECTION 3 RENT AND OTHER PAYMENTS

3.01 Rent. As full compensation due the City from Puget for each Lease Year occurring throughout the Term (or the Renewal Term, if any), on or before the first day of each such Lease Year, Puget shall pay to the City Fifteen Thousand Dollars (\$15,000.00) as rent (the "Rent"). The term "Lease Year" shall mean each one (1) year period, beginning on the 1st of September and ending on the 31st of August, occurring throughout the Term (or the Renewal Term, if any).

3.02 Rental Adjustment. The amount of Rent payable pursuant to Section 3.01 above may be adjusted by the City, upon expiration of the first five (5) Lease Years, as follows:

(1) Upon written notice to Puget, the City may, not earlier than September 1, 1991, and upon each successive Lease Year thereafter throughout the Term (or the Renewal Term, if any), adjust the above stated Rent of Fifteen Thousand Dollars (\$15,000.00) per Lease Year. Such adjustment shall not exceed the increase (if any) in the Producer Prices and Price Index for "All Commodities" as published monthly by the U.S. Department of Labor, Bureau of Labor Statistics (the "PPI") for the adjustment period in question, calculated as follows:

$$\frac{\text{Pre-Adjustment Rent}}{1} \times \frac{\text{PPI for Adjustment Year} - \text{PPI for March of 1986}}{\text{PPI for March of 1986}} = \text{Adjusted Rent}$$

The PPI for March of 1986 is 300.3, using 1967 as a base of 100. If for any reason the PPI referenced herein shall cease to exist, the parties shall substitute, by mutual agreement, a successor index (e.g., the Consumer Price Index) which accomplishes the intent of this paragraph. Puget shall in no event be entitled to a decrease in Rent by reason of a decrease in the PPI for any adjustment period.

3.03 Leasehold Excise Tax. In addition to Rent (unless Puget is now or is hereafter exempt from such tax), Puget shall pay to the City the amount of any Leasehold Excise Tax due in accordance with Chapter 82.29A RCW.

3.04 Other Taxes. In addition to Rent, Puget shall pay when due any taxes imposed on or assessed against the Property.

3.05 Place of Payments. All payments of Rent or other amounts due the City from Puget shall be made to:

Anacortes Park Department
P.O. Box 547
Anacortes, WA. 98221
Attn: _____

3.06 Late Payment Charge. Any late payment of Rent or other amount due under this Lease shall bear interest, from and after the date thirty (30) days after the date due and until paid, at a rate of one percent (1%) per month or the maximum amount permitted by law, whichever is less. Acceptance of a late Rent payment (or of any other payment) by City shall not constitute a waiver of any such default or any other default.

SECTION 4 RESERVATIONS AND RESTRICTIONS

4.01 Right of Entry. The City reserves the right to enter upon the Property at reasonable times and in a reasonable manner to: (i) make inspections thereof, and (ii) maintain and repair City Facilities in accordance with subsection 6.03 below. Puget shall have the right to accompany the City during any such entry by the City upon the Property.

4.02 Restrictions on Use. Puget shall comply with all applicable laws and regulations of any public authority pertaining to the Property and Puget's use thereof. Puget shall correct any noncompliance with such laws and regulations at its sole expense (including payment of any fines or penalties). Puget shall obtain all federal, state, and local permits and licenses necessary to operate its communications facilities.

4.03 Fire and Debris. Puget shall protect the Property from fire and report and suppress any fire that may occur. Puget shall not allow debris or refuse to accumulate on the Property.

4.04 Transmitter Power Limitations. The power output of any individual radio frequency transmitter maintained upon the Property, measured at the antenna port of such radio frequency transmitter, shall not exceed 110 watts (excluding the loss and gain of the antenna).

4.05 FCC Compliance. Puget shall: (i) comply with all directions of the Federal Communications Commission; (ii) operate on assigned and approved frequencies; and (iii) immediately cause to be corrected any material

deficiencies that create more interference than currently exists among communications providers.

SECTION 5 REQUIREMENTS

5.01 Indemnify and Hold Harmless by Puget. Puget shall defend, indemnify and hold the City, its officers and employees, harmless from and against any and all claims, demands, liabilities, damages and expenses (including reasonable attorneys' fees) for injury to persons or damage to property resulting from Puget's negligent use of the Property, except for any claims, demands, liabilities, damages and expenses (including reasonable attorneys' fees) arising out of the City's negligence.

