

Anacortes City Council Minutes - July 28, 2025

Call to Order

Mayor Matt Miller called to order the July 28, 2025, Anacortes City Council meeting 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 announced that there were technical difficulties with the broadcast of the meeting on Channel 10 and via live stream on the website, and that YouTube is the only live stream option. He then announced that there would be a public process regarding the Guemes Island ferry electrification project, and that the public would be able to comment throughout that process via email to pced@anacorteswa.gov or via US postal service during the open record public hearing held by the Planning Commission in the coming weeks, that the 64th annual Anacortes Arts Festival will be this weekend, Friday through Sunday. He then reminded the public of the construction project from 11th Street through 13th Street on Commercial Avenue and announced that the Wastewater Treatment Plant switched over to the new outfall pipe, and it is functioning as designed.

Library Committee

Ms. Hubik reported from the Library Committee meeting held July 24th. The topics discussed included the new teen area opening in the second week of August and the associated fundraising effort by the Library Foundation to fully equip the area. The committee also discussed that the Friends of the Library are looking for people to run their bookshop and board members to join their team, that every Anacortes public school elementary student received a free book and summer reading log thanks to a grant from the Skagit Community Foundation, the ongoing community activities and programs available on the [Library calendar](#), and a grant for music programs through the [Manieri Endowment](#). The committee also discussed essential versus optional expenditures regarding the upcoming budget development and how it would affect the city's participation in an interlocal agreement with other Skagit libraries.

Mr. Walters asked if Anacortes would be left behind if it did not immediately join the interlocal agreement with other Skagit County libraries? Ms. Hubik responded that it would not necessarily be the case and that Anacortes could choose to join the interlocal agreement at a later date depending on budget development.

Planning Committee

Ms. Moulton reported from the Planning Committee meeting held earlier in the evening. The topics discussed included the draft Comprehensive Plan update Climate Element and the future land use map, and the mailer that encourages public participation in the process.

Personnel Committee

Mr. Fantini reported from the Personnel Committee meeting held July 24th. The topics discussed included a recruiting update for June, which included 13 seasonal hires, a police officer, a public works admin, a firefighter/paramedic, 5 exits, and a rundown of current job openings. The committee also discussed that the police will host entry-level testing on August 10th, that there are ongoing negotiations with the police guild, upcoming negotiations with the firefighter's union in early September, and Teamsters negotiations are expected to begin in August. The committee was also informed that the enterprise resource planning application kicked off in July with Human Resources implementation scheduled to occur in July 2026. Mr. Fantini also reported that there will be leadership training for supervisors regarding harassment and retaliation, and CDL drug and alcohol training in November.

North Star Project

Mr. Walters reported from the North Star meeting held the previous week. The topics discussed included City Council feedback from consideration of the interlocal agreement last year, including aspirations and goals, built in transparency, not prescribing an organization, and focusing on action. The group also discussed outreach efforts, including people with lived experience and from diverse populations, addressing the needs of youth, and avoiding an explicit statement of the target population as the neediest. The group also suggested a high-level commitment to data sharing among the participating jurisdictions. Skagit County is compiling a draft agreement for future consideration by the participating City Councils in the fall.

Public Comment

Mayor Miller announced that the Council had received written public comment from Beth Bell regarding Guemes Island ferry electrification and invited the public to comment on any item not on the agenda. No one present wished to address the Council on any topic not already on the agenda.

Consent Agenda

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

a. Minutes of July 21, 2025

b. Approval of claims in the amount of \$1,072,508.52

The following vouchers/checks were approved for payment:

EFT numbers: 113121 through 113162, total \$734,562.88

Check numbers: 113120 through 113186, total \$326,892.55

Wire transfer numbers: 372858 through 373197, total \$11,053.09

Other Business

Interlocal Agreement between the City and the Port for Design and Construction of an Event Facility

City Attorney Darcy Swetnam introduced the proposed interlocal agreements with the Port of Anacortes for the design, construction, and operation of an event facility, referring to a slide presentation that was added to the packet materials for the meeting. She mentioned that Port Executive Director John Dumas and Port Commissioners Kathy Pittis and Shawn Ottenbreit were present. She added that this consideration of the two agreements was to share information and address questions from the council, and that there would be a joint City Council-Port Commission meeting to formally adopt the agreements once any questions are resolved. Mayor Miller expressed his appreciation for the efforts of all stakeholders to get to this point in the process.

