

Anacortes City Council Minutes - October 7, 2024

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of October 7, 2024, at 6:00 p.m. Councilmembers TJ Fantini, Ryan Walters, Anthony Young, Carolyn Moulton, Bruce McDougall and Amanda Hubik were present. Councilmember Christine Cleland-McGrath was absent.

Ms. Moulton moved, seconded by Mr. Young, to excuse the absence of Ms. Cleland-McGrath. The motion carried unanimously by voice vote.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller thanked the Parks and Recreation department for extra effort supporting the Bier Near the Pier event over the weekend. He then announced that the Skagit County Department of Emergency Management is holding a webinar on October 8th for annual flood awareness week, that the Fire Department is holding an open house on Sunday, October 13th from 12-3pm at Fire Station 1, that portions of T Avenue and 4th Street are closed due to the WWTP Outfall replacement project, and that Wednesday, [October 23rd will be a Comprehensive Plan open house from 6-8pm at City Hall in the Council Chambers.](#)

Fiber Committee

Mr. McDougall reported from the Fiber Committee meeting held September 26th. The topics discussed included subscription numbers of 2,532 customers in service, an over 50% take rate city wide, the implementation of a city-wide mass notification process through Civic Plus, revenue projections and operating expenses, and a final infrastructure buildout project update.

Finance Committee

Ms. Moulton reported that the Finance Committee had not met since the previous regular City Council meeting.

Housing Affordability and Community Services Committee

Mr. Walters reported from the Housing Affordability and Community Services Committee meeting held October 2nd. The topics discussed included a presentation by the Able Housing Initiative for disabled adults. The group asked that the Council keep their needs at top of mind during the Comprehensive Plan update process. The committee also met with former Councilmember Bill Turner and discussed his support for Habitat for Humanity and a multifamily tax exemption program. Ms. Moulton reported on recent interactions with the [Washington Low Income Housing Alliance.](#)

Public Works Committee

Ms. Moulton reported from the Public Works Committee meeting held earlier in the evening. The topics discussed included the Wastewater Treatment Plant outfall project, the 12th Street and Commercial Avenue intersection improvement plan, inclusion of the 9th Street and R Avenue intersection in the Capital Facilities Plan, and traffic safety issues.

Library Committee

Mr. Fantini reported from the Library Committee meeting held October 2nd. The topics discussed included a recap of the summer reading program; the children and family place, play and learn series taking place in October; an escape room at the library through October; the Haunted Walk on October 26th; the Haunted Library on October 25th and 26th; the Teen Area renovation project bid process; the 2025 budget; and a planned closure for staff training on November 22nd.

Public Safety Committee

Ms. Hubik reported from the Public Safety Committee meeting held October 1st. The topics discussed included the proposed fire response boat. The committee also discussed the criminal justice training center that will open in Arlington in January 2025 and parking enforcement.

Mr. Walters announced that he would be teaching a course in the fundamentals of the Growth Management Act and Comprehensive Planning in the State of Washington through the [Anacortes Senior College](#) on November 5th, 12th and 19th.

Anacortes Community Forest Lands Lifetime Achievement Award

Assistant Parks and Recreation Director Bob Vaux introduced Bruce Rustad, the first ever recipient of the Anacortes Community Forest Lands Lifetime Achievement Award. Mayor Miller presented the Anacortes Community Forest Lands Lifetime Achievement Award to Bruce Rustad.

Public Comment

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

Public comment was given as follows:

Karen Kline of Anacortes spoke in support of installing a pedestrian crosswalk and traffic-calming measures on 32nd Street to connect Storvik Park with the south side of 32nd Street between M Avenue and Commercial Avenue in the Capital Facilities Plan.

John Firlotte of Anacortes spoke about the Visitors Information Center and the value of in-person interactions for tourists who need online data interpreted and the significant number of local people who come in to the center for information about available activities when they host out-of-town guests.

Consent Agenda

Ms. Moulton moved, seconded by Ms. Hubik, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

a. Minutes of September 23, 2024

b. Approval of claims in the amount of \$1,182,518.42

The following vouchers/checks were approved for payment:

EFT numbers: 110570 through 110624, total \$874,897.08

Check numbers: 110629 through 110655, total \$289,824.50

Wire transfer numbers: 107063 through 355603, total \$17,796.84

c. Special Event Application: Elves Night Out - Anacortes Downtown Alliance

d. Contract Award: WWTP Nutrient Reduction Improvement Project - Aeration Basin Equipment #22-095-SEW-002

Public Hearings

Public Hearing on 2025 Budgeted Revenue Sources

Finance Director Steve Hoglund opened the public hearing on 2025 budgeted revenue sources, referring to a slide presentation that was included in the packet materials for the meeting.

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

At 6:59 pm, Mayor Miller closed the public hearing.

Discussion topics included:

- Basis for 2024 sales tax projection.
- Specific economic sectors and reasons for decreasing sales tax revenues.
- Possible further interest rate decreases.
- Number of permits applied for versus permits issued.

