

Anacortes City Council Minutes - November 3, 2025

Call to Order

Mayor Matt Miller called to order the November 3, 2025, Anacortes City Council meeting 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. Young, 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 reminded the public that election day is tomorrow, November 4th, and ballot collection boxes are open until 8pm at the Anacortes Public Library and the Skyline Beach Club, that volunteers will be working on the Tommy Thompson Trail on the evening of November 4th and 5th performing a 2025 mussel survey, and that the North Star Housing Forum will take place on Tuesday, November 18th from 6-8pm with registration and information available at <https://northstarskagit.org/housing-forum>. He then read a statement that he sent to city staff via email earlier in the day regarding personnel reductions due to budget constraints.

Public Works Committee

Ms. Moulton reported from the Public Works Committee meeting held earlier in the evening. The topics discussed included citizen concerns regarding truck traffic on 41st Street where the committee identified needed signage improvements and communication with local trucking companies. The committee also discussed enforcement measures for speeding on Bryce Drive, and an update on the 12th Street and Commercial Avenue intersection improvement project with the signals expected to be installed between February and April 2026 and permanent paint markings being installed tomorrow. Finally, the committee discussed the elevated intersection at Commercial Avenue and 11th Street, which will serve as a speed-calming feature with work being completed to ensure proper stormwater drainage from the area.

North Star Leadership Team

Mr. Walters reported from the North Star Leadership Team meeting, which was held last week. The topics discussed included the sunset of the North Star Advisory Committee and creation of a new steering committee with the mayor and a councilmember from each city as members, along with leaders from other participating entities, and the upcoming joint special meeting on Thursday, November 6th at 6pm at the Skagit County Public Health Building to discuss North Star and the proposed interlocal agreement.

North Star Housing Task Force

Mr. Walters reported from the North Star Housing Task Force held earlier in the day. The topics discussed included preparations for the November 18th North Star Housing Forum that the mayor mentioned during his remarks, which will include input from planners in Burlington and Mount Vernon and a presentation from architect Bill Krieger on how to achieve greater housing abundance without substantially impacting neighborhoods.

Public Comment

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

Janean Jolly of Anacortes spoke about an automobile accident she experienced in her home and expressed

frustration about the lack of city action for safety measures at the curve on Oakes Avenue near her home in the Channel Landing neighborhood.

Shawna Kitzen of Anacortes spoke about safety measures the city should implement at the curve on Oakes Avenue adjacent to the Channel Landing neighborhood.

Sherry Chaney, president of the Channel Landing Homeowners Association, commented on traffic safety at the curve on Oakes Avenue adjacent to the Channel Landing neighborhood.

David Jolly of Anacortes spoke about safety at the curve on Oakes Avenue and the automobile accident he experienced in his home.

Ursula Edelman of Anacortes spoke about personnel reductions in the city, particularly the effects on the teen community because of the loss of Teen Librarian, Diana Farnsworth.

Dennis Clark of Anacortes spoke about budget funding priorities in light of the financial constraints on the city's revenues.

Consent Agenda

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

a. Minutes of October 27, 2025

b. Approval of claims in the amount of \$409,402.13

The following vouchers/checks were approved for payment:

EFT numbers: 113922 through 113954, total \$178,662.53

Check numbers: 113955 through 113968, total \$37,151.02

Wire transfer numbers: 378583 through 378964, total \$193,588.58

c. Special Event Application: First Responder Gala

d. Special Event Application: Elves Night Out

Other Business

2025 Development Regulation Amendments for Periodic Update — Planning Commission Recommendation

Planning, Community, and Economic Development Director John Coleman introduced the 2025 Development Regulation amendments, 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.

Dennis Clark of Anacortes commented on the Planning Commission's recommendations, particularly the decision not to allow duplexes on smaller lots in certain situations as shown in Table 19.42-020.

Discussion topics included:

- Plan for adoption of Ordinance 4092.

Contract Award: Municipal Fiber Network Coordinated Services #26-011-FBR-001

Administrative Services Director Emily Schuh introduced the proposed contract #26-011-FBR-001 with NoaNet for Municipal Fiber Network Coordinated Services that provides 24-hour network monitoring and customer support call center, which will maintain the same pricing from the past 5-year period for a one-year period with two optional 1-year extensions and quarterly progress reports.

Anthony Young moved, seconded by Carolyn Moulton, to authorize the mayor to sign contract #26-011-FBR-001 with NoaNet for Municipal Fiber Network Coordinated Services.

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

Interlocal Agreement #25-275-LIB-001 with Skagit County for 2025 Library Materials Funding

Library Director Jeff Vogel introduced proposed interlocal agreement #25-275-LIB-001 with Skagit County for 2025 Library Materials Funding for \$17,481 annual funds to offset some of the non-resident fees that will provide materials for patrons who reside in unincorporated Skagit County.

Discussion topics included:

- Will the funding be paused temporarily or discontinued permanently?

TJ Fantini moved, seconded by Anthony Young, to authorize the mayor to execute interlocal agreement #25-275-LIB-001 with Skagit County for 2025 Library Materials Funding.

