

Anacortes City Council Minutes - November 17, 2025

Call to Order

Mayor Matt Miller called to order the November 17, 2025, Anacortes City Council meeting at 6:00 p.m. Councilmembers TJ Fantini, Ryan Walters, Christine Cleland-McGrath, Carolyn Moulton, Bruce McDougall and Amanda Hubik were present. Councilmember Anthony Young was absent.

Ms. Cleland-McGrath moved, seconded by Ms. Hubik, to excuse the absence of Mr. Young. The motion carried unanimously by voice vote.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller announced there would be a Parks Commission neighborhood parks meeting on November 18th at 6pm in City Council Chambers, that the library would be closed on November 21st for staff training and that the library would also be closed from 4 pm on November 26th through the 28th. He also detailed the holiday solid waste collection schedule over the Thanksgiving holidays.

Finance Committee

Mr. McDougall reported from the Finance Committee meeting held November 13th. The topics discussed included state mandated processes and procedures associated with the annual state audit, the water reconciliation process for wholesale customers, the proposed 2% utility tax increase that would generate approximately \$600k in additional revenue, which breaks down to 40% for the refineries and 60% for ratepayers and that every 1% increase in the tax rate would generate an additional \$300k in annual revenue.

Economic Development Committee

Mr. McDougall reported from the Economic Development Committee meeting held November 13th. The topics discussed included the Port West Basin development plan, the design progress for the event center with a 30% design expected for mid-December and groundbreaking estimated for late 2026 or into 2027, brainstorming ideas to generate more economic development such as a shuttle service for the Anacortes Arts Festival, and partnering with a firm to capitalize on data analytics regarding ferry traffic to raise additional sales tax revenue.

Public Works Committee

Ms. Moulton reported from the Public Works Committee meeting held earlier in the evening. The topics discussed included the pump station project on the Capital Facilities Plan, for which Strider Construction submitted the winning bid that came in under the engineer's estimate. The committee also discussed wastewater treatment plant alternatives analysis for solids handling that staff have narrowed down to six possible options that will come before the council in 2026, and the contract modification for the 12th Street and Commercial Avenue project that the council would consider later on in the meeting.

Mr. Fantini recounted attending the Red Kettle Bell kickoff with the Salvation Army last Saturday that raised \$112k. He then asked what would happen when Mr. Walters' seat becomes vacant and the timing for appointing his replacement. City Attorney Darcy Swetnam gave a brief overview of the process that included individuals submitting materials to the council, those individuals coming before the council to answer questions about their qualifications, and the council deliberating and naming the new member.

Dr. Ron Richeson Life Saver Award Presentation

Fire Chief Bill Harris introduced the awardees, Bonnie Bowers, Maggie Thompson, Mary Kaiser, and Pam Estvold and recounted their efforts to save an individual suffering cardiac arrest. Mayor Miller presented each of them with the Dr. Ron Richeson Life Saver Award.

Swearing in of Firefighter Megan Guard-Lilley

Chief Harris introduced Firefighter Megan Guard-Lilley. Mayor Miller administered the oath to Ms. Guard-Lilley. There were many members of the Anacortes Fire Department present for the ceremony.

Public Comment

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

Public comment was delivered as follows:

David Menard of Mount Vernon, who works at Pelican Bay Books, spoke about library staff reductions, particularly in support of Diana Farnsworth, the former Teen Librarian.

Katie Eastman, a psychotherapist of Anacortes, addressed the importance of the library to the Anacortes teen community as a safe space and suggested that an advisory group of teens and community stakeholders come together to fund a teen advocate.

Robert Dickinson of Anacortes asked for clarification and expressed concern regarding parking regulations for individuals who live in their vehicle, particularly enforcement of Anacortes Municipal Code sections [10.12.320](#) and [10.12.310.G](#).

Consent Agenda

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

- a. North Star Joint Special Meeting Minutes of November 6, 2025
- b. Minutes of November 10, 2025
- c. Approval of claims in the amount of \$813,799.34

The following vouchers/checks were approved for payment:

EFT numbers: 114051 through 114096, total \$471,667.31

Check numbers: 114097 through 114118, total \$328,246.60

Wire transfer numbers: 378975 through 379732, total \$13,885.43

Public Hearings

Public Hearing on the 2026 Operating Budget

Finance Director Steve Hoglund provided an overview of the 2026 operating budget, referring to a slide presentation that was included in the packet materials for the meeting.

At 6:34 pm, Mayor Miller opened the advertised public hearing for the 2026 Operating Budget.

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

Linda Martin of Anacortes spoke about the 2026 operating budget and how it compared to the 2024 budget adjusted for a 3% rate of inflation, pointing out that the Library is being cut by 13%, the Museum is being cut by 60%, and that Parks and Recreation and Police are being increased by 19% and 13% respectively, referring to a printed handout that was added to the packet materials for the meeting.

