

Anacortes City Council Minutes - November 4, 2024

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of November 4, 2024 at 6:00 p.m. Councilmembers TJ Fantini, Ryan Walters, Anthony Young, Christine Cleland-McGrath, Carolyn Moulton, Bruce McDougall and Amanda Hubik were present.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller thanked everyone for their participation and efforts in the special meeting with the Port of Anacortes. He then read a statement regarding the general election on November 5th, urging community members to participate in the democratic process and respectfully exercise their First Amendment rights to express their feelings regarding the outcome. Mayor Miller reminded the public that on Monday, November 11th, city offices would be closed in commemoration of Veterans Day and that the regular City Council meeting would be held on November 12th. He announced that solid waste service normally scheduled for that day would be provided on Tuesday, November 12th, that there would be a parade through downtown honoring Veterans at 1pm on Sunday, November 10th, with a static display to follow at Causland Park, and that Island Health would hold a short recognition ceremony on Monday, November 11th at 1pm. He concluded by reminding the public that the [Community Economic Development Survey](#) is online and available for public participation with a follow-up meeting to look at survey results on November 19th at 12pm.

Mr. Fantini recounted attending the Anacortes Community Theater gala commemorating 60 years over the past weekend. He thanked the mayor for his proclamation celebrating the occasion and expressed hope that the organization would continue to thrive for at least another 60 years.

Public Works Committee

Mayor Miller announced that the Public Works Committee did not meet due to the special joint meeting with the Port of Anacortes Commission earlier in the evening.

Public Comment

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

Public comment was delivered as follows:

Jeff Anderson of Anacortes commented on a public parking area on West 8th Place that he thought was for public access to Cranberry Lake, mentioning that an area resident who uses the public parking area for their own vehicles is continually harassing neighbors and members of the public who park there. He alleged that this resident damaged the vehicle of a visiting guest after parking it in the area for two days. He mentioned that he had been in contact with the Anacortes Police Department regarding the matter.

Consent Agenda

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

a. Minutes of October 28, 2024

b. Approval of claims in the amount of \$898,392.07

The following vouchers/checks were approved for payment:

EFT numbers: 110834 through 110874, total \$649,580.48

Check numbers: 110875 through 110889, total \$235,326.35

Wire transfer numbers: 357104 through 357435, total \$13,485.24

Other Business

Ordinance 4091: ACCESS Anacortes Fiber Internet Limited Tax General Obligation Bond Issue

Finance Director Steve Hoglund introduced Ordinance 4091 that would authorize the city to issue a limited tax general obligation bond to finance the costs related to designing and constructing extensions to and improvements to the City's fiber optic network, ACCESS Anacortes Fiber Internet. He mentioned that the specified amount of \$13.5 million gives some room for maneuver in case of unanticipated costs, referring to the electronic draft ordinance that was included in the packet materials for the meeting. He then outlined the bonding process, referring to a schedule of events that was added to the packet materials for the meeting. Bond Counsel Alice Ost diek of Stradling and Bond Underwriter Justin Monwai of Piper Sandler answered questions from the Council.

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

Discussion topics included:

- Debt limits for the city.
- Is this a general or revenue bond? - no state statutes in place for revenue obligation.
- Spreadsheet for amount of bond, amount of expense for 2025 for fiber, the expected cost of servicing the debt, the amount of revenue
- Revenue projections are ahead of what was anticipated at the outset of the project.
- The take rate is substantially higher than anticipated. Costs are also higher.

Resolution 3169: Authorizing Procurement From or Through The United States Government

Finance Director Steve Hoglund introduced Resolution 3169 that would authorize procurement from or through the United States Government.

Discussion topics included:

- Is the resolution specific to the fire boat purchase or applicable to other purchases?
- Realizing efficiencies of the federal government schedule.
- What other items could be purchased through this program?

Ryan Walters moved, seconded by TJ Fantini, to approve Resolution 3169.