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

2026 Budget Work Session - Governmental Funds

Finance Director Steve Hoglund and Finance Manager Rhonda Peck introduced the 2026 Budget Work Session for governmental funds, referring to a slide presentation that was included in the packet materials for the meeting. Mr. Vogel, Parks and Recreation Director Jonn Lunsford, and Museum Director Bret Lunsford detailed what activities they would fund with the requested annual \$15k for 5 years from opioid settlement funds, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- The \$30k outlay for the Anacortes Family Center is reduced from the \$60k proposed funding. Will this be enough to sustain it for next year?
- Role of the County

Parks, Museum, and Library Opioid Funding Request

- Parks, Museum and Library are experienced in stretching their funds to maximize value and impact.
- Would address the lack of opportunities for organized youth activities.
- The staff is doing the most with the limited resources.
- Prioritize local youth.
- School Resource Officer and Social Worker are vital positions for the community.
 - Positive impact on students and other community members that interact with the police in prevention and recovery in partnership with the School District and / or the Anacortes Family Center for service coordination.
- Opioid funds would supplant existing funding.
- Using new money (opioid funds) on existing programs may not be the best use.
- Recovery services provided through North Star are vital for those who need them.
- Responsibility to be a regional partner.

Police - Chief Dave Floyd

- The State Training Commission has increased costs for training and shifted them to the local entities.
 - Limit ability to have new instructors trained.
- Taser replacement
 - The APD version is 4 generations older than the current version.
 - Important less than lethal use of force tools.
 - Under the small tools line BARS 70.35
 - Cost will be spread over five years.
- Additional hires will compensate for the reduction in overtime.
 - Increased presence in the community.
- Savings for training facility participation with Oak Harbor would come out of training costs in future years.
 - \$7500 current annual expenditure for 10 days / year of range fees.
 - It would increase to 30 days for range and additional access for other training areas.
 - Range fees are likely to increase over the term of the 20-year proposed agreement with Oak Harbor.
- Need to determine the essential programs for the city.
- The planned 2025 Firearm replacement is complete, and all officers are qualified on the new platform.
- The insurance increase is the result of a 5-year claims' history.
 - How does the city allocate insurance costs across departments?
 - Insurance rates are set by the Washington Cities Insurance Authority, which covers many jurisdictions throughout the state.
 - Juries are awarding higher amounts in settlements.
- Status of last vacancy and level of full-time employees.
- The possibility of personnel working across departmental lines to fill unmet needs.
 - Police officers are commissioned and unable to work on other responsibilities.
 - Records support personnel are specialized and working in other departments would not be efficient.

Fire / EMS - Chief Bill Harris and Assistant Chief Mannix McDonnell

- Salary wages up 5.7% include the vacant Assistant Chief position and 3 additional firefighters that will be hired under the federal Staffing for Adequate Fire and Emergency Response (SAFER) grant.
- Overtime decrease will make training and certifications more challenging, as only some training can be accomplished on duty.
- Supplies increase because of higher EMS call volumes.
- The tools line is down overall.
 - Pausing replacement of portable radios.
 - Field tablets are being replaced.
- Training budget reduction is sustainable for a year.
- Miscellaneous Internal line is for ambulance billing and insurance.
- The Assistant Chief position was cut, and the Administrative Assistant was cut from full-time to half-time.
 - Savings of \$65k-\$70k from the cut of Admin Assistant.
 - Fire will ask for the position to be reinstated in the future.
- Plan to compensate for the absence of the cut employees.
 - Lower level of service and slower response to public records requests and fire permit issuance.
- Are the 3–5 new hires essential in the coming year?

- Three SAFER positions are grant funded and a staggered hiring timeline is built into the budget.
- The other 2 are due to potential retirements or departures.
- Maintaining positive cash flow positions in the general fund is paramount in budget considerations.
- Tens of thousands of year-end payouts were factored into the cash flow projections.

Parks and Recreation - Director Jonn Lunsford, Assistant Director Bob Vaux, Senior Center Administrator Karl Wolfswinkel, Parks Manager Nicole Johnston, Recreation Manager Dustin South

- Maintenance Technician was a frozen position that was eliminated from the budget.
- Salaries and wages have increased due to negotiated collective bargaining increases.
- Shifting funds from Repairs and Maintenance to Supplies.
 - Working to find creative ways to keep equipment functioning well.
- Shifting of funds for salaries and wages from Parks to Cemetery was determined by accounting for employee hours spent in each area.
- Capital Facilities Plan rundown.
 - Pickleball infrastructure allocation is all contributions.
 - Anacortes Community Forest Lands endowment contribution for the Heart Lake project
 - \$470k proposed from the endowment for the project.
 - Potential funding sources include the Conservation Easement Program (CEP) interest earnings, impact fees, state grant, and the Anacortes Parks Foundation.
 - First time CEP funds would be used.
 - 80% of CEP interest earnings planned to be spent, but they are looking for other revenue sources to avoid it.