At 6:41 pm, Mayor Miller closed the advertised public hearing on the 2026 Operating Budget.

Public Hearing on the 2026-2031 Capital Facilities Plan

At 6:40 pm, Mayor Miller opened the advertised public hearing for the 2026-2031 Capital Facilities Plan.

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

Linda Martin mentioned that the Museum and the Planning Department both had the event center listed under their respective departments for \$8 million.

At 6:41 pm, Mayor Miller closed the advertised public hearing on the 2026-2031 Capital Facilities Plan.

Other Business

Ordinance 5009: 2026 Operating Budget

Mr. Hoglund introduced Ordinance 5009 that would set the 2026 Operating Budget. Mr. Hoglund and Finance Manager Rhonda Peck answered questions from the council.

Discussion topics included:

- Fund 135 — Tourism Fund is the fund for the Lodging Tax Advisory Committee
- Finance Department budget amount fluctuation year-over-year
 - Serves as a pass-through for interfund transfers from the General Fund to a particular project.
 - Part of the ERP replacement project will be paid out of other departments' budget line items.
- Uses for opioid settlement funds in 2026.
- Emergency Reserve Fund accounting within the budget.

Ordinance 5010: 2026-2031 Capital Facilities Plan

Mr. Hoglund and Ms. Peck introduced Ordinance 5010 that would adopt the 2026-2031 Capital Facilities Plan, referring to a draft copy of the Capital Facilities Plan that was included in the packet materials for the meeting.

Discussion topics included:

- Pavement Management Plan.
- General overview shows the net effect of the change.

Contract Modification: Commercial Ave Corridor Plan Phase 1 – 11th St to 13th St #19-095-TRN-005

Interim Public Works Director Logan Lee introduced the proposed modification to contract #19-095-TRN-005 for \$301,413.21 for the Commercial Avenue Corridor Plan Phase 1 - 11th Street to 13th Street project, which is primarily to provide for the redesigned poles that are required to be planted 25 feet deep. He reminded the council that the project is funded by \$1.7 million in grant funds with the remainder coming from real estate excise tax revenues.

Christine Cleland-McGrath moved, seconded by TJ Fantini, to authorize the mayor to sign the modification to contract #19-095-TRN-005 with Colacurcio Brothers for \$301,413.21 increasing the total contract price to \$2,431,276.72 for the Commercial Avenue Corridor Plan Phase 1 - 11th Street to 13th Street project.

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

Ordinance 5011: Increasing the City Utility Tax by 2%

Mr. Hoglund reintroduced Ordinance 5011 that would increase the city utility tax by 2% from 7% to 9%, explaining that the city taxes the utilities as a separate entity to generate revenue, and that if a tiered tax structure is desired, then outside counsel would need to be consulted on how to accomplish the change.

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

Discussion topics included:

- Should look toward going to a tiered tax structure for future years.

Carolyn Moulton moved, seconded by Amanda Hubik, to adopt Ordinance 5011 increasing the utility tax by two percent from seven percent to nine percent.

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

Ordinance 5012: Freeze the Emergency Reserve Fund

Mr. Hoglund reintroduced Ordinance 5012 that would freeze the Emergency Reserve Fund at the fiscal year 2025 level for all of 2026 to ensure adequate fund balance for the city to meet its financial obligations.

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 Amanda Hubik, to approve Ordinance 5012 as presented.

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

Ordinance 5014: 2025 Development Regulation Amendments

Planning, Community, and Economic Development Director John Coleman reintroduced Ordinance 5014 that would adopt 2025 development regulation amendments as sent to the council by the Planning Commission, explaining that any substantive changes would need to be submitted to staff prior to November 24th to allow for adequate time for additional public comment and adoption by the end of 2025. He then outlined the primary proposed development regulation changes, 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. No one present wished to address the Council.

Discussion topics included:

- Planning Commission Recommendation 12. - AMC 19.44.090
- Criteria for streets that are listed as a collector or arterial.
- Streets, street segments, and sidewalks.
- 19.43.070 - Square footage recommendation.
- 19.42.020 - Form and intensity standards for residential zones.
 - Table 19.42.020 - Form and intensity standards for residential use.
- 1000 square feet on p. 42-43 of 111.
- 19.42.070 Bonus incentives in the Mixed Marine Use zone - Planning Commission Recommendation 6.
- Revision to step-back language.
- 19.62.040 Internal open space.
- Assisted living in the R4A zone.

Resolution 3188: City Council Procedures

Mr. McDougall moved, seconded by Mr. Fantini, to table council consideration of Resolution 3188: City Council Procedures until a future meeting. The motion carried unanimously by voice vote.

Adjournment

There being no further business, at approximately 9:10 pm the Anacortes City Council meeting of November 17, 2025, was adjourned.