Vote: Ayes - Carolyn Moulton, Amanda Hubik, TJ Fantini, Anthony Young, Ryan Walters, Christine Cleland-McGrath, Bruce McDougall. Nays - None. Result: Passed

Contract Award: WWTP High Efficiency Diffuser System Equipment Purchase #24-110-SEW-001

Public Works Director Andrew Rheame introduced proposed contract #24-110-SEW-001 for the purchase of Waste Water Treatment Plant High Efficiency Diffuser System Equipment from Ovivo USA LLC. He recounted the negotiation process after the vendor returned the initial agreement.

Discussion topics included:

- The change from the original contract is the labor contract.

Carolyn Moulton moved, seconded by Anthony Young, to authorize the mayor to sign contract #24-110-SEW-001 with Ovivo USA LLC for the purchase of Waste Water Treatment Plant High Efficiency Diffuser System equipment.

Vote: Ayes - Carolyn Moulton, Amanda Hubik, TJ Fantini, Anthony Young, Ryan Walters, Christine Cleland-McGrath, Bruce McDougall. Nays - None. Result: Passed

Contract Award: WWTP Aeration Diffuser Replacement Installation #24-110-SEW-002

Public Works Director Andrew Rheume introduced proposed contract #24-110-SEW-002 with McClure and Sons, Inc. for the WWTP Aeration Diffuser Replacement Installation.

Amanda Hubik moved, seconded by Bruce McDougall, to authorize the mayor to sign contract #24-110-SEW-002 with McClure and Sons, Inc. for the WWTP Aeration Diffuser Replacement installation.

Vote: Ayes - Carolyn Moulton, Amanda Hubik, TJ Fantini, Anthony Young, Ryan Walters, Christine Cleland-McGrath, Bruce McDougall. Nays - None. Result: Passed

2025 Operating Budget

Finance Director Steve Hoglund and Finance Manager Rhonda Peck introduced the discussion on the 2025 Operating Budget, 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:

Public Works - Overview and Administration - Andrew Rheume

- The South Commercial Avenue project could be done with city funds if done incrementally.
- Special fund for pavement management would authorize spending those funds on sidewalks and roads.
- Tracking spending on pavement management.
- Washington State Department of Transportation grants for multi-modal transportation.
- Annual spending on the [Transportation Benefit District page](#) of the city website.
- Adding FTEs for project management requirements.

Public Works - Engineering

- Need for licensed FTEs for engineering.

Public Works - Facilities

- Seagull mitigation options.

Public Works - Sanitation Services

- What to do in preparation for the end of the recycling and yard waste contract?
 - 1-year extension for the current contractor.
 - 2-year lead time for purchasing sanitation trucks.
 - Could there be a private hauler that could have access to enough trucks to service Anacortes?
- Look for alternatives for providers now in advance to give the city leverage in negotiations with the

current vendor.

Public Works - Sewage Collection and Sewer Treatment – Wastewater Treatment Plant Manager Brian Walker

- Pared back capital projects to answer the question of how to handle the solids.
- Sewage treatment versus sewage collection.
- General sewer plan.
- Consequences of deferring maintenance on the wastewater treatment plant until the general sewer plan is finalized.

Public Works - Storm Drainage

- Fidalgo Bay Road flooding.
- Drainage ditch that cannot be accessed once MJB begins developing.
- Is there additional work that needs to be accomplished on MJB property prior to development?

Public Works - Street Maintenance

- Borrowing long-lining equipment from Mount Vernon to evaluate possibly purchasing the same system.
- Downtown Street Scape spending should be reallocated to the Ninth Street to Marina connection.
- Port of Anacortes will re-design the block of Ninth Street between Commercial Avenue and Q Avenue.
- The downtown parking plan is with the Planning Department.
- How to add parking downtown?
- Pavement management and sidewalk leveling for 2025 have been reallocated to the Commercial Avenue project.

Public Works - Vehicles and Equipment - Operations Manager WiL Ludemann

- Insurance policies are annual.
- Operations building expansion funds.

Public Works - Water Maintenance and Water Treatment Plant

- Increased cost for water treatment chemicals.
- What is water re-sale?

General Budget Topics

- Timeline for delivery of final budget and capital facilities plan.
- Budget public hearing on November 12th.

Adjournment

There being no further business, at approximately 7:36 pm the Anacortes City Council meeting of November 4, 2024 was adjourned.