5.02 Insurance. Puget shall maintain a policy of liability insurance (or provide the City with a certification of self-insurance in a form acceptable to the City) in the minimum amount of five million dollars (\$5,000,000). Any policy of liability insurance so maintained shall contain a clause requiring notification of the City prior to cancellation by the insurance carrier. Puget shall carry property damage insurance covering the Property (or provide the City with a certification of self-insurance) in the minimum amount of one hundred thousand dollars (\$100,000). Nothing herein shall require Puget to maintain property damage insurance covering Tenant Improvements.

5.03 Waiver of Subrogation. The City and Puget shall ensure that any policies of insurance that each carries concerning the Property as insurance against: (i) liability for personal injury (including death) or property damage; (ii) fire or other physical property damage to Tenant Improvements; (iii) any loss resulting from business interruption; or (iv) any loss of rental income shall include a provision therein providing a waiver of the insurer's right of subrogation against the other party, such other party's successors and assigns, and the respective directors, officers, employees, agents and representatives of each of the foregoing. To the extent permitted by such policies of insurance, each party hereby waives such rights of subrogation.

SECTION 6 ASSIGNMENT AND PERMITS

6.01 Assignment. No rights created by this Lease may be assigned, sublet or transferred without the written consent of the City (which shall not be unreasonably withheld). The City

hereby gives such consent to Puget to enter into agreements, on terms and conditions acceptable to Puget and consistent with this Lease ("Permits"), allowing the use of the Property and improvements thereon, under Puget's management, control and supervision, for purposes of installation, operation, maintenance and repair of communications facilities by persons or entities other than Puget ("Permittees"). Puget shall provide the City with copies of any such Permits.

6.02 Permittees. Puget shall make every reasonable effort to provide space pursuant to Permits upon the Property to Permittees for installation, operation, repair and maintenance of communications facilities; provided, however, nothing in this Lease Agreement shall be construed to require Puget to provide space upon the Property to Permittees nor shall this Lease Agreement give rise to any rights (as a third party beneficiary or otherwise) to any person or entity desiring to make any use of the Property.

6.03 City Facilities and Priority. Puget acknowledges that the City currently maintains certain communication facilities upon the Property, which such facilities are more particularly described in Exhibit C attached hereto and incorporated herein by this reference ("City Facilities"). During the Term (or the Renewal Term, if any), the City shall have the right to maintain and repair such City Facilities upon the Property without benefit of Permit and without charge, subject to such reasonable rules and regulations as Puget may prescribe in connection with management of the Property as a site for communications facilities. The City may, subject to Puget's prior written consent (which shall not be unreasonably withheld), add to, expand, enlarge, alter or improve City Facilities during the Term (or the Renewal Term, if any). If, however, any such addition, expansion, enlargement, alteration or improvement of City Facilities requires the use of any Tenant Improvements, Puget reserves the right to require compensation from the City therefor. The rights of City with respect to the City Facilities shall, at all times, be prior to the rights of Permittees.

SECTION 7 TENANT IMPROVEMENTS AND DAMAGES TO THE PROPERTY

7.01 Existing and Future Improvements. Subject to the City's prior written consent (which shall not be unreasonably withheld), Puget may, during the Term (or the Renewal Term, if any), install any fixture or make any improvement, addition, alteration or modification to the Property necessary or

covenient to Puget's use of the Property. Without limiting the generality of the foregoing, all existing or future additions, alterations, fixtures, modifications or other improvements to, in or upon the Property which have been or are hereafter made by Puget ("Tenant Improvements") are and shall remain the property of Puget; provided, however, that:

(1) any Tenant Improvements remaining on the Property after expiration of the Term (or the Renewal Term, if any) shall become the property of the City; and

(2) any Tenant Improvements remaining on the Property twelve (12) months after the effective date of any termination of this Lease (by its terms, by operation of law, or otherwise) shall become and remain the property of the City; provided, however, that during such twelve (12) month period, the City shall not interfere with Puget's removal of Tenant Improvements and upon Puget's removal of Tenant Improvements, Puget shall restore the Property (to the extent disturbed) to a safe, neat, clean and sanitary condition.

7.02 Damage or Destruction to Tenant Improvements. If any Tenant Improvements are damaged or destroyed by any cause during the Term (or the Renewal Term, if any), Puget may (but shall have no obligation to the City to) restore the same. If such damage or destruction substantially impairs the value of the Property as a site for communications facilities, then Puget may terminate this Lease upon sixty (60) days' prior notice to the City. Any insurance proceeds received by Puget by reason of any damage to or destruction of Tenant Improvements shall be and remain the property of Puget.

