

Anacortes City Council Minutes - February 10, 2025

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of February 10, 2025, at 6:00 p.m. Councilmembers TJ Fantini, Ryan Walters, Anthony Young, Christine Cleland-McGrath, and Carolyn Moulton were present. Councilmember Amanda Hubik participated in the meeting remotely via Zoom. Councilmember Bruce McDougall was absent.

Ms. Moulton moved, seconded by Mr. Fantini, to excuse the absence of Mr. McDougall. The motion carried unanimously by voice vote.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller announced that city offices would be closed on February 17th in observance of the Presidents Day holiday and that the regular City Council meeting scheduled for February 18th would be postponed due to the likelihood of the lack of a quorum until the next regular meeting scheduled for February 24th.

Housing Affordability and Community Services Committee

Ms. Cleland-McGrath reported from the Housing Affordability and Community Services Committee meeting held February 5th. The committee discussed a summary of uses of 2024 Community Development Block Grant (CDBG) funding, including curb cuts for disabled access at 24th Street and H Avenue, public services for the Anacortes Family Center, floor repair and replacement at the Salvation Army, exterior maintenance for the Anacortes Family Center temporary housing shelter, and roof replacement for the Anacortes Housing Authority with a small amount remaining to put toward a project in 2025. She added the 2025 grant period is currently open through February 21st and that staff are determining if the city will need to conduct an analysis of impediments to maintain eligibility for CDBG funds in the future.

Planning Committee

Ms. Moulton reported from the Planning Committee meeting held immediately before the council meeting at 5:00 pm. The topics discussed included the Skagit Transit long range plan for service throughout the county, specifically the proposal to have continuous service between Anacortes and Mount Vernon and more frequent trips, and potential uses for the Anacortes Family Center property located on 31st Street and associated zoning considerations to improve housing availability and affordability for renters and owners alike. Mr. Young expressed appreciation for public transportation as an important community resource.

Port / City Liaison Committee

Mr. Walters reported from the Port / City Liaison Committee meeting held February 3rd. The topics discussed included a review of edits to separate interlocal agreements for the proposed joint City - Port event center, most significantly that the port dropped their request for financial contingencies should the port lose money on the operation of the facility. He reported that the committee would meet again on February 18th to keep the process moving forward and that the city had met, and will meet, internally with bond counsel to consider additional edits to the agreements regarding funding.

Information Technology Committee

Mr. Walters reported from the Information Technology Committee meeting held February 6th. The principal topic discussed was the proposed upgrade of the city's phone system from an on-site hosted system to a cloud-based voice over internet protocol system. He reported that the cost of the transition to the new system will be within budget but that the ongoing cost would be more than double the existing system due to additional taxes and fees but would also lessen the administrative burden of hosting the system.

Ms. Cleland-McGrath reported on an online meeting she attended hosted by the Association of Washington Cities that included the National League of Cities, Puget Sound Regional Council, and a representative from Senator Murray's office regarding ongoing changes to federal funding. She reported that the main takeaway was that the city needs to communicate with Senator Murray's office regarding which federal grants are important and if there are any pauses or associated challenges to expected federal funding. Ms. Cleland-McGrath announced that she would share the link to the recorded meeting with the Council and expressed her desire that there should be a deeper discussion with the Finance Committee regarding potential federal funding changes and associated impacts on city revenues.

Mr. Young announced that Island Health would hold meetings on the future direction and viability of the hospital in the near future and encouraged the community to take part in those discussions.

Public Comment

Mayor Miller invited the public to comment on any item not on the agenda. Public comments were given as follows:

Steve Anderson of Anacortes commented on the city's fiber optic cable installation in his neighborhood. He asked about the city's right of way authority regarding installation of fiber cables and boxes. Mayor Miller responded that staff would respond to his inquiry at a later date.

Linda Martin of Anacortes thanked the mayor and councilmembers who responded to her comments the prior week regarding west end park design funding.

Consent Agenda

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

a. Minutes of February 3, 2025

b. Approval of claims in the amount of \$774,339.05

The following vouchers/checks were approved for payment:

EFT numbers: 111655 through 111694, total \$562,394.32

Check numbers: 111654 + 111696 through 111707, total \$192,174.06

Wire transfer numbers: 363161 through 363324, total \$19,770.67

c. Contract Award: ARCGIS Software and Maintenance Agreement 2025-2027 #25-009-GIS-001

Other Business

Planning, Community and Economic Development 2025 Department Update

Planning, Community, and Economic Development Director John Coleman presented a department update referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

Housing Unit Trends

- Townhome permits issued reflects all of Skagit County?
- Steeper fall off in permits issued in Anacortes versus national trend line.
- Greater proportion of cash buyers in Anacortes than elsewhere in the county and state.
- Less available land for development in Anacortes?
- Issues that are impacting development.
 - Consultant hired to help better implement SmartGov.