Discussion topics included:

Design and Construction

- Appreciation of community involvement and coming together to attract arts and culture, and other people to the city.
- Full kitchen versus a catering kitchen, or the possibility of attaching a full kitchen when needed.
- Look at design to incorporate the outside space for overflow of events that are greater than 400 people.
 - Features in the open space to accommodate and facilitate tent deployment.
- Conceptual design will continue to evolve with discussions with user groups to reduce the cost of the facility without reducing the capacity.
- Funding through grants can be procured throughout the design process.
- Coming together to find funds to build the facility.
- Quantifying the annual economic impact of design, operation, and construction, measuring the velocity of money.
- Having an attractive facility while still having it available to local non-profit organizations for their

events.

- Cost share on design with Port and Lodging Tax reserve funds.

Operations

- Non-profit organizations have a place for annual events that are included in the agreement.
- The city assists with advertising by lodging tax advisory funds to a local organization. Which local organization(s)?
 - Downtown Anacortes Alliance
 - Chamber of Commerce
- Time and effort to define things that will be transferable to future generations and the number of uses.
- Building trust and clarity in the agreements to enable both organizations to navigate future challenges.
- Section 4 under operating principles - 'supporting' or 'accommodating' tourism versus 'attracting'.
- Permitting timelines and Section 4.1 in the construction agreement requires the design to be 'similar to' instead of 'substantially similar to'.

The date for the joint meeting with finalized agreements will be determined over the next couple of weeks in coordination with the Port of Anacortes.

Interlocal Agreement #25-201-IDS-001 with Fidalgo Pool and Fitness Center and Resolution 3184: Fidalgo Pool and Fitness Center

City Attorney Darcy Swetnam re-introduced proposed interlocal agreement #25-201-IDS-001 with the Fidalgo Parks and Recreation District and Resolution 3184, referring to a slide presentation that was added to the packet materials for the meeting, which addressed the questions that came up during consideration of the matter during the last regular meeting. She added that the Metropolitan Parks District can do a levy lid lift or voter-approved bonds after establishment.

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

Cindy Kamp of Guemes Island Anacortes addressed perceived ambiguities in the ballot language and suggested alternative clarifying language.

Suzanne Rohner of Anacortes asked about not seeing the word 'limited' in the resolution language. Ms. Swetnam responded that the language "to operate the Fidalgo Pool and Fitness Center Campus" defined the limited nature of the proposed district.

Discussion topics included:

- General obligation bonds without voter approval would have to be paid for by the agency, which is required to have a balanced budget.
- Board membership comprised of five members elected at large
- Board membership would be on the ballot with the resolution.
- Language limits the purpose of the campus and the amount that can be levied on the public.
- Limits on the number of words come from state law.

Amanda Hubik moved, seconded by Bruce McDougall, to authorize the mayor to sign interlocal agreement #25-201-IDS-001 with Fidalgo Pool and Fitness Center.

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

Bruce McDougall moved, seconded by Amanda Hubik, to adopt Resolution 3184 requesting that a proposition to create the Fidalgo Metropolitan Recreation District be submitted to the voters.

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

Finance Update

Finance Director Steve Hoglund provided a second quarter finance update, 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. Public comments were given as follows:

Courtney Orrock of Anacortes asked about the lodging tax revenue stream related to debt service on the event center.

Discussion topics included:

- What is attributed to the increase in sales tax collection?
- North American Industry Classification System (NAICS) codes or sales tax distribution by sector.
- Data to break out single-family versus accessory dwelling units for permit revenue.
- Regulations are encouraging multifamily and ADU, while lower permit numbers are reflective of the real estate market.
 - Commercial construction that is add-on or alteration is not included.

Resolution 3183: Unified Fee Schedule Update

Finance Director Steve Hoglund introduced Resolution 3183, which would update the Unified Fee Schedule with 2 minor verbiage edits that clarify language in the Cemetery and Planning sections, respectively.

Discussion topics included:

- Stormwater review - what fund will cover city review(s)?
 - It should not be covered by a stormwater fund.
 - Building permit or planning fees to cover the cost.

TJ Fantini moved, seconded by Anthony Young, to approve Resolution 3183 adopting proposed edits to the Unified Fee Schedule.

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

Ordinance 5003: 2nd Quarter Budget Amendment

Finance Director Steve Hoglund introduced Ordinance 5003, a second quarter budget amendment to the 2025 operating budget, referring to an electronic draft version of the ordinance 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.

Mr. Fantini suggested, without objection from other councilmembers, that the ordinance be placed on the consent agenda for the next regular meeting.

Adjournment

There being no further business, at approximately 7:37 p.m. the Anacortes City Council meeting of July 28, 2025, was adjourned.