

Anacortes City Council Minutes - June 13, 2024

Call to Order

Mayor Matt Miller called to order the Anacortes City Council special meeting of June 13, 2024 at 8:30 a.m. Councilmembers TJ Fantini, Anthony Young, Ryan Walters (arrived at 9:50 a.m.), Christine Cleland-McGrath, Carolyn Moulton, Bruce McDougall and Amanda Hubik were present.

Communication Styles Training Refresher

The Councilmembers, Department Heads, and Mayor Miller participated in introductory exercises and discussion regarding communication styles.

Elected and Staff Roles and Relationships and Role of Council Committees

Facilitator Marilynne Beard of MMB Consulting led a group discussion on elected and staff roles and relationships, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

Roles and Relationships: Mayor and Staff

- Challenge to communicate policy-related information to the Council.
- How to provide enough information to the Council through just committees and regular meetings.
- Human Resources Director prepares the allocation of employees to the Council.
- Board portal use in CivicClerk so that extended legislative calendar is available to the Council.

Roles and Relationships: Council

- Refusing to communicate is not helpful.
- Different council members seem to have different levels of information
- Two-way communication is key and should flow easily.
- Shift in trust levels in the last two years.
- Having all the information available and leaving the choice to individual council members about where to focus.
- Study/work sessions are critical to open communication (once a quarter or every other month) to build trust and enhance communication.
- Council needs more information to shape the policies of the city. Need high level data to craft policy. The Council's job is to require agenda bill minimum requirements.
- Regular department director updates to the Council. (Parks and Recreation example: emailed department reports every 4-6 weeks including top 3-5 items for Council consideration and upcoming community events of interest.)
- Communicating resource needs to the Council. Unmet needs must come to the Council.
- Needs analysis to plan for the 20-year funding plan.
- Agenda bills missing key information.
- Council agenda calendar should be a schedule of topics to be discussed at a future Council meeting.

Role of Council Committees: Mayor and Staff

- Committee of the whole or super committee.
- Committee reports being more of a two-way discussion for committee members and other councilmembers.
- Not knowing questions that might come up - getting Council feedback prior to the meeting.

- Work assignments should go through the Mayor.

Role of Council Committees: Council

- Committee reports should be available before the Council meeting so that the Council has time to read them before the full Council meeting.
- Allow for questions to be asked of a committee outside a regular Council meeting setting.
- The role of the committees should be consistent, i.e. conducting early vetting of issues.
- Public perception that committees are making decision for the entire Council.
- Staff reports to the Council are more accurate than committee reports.
- Correct inaccurate community perceptions at the committee level.
- Asking questions at committee level to ensure needed information is present for full Council discussion.
- The comfort level of a non-committee member going to a director to get information.
- Some committees are perceived as having more power than others.

Fiber System Financing Plan

Administrative Services Director Emily Schuh presented the Fiber System Financing plan, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Adapted business plan to real conditions
- Having city employees install fiber into homes and businesses
- Limiting service to fiber internet (no phone or cable).
- Projecting revenues for 2026 and beyond.
- Rate increase or third tier of service.
- Liabilities beyond \$12 million bond.
- Long-term staffing.
- Bond refinancing.

Affordable Housing

Discussion topics included:

- Habitat for Humanity.
- Desire for exact data that does not exist because of unique local demographics.
- More development at market rate not a reasonable expectation.
- “Affordable housing” carries a negative connotation for many in the community, should use “housing” and “housing affordability”.
- Difficult to explain the issues to the public.
- How does local government guarantee that housing can be and remain affordable?
- Where will additional housing be located? How will it be built? How fast? How do we talk about it?
- Zero percent vacancy rate in Anacortes.
- Revenues will come if a higher density planning strategy is carefully managed.
- Cottage housing is less efficient than townhouse construction.
- Zone for townhouse construction in the R2 zone.
- Fears of community character change.
- Stories of different examples of residents who fit into each income band.
- Ad hoc workshops without public comment for key issues.

2025 Budget Priorities and Policy Direction

Finance Director Steve Hoglund led a discussion of the 2025 budget planning and adoption process, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Utility tax based on gross bill amount.
- Equipment rental and replacement (ERR) funding level for 2025 and beyond.
- Transparency and visibility of ERR fund in the budget.
- Visualize the consequences of partially funding the ERR fund.
- Staff recommends a 30-year bond with interest payment in year-one for fiber long term financing option.
- Grant writer, manager.

Department Budget Insight Discussion

- SmartGov workflow process improvements.
- Capture all carryover items from the 2024 budget.
- Environmental Impact Statement for Guemes Channel Trail going into 2025.
- 13th Street - 34th Street Commercial project - are trees and landscaping included?
- Human resources 2025 wages and benefits expenditure projections
- Increase revenues, decrease expenditures or use reserves.
- Cutting programs (OpenGov).
- Accelerate SmartGov permitting workflow improvements.
- Policy priorities from the Council to staff to help with budget priorities.
- Maintain staff, level of service for essentials.
- Wastewater Treatment Plant Outfall project.
- Search for new sources of revenue (grants).

Adjournment

There being no further business, at approximately 4:38 p.m. the Anacortes City Council special meeting of June 13, 2024 was adjourned.