

Anacortes City Council Minutes - March 3, 2025

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of March 3, 2025, at 6:00 p.m. Councilmembers TJ Fantini, Ryan Walters, Carolyn Moulton, and Bruce McDougall were present. Councilmembers Anthony Young, Christine Cleland-McGrath, and Amanda Hubik participated in the meeting remotely via Zoom.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller announced that the 2026 Forest Plan update [public comment](#) is open until 5pm on March 4th and that the Forest Advisory Board will meet on Thursday, March 6th, to discuss the public comments that were received. He then announced that the First Friday Art Walk is this Friday, March 7th, and that Naval Air Station Whidbey Island will be making runway repairs to the east-west runway from March through November 2025, which will result in increased aircraft activity over Anacortes.

Fiber Committee

Mr. McDougall reported from the Fiber Committee meeting held February 27th. The topics discussed included the current customer count (~2,600 subscribers), take rate (52%), the fiber network expanded its download speed limit to 15 Gbps to better handle peak demand periods, a slowdown in installations over the past month due to freezing temperatures, a network construction update (70% complete), the coming increase of customer installations in the construction area, and the acquisition of a block of IPv4 addresses.

Public Works Committee

Ms. Moulton reported from the Public Works Committee meeting held earlier in the evening. The topics discussed included the upcoming Guemes Island Ferry haul-out that will last from March 15th through May 1st, for which the city will be mostly responsible for outreach efforts regarding the event. Mr. Walters added that different from previous haul-outs, there will be no diagonal parking along 6th Street, and H Avenue between 6th Street and 7th Street will remain open to two-way traffic. Ms. Moulton continued by announcing that on Wednesday, March 5th, there would be temporary no-parking zones due to the arrival of a home by barge in the Skyline area, and that the falcon that will be employed to deter seagulls from nesting on downtown buildings will come to a City Council meeting in the near future.

Parks & Recreation Committee

Mr. McDougall reported from the Parks and Recreation Committee meeting held February 27th. The topics discussed included the Depot Plaza expansion going out to bid in early summer, the Anacortes Community Forest Lands Plan being available for public comment via email and on March 6th at 6pm in the library community room, the West 6th Street and Minnesota Avenue park proposal, the Ship Harbor pedestrian trail restoration in cooperation with the Samish Indian Nation and the Port of Anacortes, and the ongoing compilation of the community needs assessment survey for the Senior Activity Center. He concluded by announcing that the Cap Sante Lookout ribbon cutting would occur on April 16th at 1:30pm.

Mr. Walters asked if there was any consideration of the impact of the planned pickle ball court installation on the tennis courts on 22nd Street on the surrounding neighborhood. Mayor Miller responded that the Parks and Recreation department is well aware of the associated challenges and will ensure that community voices will be heard on the matter.

Public Comment

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

David Speidel of Sequim, Washington addressed concerns about possible police misconduct in the Anacortes Police Department and evidence tampering by the Anacortes Municipal Court.

Consent Agenda

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

a. Minutes of February 24, 2025

b. Approval of claims in the amount of \$677,682.11

The following vouchers/checks were approved for payment:

EFT numbers: 111812 through 111862, total \$329,152.95

Check numbers: 111801 & 111863 through 111880, total \$319,407.36

Wire transfer numbers: 364595 through 364632, total \$29,121.80

Other Business

Finance Update

Finance Director Steve Hoglund provided a Finance Department update, referring to a slide presentation that was included in the packet materials for the meeting.

Discussion topics included:

Governmental and Enterprise Funds

- Are all funds included?
 - The firefighter's pension fund is not required to be included in the budget.
- Internal service funds
 - Information technology is part of the general fund, but is being considered for its own fund.
- Distinction between the 300-level construction fund and the 100-level road construction fund.
 - Generally, 300-level funds are temporary, whereas 100-level funds have dedicated revenue streams.
 - Benefit to creating a 300-level fund for utility construction to separate these expenditures from operating costs.

2024 Year-End Results

- Forest Endowment Fund
 - Do expenditures go directly to the Parks fund as revenue?
 - Code section governing that fund.
- Stockpiling funds for future projects - how is it invested?
 - Investments are outlined under state law.
 - Funds are pooled and redistributed to individual funds at investment maturity.

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

Sherean McCool of Anacortes asked what fund name the museum would fall under. Mr. Hoglund responded that the museum resides under the general fund.

Linda Martin of Anacortes commented that the number that stood out for her was that \$2.6 million will be taken out of cash reserves to balance the budget for 2025, and that the Council should consider scaling back spending.

2024 Year End, 2025 Budget Fund Balance

- How budget cuts at the federal level might affect the city's finances.
- The amount of the 2025 fund balance is what is budgeted to be spent this year, not the remaining total fund balance.
- Solid waste fund solvency and rate adjustment strategy with the increased tipping fees.
- Revenue discussion to inform future budget planning.
- Federal Emergency Management Agency funding impact on 2025 budget fund balance.
- Inflation and other economic factors are not captured in the slides.
- Planned use of fund balance for projects is normal.
- What are the red flags?
 - Real estate excise tax
 - Parks, Library and Cemetery fund balances heavily reliant on property tax.

Impact Fees

- The source of street impact fees is development.
- The ability to charge delivery vehicle companies for road use.
- New basis for calculating impact fees based on square footage instead of dwelling unit.
- The source of impact fees in general is new development.
 - Pedestrian improvements must be tied to new development.
 - Use of impact fees for sidewalk improvements in the west streets and between Commercial and R Avenues.

Adjournment

There being no further business, at approximately 7:23 pm the Anacortes City Council meeting of March 3, 2025, was adjourned.