- Staff working constantly with developers to assist with the process.
- Transition from a small town to a small city.
- Staff challenges learning new software coupled with more complicated permitting scenarios.

Housing Trends

- Data annualized and markers are third quarter due to latest available data being third quarter 2024.

New Housing Units 2019-2024

- Accessory Dwelling Unit New - new construction.
- Accessory Dwelling Unit ALT - alteration of existing construction.

Planning Division Updates

- Sharpe's Corner site analysis study report by Makers to Council and public once complete.
 - Request for proposal guidelines included in the report.
 - Guide for the Council and community on how to proceed with development.

20-Year Housing Growth

- Builders and developers will produce needed housing, not the city.
- City is responsible for zoning and policies that will enable achieving the desired targets.

Upcoming Land Use Projects

- Strandberg Threet project on west end of 17th Street.

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

Contract Award: 16th Street and D Avenue Improvement #22-213-TRN-003

City Engineer Logan Lee presented to Council contract #22-213-TRN-003 for \$1.17 million with Fisher Construction Group for the 16th Street and D Avenue improvement project. He mentioned that this project is in partnership with the Samish Indian Nation, for which the city is providing project management and construction administration, while the Samish are providing project funding for street and sidewalk improvements in the area surrounding the Samish Early Learning Center.

Discussion topics included:

- Project addressing community childcare needs.
- City and Samish collaboration contributing to project success.
- Map of the project area.
- Traffic calming feature on C Avenue.
 - Raised crosswalk or speed table - similar to feature used on 29th Street between Commercial and M Avenues.

- Mini roundabout as test traffic calming feature for other locations in the city.
- Parking on the street between C and D Avenues.
- Changes from the design considered by the Council in July 2023
 - Improvements between 17th Street and 18th Street have been removed due to non-availability of funds.
- Including updated plans in the agenda packet.
- Public Works Committee review of the project and its role with respect to the entire Council.
- Includes four crossings on D Avenue all with rapid-flashing beacons.

Mr. Young moved, seconded by Mr. Fantini, to authorize the mayor to execute contract #22-213-TRN-003 with Fisher Construction Group Inc. for the 16th Street and D Avenue improvement project.

There were additional comments at this point around not having plans, maps, and other documentation related to this project included in the packet materials that made some councilmembers hesitant about voting for the contract. Public Works Director Andrew Rheaume pointed out the contract cannot be changed at this point as the 100% design project was put out to bid, and the Council is considering the contract that includes the final design.

Ms. Cleland-McGrath requested staff provide the Council with final plans and maps and move the item to the end of the agenda to consider after the Council had a chance to review the materials.

Mr. Young and Mr. Fantini removed their motion and second, respectively. The plans were reviewed and some of the council's questions subsequently answered.

Anthony Young moved, seconded by TJ Fantini, to authorize the mayor to sign contract #22-213-TRN-003 with Fisher Construction Group Inc. for the 16th Street and D Avenue improvement project.

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

Temporary Construction Easements for Cascade Natural Gas Relocation Project

City Attorney Darcy Swetnam presented temporary construction easements for the Cascade Natural Gas (CNG) relocation project, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Nature of the work CNG is going to perform.
 - Mr. Lee described there is a swale that needs to be adjusted and resides in a grassy area east of the Tommy Thompson Trail around the skate park area.

Christine Cleland-McGrath moved, seconded by Amanda Hubik, to authorize the mayor to execute two temporary construction easements between the City and Cascade Natural Gas Corporation regarding the relocation of a regulator station to the corner of R Avenue and 22nd Street.

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

Contract Award: WWTP Incineration Evaluation and Solids System Planning #25-052-SEW-001

Wastewater System manager Brian Walker presented contract #25-052-SEW-001 for the consultant, Brown and Caldwell, to perform an assessment of the current wastewater treatment plant incineration system. He provided a history of the operation of the incinerator since its inception in 1992 and mentioned that the contract would be

divided into two separate phases. The first would include a physical and operational inspection of the incinerator, a financial analysis of the operation, the delivery of a technical memorandum for the rehabilitation of the incinerator, and an incinerator bypass plan. The second phase would be pursued if the first does not provide a viable path for rehabilitation of the incinerator and would include biosolids alternative planning using economic and non-economic criteria.

Discussion topics included:

- Threshold for moving on to the second phase of the contract.
- Volume of two dry tons of solids processed per day by incinerator.
- Bellingham and Vancouver are the two other cities in the state that operate an incinerator.
- Federal legislation and regulations regarding incinerators.
- Timing of review.

TJ Fantini moved, seconded by Ryan Walters, to authorize the mayor to sign contract #25-052-SEW-001 with Brown and Caldwell to conduct the Wastewater Treatment Plant Incineration Evaluation and Solids System Planning project.

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

Adjournment

There being no further business, at approximately 8:08 pm the Anacortes City Council meeting of February 10, 2025, was adjourned.