Other Business

Resolution 3167: Lodging Tax Funding Recommendations for 2025

Planning, Community, and Economic Development Director John Coleman introduced Resolution 3167, Lodging Tax Funding Recommendations for 2025, remarking that 29 applications for funding were received, totaling \$535,268. He added that the city is planning to build a community event center, of which a significant portion will be funded by lodging tax funds, which reduces the amount of funding available for this year's requests and following years. He announced that the committee decided on 23 awards totaling \$307,800, and that there are several outstanding applications for Bier Near the Pier and Uncorked festivals, as well as funding required for the preliminary design of the community event center. He also called out that the Visitors Information Center received an award of \$30,000 for 2025, dispelling rumors that had been circulating that the organization would not receive funding for 2025.

Mr. Walters added an overview of the committee's processes with the reduced available funding for the event facility project. He mentioned that the city's fireworks show would be fully funded and noted that the Port's requests for funding for music concerts was effectively consolidated into a single request, that the committee would not fund the Race Week event due to it being the lone for-profit entity, that lodging tax awards for the Downtown Anacortes Alliance would be reduced, and that the Oyster Run funding would be paid directly to the city to cover for overtime staffing costs for the event. He then provided a breakdown of the funding for the Anacortes Chamber of Commerce request for \$66,000 that includes the Visitors Information Center, restrooms, Coastal Christmas, and downtown beautification (not a qualified lodging tax expense), with the committee recommending the overall funding level at \$30,000. He noted that the committee recommended that the Chamber of Commerce marketing request of \$183,000 be set at \$125,000. He added that \$75,000 that was allocated to the Cap Sante Lookout project would be available for 2025 requests due to the project bid coming in under budget.

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

Public comment was delivered as follows:

Jesica Kiser of Anacortes and President and Chief Executive Officer of the Anacortes Chamber of Commerce thanked the Council for faithfully funding the Visitors Information Center over the years and that it be kept in mind when considering the funding resolution. She noted that this visitors center continues to see increasing visitor counts and strong volunteer staffing, and thanked the Council for funding it for another year. She expressed understanding that the funding had stopped for Coastal Christmas and downtown beautification, and gratitude for the funding that was received.

Discussion topics included:

- Are holiday decorations (lights) funded as part of the Planning Department budget? Are lights part of downtown beautification funding?
- Accuracy of the estimates for visitor counts.
- The reasons for not funding the Race Week event.

- Event center funding makes for a limited budget.
- Volunteers bring a hometown feel for visitors.
- Cut in funding for the greater good of the event center project.
- Planned timeline for opening of the event center.
- \$50,000 expense in 2024 funds for design work already done on the event center
- \$35,000 for the Chamber of Commerce event tents from 2025 funds.
- First tranche of design funding of \$200,000 for the event center from reserves.

ANTHONY YOUNG moved, seconded by BRUCE MCDOUGALL, to approve Resolution 3167 for the 2025 tourism promotion funding grants as recommended by the Lodging Tax Advisory Committee.

Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK, TJ FANTINI. Nays - None. Result: Passed

Ordinance 4088: 2024-2029 Capital Facilities Plan Amendment

Finance Director Steve Hoglund introduced Ordinance 4088: 2024-2029 Capital Facilities Plan Amendment, referring to a slide presentation that was included in the packet materials for the meeting.

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

Discussion topics included:

Fiber

- The Highway 20 corridor is not in the Capital Facilities Plan for 2025.
- EDA grant funding will carry over from 2024 to 2025.

Fire

- Would the fire boat be in the 2025 CFP?
- The reason for the increased cost of Fire Station 1 upgrade includes upgrades for all three fire stations.

General Government

- Additional details on projects are included in the plan.
- Enterprise resource planning application funding allocation.
- Additional discussion needed of pile removal and breakwater repair.

Public Works Operations

- Facilities condition assessment and maintenance repairs.
- Breakdown of how \$250k for facility maintenance repairs will be allocated.
- Appreciation for change in approach and increased detail.

Public Works Transportation

- Kansas Avenue scope - study implications of opening and improving storm water facilities.
 - Using storm water utility funds to accomplish improvements.
- 12th Street and Commercial Avenue intersection - funding breakdown.

- 9th Street to R Avenue pedestrian link.
- Benefits of having a port project for the event center in the Capital Facilities Plan.

Port Security Grant to Purchase a Public Safety Boat for the Anacortes Fire Department

Fire Chief Bill Harris re-introduced the proposed federal grant to purchase a public safety boat for the Fire Department, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Service access to Guemes Island.
- Service life estimate for the boat.
- Account for the possibility of arson when considering possible response scenarios.
- Skagit County Sheriff boat capabilities and response time.
- Estimated cost of unexpected maintenance requirements.
- Growing need for marine emergency response capability.
- Not adding a new capability, but enhancing an existing one.
- Cost - benefit analysis of the procurement choice.

AMANDA HUBIK moved, seconded by TJ FANTINI, to authorize the mayor to accept the 2024 port security grant from the Federal Emergency Management Agency.

Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK, TJ FANTINI. Nays - None. Result: Passed

Interlocal Agreement #24-256-FBR-001 for Burlington Dark Fiber Optic Connections

Administrative Services Director Emily Schuh introduced the proposed interlocal agreement with the City of Burlington for dark fiber optic connections.

BRUCE MCDOUGALL moved, seconded by AMANDA HUBIK, to authorize the mayor to execute interlocal agreement #24-256-FBR-001 with the City of Burlington for Dark Fiber Optic Connections.

Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK, TJ FANTINI. Nays - None. Result: Passed

Adjournment

There being no further business, at approximately 8:53 p.m. the Anacortes City Council meeting of October 7, 2024 was adjourned.