

Anacortes City Council Minutes - April 21, 2025

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of April 21, 2025, at 6:00 p.m. Councilmembers TJ Fantini, Ryan Walters, Anthony Young, Christine Cleland-McGrath, and Bruce McDougall were present. Councilmember Amanda Hubik participated in the meeting remotely via Zoom. Councilmember Carolyn Moulton was absent.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller thanked everyone involved in the re-dedication of the Cap Sante lookout and the Public Works department for the successful spring residential cleanup day. He then announced that tomorrow would be special election day with ballot drop boxes open until 8pm and that there would be a community recreation center public meeting on Thursday in Council Chambers. He then detailed Earth Day and Arbor Day events and concluded by announcing there would be a street closure on April 23rd on 7th Street between O Avenue and Commercial Avenue for crane operations.

Public Works Committee

Mr. Walters reported from the Public Works Committee meeting held earlier in the evening. The topics discussed included the external requirement from the state health department to protect the water system from hazards, the bid process on the Commercial Avenue and 12th Street intersection improvement project, the wastewater treatment plant outfall project, and design for a crosswalk with bulb outs at 23rd Street and D Avenue.

Economic Development Committee

Mr. Young provided an update on the Economic Development committee meeting held two weeks ago. The topics discussed included a discussion with the Western Washington University Economic Development Institute about the second draft of the survey data analysis. The next draft would be provided to the committee over the next couple weeks and will be available for public review.

Public Comment

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

Robert Festa of Anacortes spoke about the future use of the Eagles Hall, and his intention to communicate a proposal for the use of the building by a non-profit organization to the current owner. He requested community and Council support in the effort and shared that he could be reached on 206-713-9109 to discuss the matter.

Consent Agenda

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

a. Minutes of April 14, 2025

b. Approval of claims in the amount of \$485,558.45

The following vouchers/checks were approved for payment:

EFT numbers: 112274 through 112314, total \$411,970.69

Check numbers: 112315 through 112325, total \$54,752.37

Wire transfer numbers: 367531 through 367843, total \$18,835.39

c. Special Event Application: Anacortes Farmers Market

Public Hearings

Public Hearing: Community Development Block Grant (CDBG) 2025 Action Plan

At 6:14 pm, Mayor Miller opened the advertised public hearing on the Community Development Block Grant (CDBG) 2025 Action Plan. Planning, Economic, and Community Development Coordinator Stephanie Snyder re-introduced the CDBG 2025 Action Plan, referring to a slide presentation that was added to 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 6:16 pm, Mayor Miller closed the advertised public hearing on the CDBG 2025 Action Plan.

Ms. Cleland-McGrath announced that she would abstain from the vote due to being on the board of the Anacortes Family Center, one of the funding recipients under the proposed plan.

TJ Fantini moved, seconded by Ryan Walters, to approve the Community Development Block Grant 2025 Action Plan.

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

Other Business

First Quarter Finance Update

Finance Director Steve Hoglund presented the first quarter finance update, referring to a slide presentation that was included in the packet materials for the meeting.

Discussion topics included:

Public Utility Tax

- Accounting for the increase.
 - Industrial customers (refineries, LaConner, Oak Harbor)

Sales Tax Revenue

- Factors that distinguished 2022 as a good year for sales tax revenue and the subsequent downturn.
 - Increased consumer prices and interest rates.
 - Boat sales, hospitality, and online retail are the only sectors that have shown strong revenue.

Real Estate Excise Tax (REET)

- Factors for the 2019 drop in REET.
 - High-value new developments were completed in the years prior.
 - Economic slowdown.

Revenues by Fund

- Strategy for decision-making if the current downward economic trend continues.
 - Scrutinizing the re-filling of open positions on a case-by-case basis.
 - Looking at revenue projections.
- Use of cash reserves over the past three years.

- The rate of drawdown and how that will affect the next few years.
- List of software subscription services.
- Economic warning signs
 - A lack of sales tax revenue growth.
- Fiber as a source of optimism.
- Tension between maintaining the small-town character and maintaining economic vitality.

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

Ordinance 4098: 1st Quarter Budget Amendment

Finance Director Steve Hoglund and Police Chief Dave Floyd introduced Ordinance 4098 that would amend the 2025 budget to include additional expenditures from opioid settlement funds for the procurement of a new police canine and from equipment replacement funds for several computers that were not planned to be replaced at the time of budget development, but have since determined to be incompatible with recent operating system updates.

Discussion topics included:

- Price for the new police canine.
 - Includes training and health guarantee.

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

Ryan Walters moved, seconded by Anthony Young, to waive the two-read rule for ordinances. The motion carried unanimously by voice vote.

Ryan Walters moved, seconded by TJ Fantini, to approve Ordinance 4098 as presented.

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

Interlocal Agreement 26-001-MCT-001 with Skagit County for the Community Court Program 2026-2028

Administrative Services Director Emily Schuh presented the proposed interlocal agreement 26-001-MCT-001 with Skagit County for the Community Court Program 2026-2028.

Ryan Walters moved, seconded by Christine Cleland-McGrath, to authorize the mayor to sign interlocal agreement 26-001-MCT-001 with Skagit County for the Community Court Program.

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

Interlocal Agreement 26-002-MCT-001 with Skagit County for Probation Services 2026-2028

Administrative Services Director Emily Schuh presented the proposed interlocal agreement 26-002-MCT-001 with Skagit County for Probation Services 2026-2028.

Ryan Walters moved, seconded by Anthony Young, to authorize the mayor to sign interlocal agreement 26-002-MCT-001 with Skagit County for Probation Services.

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

Interlocal Agreement 25-134-APD-001 with Washington State Criminal Justice Training Commission for APD Training Support

Police Chief Dave Floyd introduced proposed interlocal agreement 25-134-APD-001 with Washington State Criminal Justice Training Commission (CJTC) for Anacortes Police Department (APD) training support, which would allow APD to send subject-matter expert officers to the CJTC Campus at APD's discretion to support training students at the CJTC campus, and in return receive reimbursement from CJTC for the cost of the APD officer's time spent instructing during city work hours. The term of the Agreement would be from March 24, 2025, through March 31, 2028.

Discussion topics included:

- Length of time that officers could be absent from their duties in Anacortes.
 - No officers are currently available due to staffing constraints.
 - The ability to respond to 911 calls determines the department's ability to participate.
- Participation provides career growth and advancement opportunities.
- Forms important working relationships within the region.
- It allows APD to supervise and ensure the quality of training being administered.

Christine Cleland-McGrath moved, seconded by TJ Fantini, to authorize the mayor to sign interlocal agreement 25-134-APD-001 with Washington state Criminal Justice Training Commission for APD training support.

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

Adjournment

There being no further business, at approximately 7:13 pm the Anacortes City Council meeting of April 21, 2025, was adjourned.