Museum - Director Bret Lunsford

- Significant reduction in budget by 31%.
- How to operate the three facilities with staff reductions.
 - Considering how to adjust opening hours to ensure staff coverage.
- 7.45 FTE in 2025 budget. 4.8 FTE for 2026.
 - Frozen Education Curator will not be in the 2026 budget.
- The parcel the Museum is on is being re-zoned to Public Use, which will allow for permitting to build the Storage and Workshop building.
 - Museum Foundation will contribute \$150,000 and an additional \$50,000 from other donors. Real Estate Excise Tax (REET) is no longer a funding source.
 - Planning work will continue in 2026 with construction possibly being considered for the 2027 budget year.
- The Museum is not part of maintaining or managing the antique fire truck.
 - Should renovating a building or finding a new building for its storage be pursued?
 - Station 1 is not the right location for the truck.
 - Consolidating responsibilities instead of adding on.
- The reduction in supplies, repairs and maintenance will not lead to significant problems with the Carnegie Building, but might affect the W.T. Preston depending on how long the constrained budget conditions persist.

Human Resources - Director Kendall Moyle

- Increase in salaries and wages due to the hopeful promotion of the Human Resources Assistant to a Human Resources Generalist.
- Increase in professional services due to ongoing negotiations with collective bargaining units and promotional testing for Police and Fire.

Library - Director Jeff Vogel

- Loss of 5 employees or 3.25 FTE. They were all valuable members of the team.
- Increase in e-book consortium costs.
- The library is fiscally responsible and giving \$250k back to the general fund.
- The impact on programs and services is currently unknown.
- The \$300k fund balance for the Library fund must be maintained to cover required expenses.
 - The \$250k in general revenues that traditionally went to the Library Fund are not being allocated in 2026.
- Draft revenue projections were shared at the October 6th public hearing, but the final projections are not quite finalized.
 - \$21k in revenue from passports in 2024.
- Passport services details.
- Impact of losing a Library Manager, two Library Assistants, and a Library Page.
- The value of library staff to the community.

Planning, Community, and Economic Development - Director John Coleman

- The frozen Building Inspector position is not included in the 2026 budget.
- Event facility
 - No general revenue goes toward the event facility.
 - Lodging Tax Advisory Committee (LTAC) funding is needed to fund debt service.
 - General fund money would be required if LTAC funding is interrupted.
 - LTAC funding would need to fall by half not to cover the anticipated debt service.
 - The facility represents an important economic driver for the future.
- \$500k in the 'Other Improvements' line is for the creosote pilings removal project required under the Department of Natural Resources Aquatic Lands permit.
- Taxes from construction materials and activities will contribute to city revenues.
- Increasing sales tax to outpace inflation is key to fiscal health.
- The Professional Services line includes \$586k in LTAC funds.
- Allocations to Community Action at \$65k
 - \$60k was the original request from the organization.
 - The other \$5k is for the Salvation Army cold weather shelter program.
 - Are they able to maintain the storefront or co-locate with the Senior Activity Center?
- Downtown Anacortes Alliance and Community Action were made aware of the budget constraints.

Legal - City Attorney Darcy Swetnam

- The in-house prosecutor position is now out of the 2026 budget and Professional Services increases due to payments for prosecution services.
- Estimate of legal costs related to the Comprehensive Plan and Development Regulations update.
 - The appeal of a utility element of the comp plan element would be covered by the utility.
- Commendable that the staff is reaching deep to stretch funding.

- Importance of Legal's role in keeping the city out of jeopardy.

Information Systems & Technology - Administrative Services Director Emily Schuh

- \$141k is allocated for Microsoft licensing renewal.
- \$54k for shift to Ring Central telephone system
- \$195k for Tyler EERP licensing support and cloud cashiering applications
 - Eden is sunseting (also Tyler product)
 - Do not pay for both applications. Charges for Eden cease as each EERP module is implemented.
- The DIS reserves for equipment replacement timeline was adjusted from 5 to 6 years is a cost savings of \$136k in the 2026 budget.

Municipal Court and Public Defender- Administrative Services Director Emily Schuh

- Impact of transition to a new statewide case management system.
- Transitioned to Laserfiche in 2025.
- Public Defender duties switched to contract services.

ACCESS Fiber - Administrative Services Director Emily Schuh

- Municipal Broadband Manager retired. Not re-filling that position.
- Some EDA construction expenses will move to 2026 and be covered by bond proceeds.

Finance - Director Steve Hoglund and Manager Rhonda Peck

- Reduced staff by one Accounting Technician
- Supplies include general items for all of City Hall.
- Professional Services include one-time fees for EERP implementation.
- Miscellaneous Internal is a pass through for the Skate Park parking lot project.

Executive

- Largely unchanged.

Legislative

- Professional Services reduced
 - Pays for elections services provided by Skagit County.
 - Allocation under the Salaries and Wages for the Mayor's Executive Assistant and Facilities Technician who supports City Council meetings.
- A-Town is Our Town publication reduced to \$5k for an electronic-only publication in 2026.
 - \$20-\$30k in 2025 actual expenditures.
- November 17th Budget public hearing and adoption scheduled for December 1st regular meeting.

Mr. Walters moved, seconded by Mr. Fantini, without objection to adjourn the meeting.

Adjournment

There being no further business, at approximately 9:28 pm, the Anacortes City Council meeting of November 3, 2025, was adjourned.