7.03 Damage or Destruction of the Property. If the Property is wholly or partially damaged or destroyed by any cause during the Term (or the Renewal Term, if any), Rent shall abate in the same proportion the untenable portion of the Property bears to the tenantable portion thereof. Neither party shall be obligated to restore the Property; however, to the extent such damage or destruction substantially impairs Puget's use thereof as a site for communications facilities, then Puget may, at its option:

(1) restore, at its expense, the untenable portion of the Property to a tenantable condition (and, during such period of restoration, the Rent shall continue to be abated until restoration work is complete); or

(2) terminate this Lease upon sixty (60) days' prior written notice to the City.

SECTION 8 CONDEMNATION

8.01 Partial or Entire Taking. If all or any portion of the Property shall be taken or appropriated for public or quasi-public use by right of eminent domain (with or without litigation) or transferred in lieu thereof, this Lease shall terminate with respect only to portions of the Property so taken, appropriated or transferred upon the date title to such portion of the Property vests in the condemning authority. Any compensation for any such partial or entire taking, appropriation or transfer of the Property shall be apportioned between the City and Puget as provided by law (except that Puget shall be entitled to any and all compensation paid for Tenant Improvements). With respect to any remaining portion of the Property not so taken, appropriated or transferred, this Lease shall remain in effect, except that Rent shall be equitably reduced to reflect the portion of the Property taken, appropriated or transferred; provided, however, that if any partial taking, appropriation or transfer substantially impairs, in Puget's judgment, the suitability of the remaining portion of the Property for use as a site for communications facilities, then Puget may terminate this Lease by written notice to the City.

SECTION 9 RIGHT OF ACCESS

9.01 Right of Entry. To enable Puget to exercise its rights, benefits and privileges in and under this Lease, the City hereby grants to Puget a right of entry over, along, across and through that certain real property, more particularly identified in Exhibit D, attached hereto and incorporated herein by this reference, for purposes of: (i) ingress and egress of any and all vehicular, pedestrian or other traffic; and (ii) any and all other primary and secondary uses of such property as a means of access to and from the Property. The right of entry herein granted shall be of concurrent duration with this Lease.

SECTION 10 MISCELLANEOUS

10.01 Notices. Any notice, request, demand, designation, consent, approval, direction, statement or other communication under this Lease shall be in writing and shall be delivered in person or mailed, properly addressed and stamped with the required postage, to the intended recipient as follows:

If to the City: Anacortes Park Department
 P.O. Box 547
 Anacortes, Washington 98221

If to Puget: Puget Sound Power & Light Company
 Real Estate Department, OBC-11N
 P.O. Box 97034
 Bellevue, Washington 98009-9734

with a copy to:

Local Manager
Puget Sound Power & Light Company
1007 15th Street
Anacortes, Washington 98221

Either party may change its address specified in this paragraph by giving the other party notice of such change in accordance with this paragraph.

10.02 Liens. Puget shall not suffer or permit any lien to be filed against Puget's leasehold interest in the Property or any improvement thereon by reason of work, labor, services or materials performed or supplied to Puget or anyone holding the Property or any part thereof under Permit. If any such lien is filed against Puget's leasehold interest or any improvements thereon, Puget shall cause the same to be discharged of record within ninety (90) days after the date of filing the same unless other arrangements are authorized in writing by the City. Puget shall indemnify the City for any costs, damages or expenses (including reasonable attorneys' fees) incurred as a result of the filing of such liens or in obtaining their discharge whether such costs, damages or expenses were incurred prior or subsequent to termination of this Lease.

10.03 Utilities. Any electric power that may be provided by Puget to the Property for use by the City, Permittees or others shall be provided in accordance with applicable tariffs now or hereafter filed with the Washington Utilities and Transportation Commission.

10.04 Default by Puget. If Puget violates or defaults on any undertaking, promise or performance called for herein (and such violation or default constitutes a material noncompliance with the terms and conditions of this Lease), then the City may terminate this Lease upon sixty (60) days' advance written notice to Puget. Upon expiration of said sixty (60) day period, this Lease shall terminate unless Puget shall have cured the violation or default (or, if such violation or

default cannot be cured within such sixty (60) day period, Puget shall have commenced, to the City's reasonable satisfaction, such action to cure such violation or default in an expeditious manner). Upon termination, the City shall have the right to re-enter and retake the premises, subject to Puget's right to remove Tenant Improvements in accordance with subsection 7.01. If Puget shall fail to so remove such Tenant Improvements, they shall become the property of the City. Additionally, the City may seek damages for any such violation or default with or without terminating this Lease.

10.05 Default by the City. If the City violates or defaults on any undertaking, promise or performance called for herein (and such violation or default constitutes a material noncompliance with the terms and conditions of this Lease), then Puget may terminate this Lease upon sixty (60) days' advance written notice to the City. Upon expiration of said sixty (60) day period, this Lease shall terminate unless the City shall have cured the violation or default (or, if such violation or default cannot be cured within such sixty (60) day period, the City shall have commenced, to Puget's reasonable satisfaction, such action to cure such violation or default in an expeditious manner). Upon termination, Puget shall have the right to remove Tenant Improvements in accordance with subsection 7.01. If Puget shall fail to remove such Tenant Improvements, they shall become the property of the City. Additionally, Puget may seek damages for any such violation or default (or offset such damages against Rent or other amounts due or owing the City) with or without terminating this Lease.

10.06 Memorandum of Lease. Upon the request of either party, the parties shall execute, acknowledge, deliver and record a memorandum of this Lease in form and content satisfactory to both parties.

10.07 Attorneys' Fees. In the event of any action to enforce this Lease, for interpretation or construction of this Lease or on account of any default under or breach of this Lease, the prevailing party in such action shall be entitled to recover, in addition to all other relief, from the other party all attorneys' fees incurred by the prevailing party in connection with such action (including, but not limited to, any appeal thereof).

10.08 No Partnership. This Lease shall not be interpreted or construed to create an association, joint venture or partnership between the parties or to impose any partnership obligations or liability upon either party. Further, except as otherwise specifically provided in this Lease, neither party

shall have any right, power or authority to enter into any agreement or undertaking for or on behalf of, or to otherwise bind the other party.

10.09 Nonwaiver. The failure of either party to insist upon or enforce strict performance by the other party of any of the provisions of this Lease or to exercise any rights or remedies under this Lease shall not be construed as a waiver or relinquishment to any extent of such party's right to assert or rely upon any such provisions or rights in that or any other instance; rather, the same shall be and remain in full force and effect.

10.10 Survival. All provisions of this Lease which may reasonably be interpreted or construed as surviving the expiration, termination or cancellation of this Lease shall survive the expiration, termination or cancellation of this Lease.

10.11 Entire Agreement. This Lease sets forth the entire agreement of the parties, and supersedes any and all prior agreements, with respect to the Property. This Lease shall be construed as a whole. All provisions of this Lease are intended to be correlative and complementary.

10.12 Amendment. No amendment, change or modification of any provision of this Lease shall be valid unless set forth in a written amendment to this Lease signed by the City and Puget.

10.13 Successors and Assigns. Subject to the restrictions on assignments and subletting by Puget under subsection 6.01, this Lease shall be fully binding upon, inure to the benefit of and be enforceable by the successors, assigns and legal representatives of the respective parties. The City warrants that this Lease is not now, nor shall it hereafter be made, subordinate to any mortgage, deed of trust, security instrument or other document affecting the City's interest in the Property. Puget shall not, however, unreasonably withhold its consent to subordinate this Lease to any such mortgage, deed of trust, security instrument or other document if and to the extent the mortgagee, beneficiary, secured party or holder thereof shall first agree, to Puget's satisfaction, to recognize and preserve Puget's leasehold interests under this Lease in the event of foreclosure or other realization upon the City's interest in the Property.

10.14 Implementation. Each party shall take such action (including, but not limited to, the execution, acknowledgment and delivery of documents) as may reasonably be requested by

the other party for the implementation or continuing performance of this Lease.

10.15 Invalid Provisions. The invalidity or unenforceability of any provision of this Lease shall not affect the other provisions hereof, and this Lease shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

10.16 Headings. The headings of sections, paragraphs and subparagraphs of this Lease are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation or construction of the provisions of such sections, paragraphs or subparagraphs.

10.17 Governing Law. This Lease shall be interpreted, construed and enforced in all respects in accordance with the laws of the State of Washington.

IN WITNESS WHEREOF, the City and Puget have executed this Lease the day and year first above written.

PUGET SOUND POWER & LIGHT COMPANY

By John K. DeKrup
Its: Director Real Estate

Address: Puget Sound Power & Light
Company
P.O. Box 97034
Bellevue, WA 98009-9734

CITY OF ANACORTES

By James Rice
Mayor, City of Anacortes

Attest:

George Khtarian
George Khtarian, City Clerk

STATE OF WASHINGTON)
) ss.
COUNTY OF)

On this 4th day of September, 1986, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Wm. K. Arthur, to me known to be the person who signed as Director Real Estate of PUGET SOUND POWER & LIGHT COMPANY, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Dan A. Gamm
NOTARY PUBLIC in and for the State
of Washington, residing at Smith
My appointment expires 4-1-87

STATE OF WASHINGTON)
) ss.
COUNTY OF Skegit)

On this 27th day of August, 1986, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared JAMES RICE, to me known to be the person who signed as MAYOR of CITY OF ANACORTES, the municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned, and on oath stated that he was duly elected, qualified and acting as said officer of the municipal corporation, that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said municipal corporation.

WITNESS my hand and official seal hereto affixed the day
and year in this certificate above written.

John M. Waller
NOTARY PUBLIC in and for the State
of Washington, residing at *Burton*
My appointment expires *10-31-86*

03050

EXHIBIT C - City Facilities

1. Anacortes Emergency Medical System:

	<u>Transmit Freq.</u>	<u>Receive Freq.</u>	<u>Radio Mfg.</u>	<u>Antenna Mfg.</u>
Unit 1: EMS #10	462.975	467.975	Motorola	Decibel Products DB222
Unit 2: EMS #3	463.050	468.050	Motorola	Decibel Products
EMS #4	463.075	468.075	Motorola	Decibel Products
EMS #7	463.150	468.150	Motorola	Decibel Products
EMS #8	463.175	468.175	Motorola	Decibel Products

2. Anacortes Fire Department:

	<u>Transmit Freq.</u>	<u>Receive Freq.</u>	<u>Radio Mfg.</u>	<u>Antenna Mfg.</u>
Unit 1:	154.430	154.430	Motorola	DB224

Initial

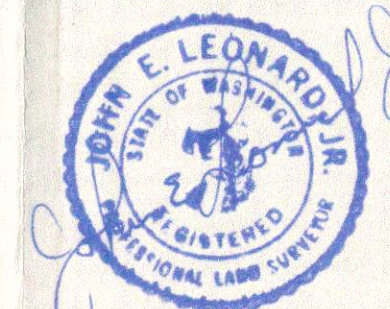

DETAIL "A"
SCALE: 1" = 10'

SECTIONS 1 & 12, T.34 N., R.1 E., W.M.



LEGAL DESCRIPTION

THAT PORTION OF SECTION 12, TOWNSHIP 34 NORTH, RANGE 1 EAST, W.M. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 12, THENCE NORTH 84° 21' 30" EAST, ALONG THE NORTH LINE OF SAID SECTION 12, A DISTANCE OF 2479.30 FEET; THENCE SOUTH 5° 38' 30" EAST, 443.54 FEET TO THE TRUE POINT OF BEGINNING; SAID POINT BEING AN EXISTING CYCLONE FENCE CORNER; THENCE NORTH 89° 58' 40" WEST, 96.07 FEET; THENCE SOUTH 5° 18' 54" EAST, 20.62 FEET; THENCE SOUTH 59° 14' 02" EAST, 58.01 FEET; THENCE NORTH 69° 38' 40" EAST, 60.01 FEET; THENCE NORTH 12° 43' 21" EAST, 29.69 FEET; THENCE NORTH 64° 15' 28" EAST, 21.79 FEET; THENCE NORTH 26° 34' 29" WEST, 3.23 FEET; THENCE NORTH 4° 28' 58" WEST, 30.95 FEET TO THE POINT OF BEGINNING.



BASIS OF BEARING:

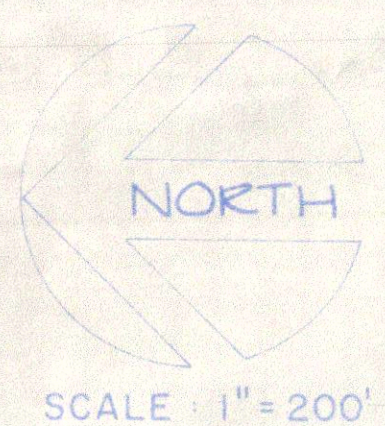
SHORT PLAT NO. 55-75, RECORDED IN BOOK 4 OF SHORT PLATS AT PAGE 43, UNDER AP. NO. 8003100026, RECORDS OF SNOOK COUNTY, WASHINGTON.

PSE & L, MT. ERIE COMMUNICATIONS FACILITY LEASE AREA

SEE DETAIL "A"

CITY OF ANACORTES
NE 1/4 of NW 1/4 SECTION 12-34-1

GOV'T LOT 1
SECTION 12-34-1



EXHIBITS A, B & D

PUGET SOUND POWER & LIGHT
REGARDING LEASE FROM
THE CITY OF ANACORTES
FOR THE MT. ERIE COMMUNICATIONS FACILITY

PREPARED BY: LEONARD & BOUDINOT, INC.
ENGINEERS & SURVEYORS
BURLINGTON, WA.

JULY 28, 1986