

City Council Minutes – June 25, 2018

At 6:00 p.m. Mayor Laurie Gere called to order the regular Anacortes City Council meeting of June 25, 2018. Councilmembers Eric Johnson, Anthony Young, Ryan Walters, Brad Adams, Liz Lovelett, Bruce McDougall and Matt Miller were present. The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Appointment of Richard Storwick to Anacortes Housing Authority Board: Mayor Gere announced that she had appointed Richard Storwick to a complete a 5-year term on the Anacortes Housing Authority Board that expires December 31, 2019. The mayor summarized Mr. Storwick's qualifications and community service in Anacortes.

Independence Day Celebration Events: Parks & Recreation Director Gary Robinson displayed the calendar of events for the Independence Day celebration in Anacortes on July 4, 2018, beginning with the town photo at 10:00 a.m. and concluding with the fireworks display at dusk. Mr. Robinson welcomed donations for the fireworks display. In response to councilmember questions, Mr. Robinson clarified that anyone wishing to participate in the Independence Day Parade was strongly encouraged to pre-register online or at City Hall and that pre-registered participants were eligible to win prizes.

Planning Committee: Mayor Gere advised that the committee meeting regularly scheduled for earlier in the evening had been cancelled.

Mr. Miller reported from Community Leadership Forum at NAS Whidbey Island earlier in the day. He recognized the 14 jet squadrons based there and noted that many of those crews and their families live in Anacortes. Mr. Miller shared information from the final draft EIS for the planned increase in operations at the base, noting that not as many operations will be added as initially predicted but that the base would be adding aircraft and personnel. He concluded that the Navy had issued a press release regarding its preferred alternative and that a final decision on squadron disposition was expected by the Secretary of the Navy in the fall.

Mr. Johnson reported that he and Mr. Young had attended the memorial ceremony for Bob Pickett the day before and said it was a good reminder of how one person can make a difference.

Mayor Gere announced that she and City Attorney Darcy Swetnam had attended the Legislative Water Supply Task Force meeting earlier in the day in Mount Vernon. Ms. Swetnam described the mission of the Task Force to address water issues in the upper and lower Skagit basins over the next two years, including permit-exempt wells and how new permits are considered in light of recent court decisions. She described the membership of the committee including state legislators, representatives of state agencies, the Swinomish and Sauk-Suiattle tribes, Skagit and Snohomish counties, Anacortes and Skagit PUD. Ms. Swetnam listed the presentations at the day's meeting and said the next meetings would identify data gaps about water issues in the basin and pursue studies determined to be necessary to resolve water issues. Mayor Gere advised that she had recommended appointment of Ms. Swetnam as the city's representative on the task force.

Public Comment

Mayor Gere invited members of the audience to comment on any topic not already on the agenda and also welcomed comment from citizens who wished to address Resolution 2019 but who could not stay until the end of the agenda.

Philip Prud'homme spoke about his passion for the community, resilient families and well prepared children. He observed that there is real need in Anacortes, noting that the United Way's ALICE Report shows 41% of Anacortes households live in poverty or month to month barely able to make ends meet. He urged increasing

Community Action's capacity to address those needs. Mr. Prud'homme said that even if Anacortes had no local needs, it is the kind of community that would still help its neighbors.

Robert McCracken, director of Senior and Disabled Services for Community Action of Skagit County, spoke regarding the needs of seniors and disabled citizens in Anacortes and the ways in which his program allows people to live independently in their homes with the help of community volunteers. Mr. McCracken described the services provided such as transportation, housekeeping, yard work, home repair, handicap access modification, moving assistance, energy assistance, and coordination of applications for other benefits. He thanked Council for considering Community Action's request.

Joan Bissell, Anacortes resident, expressed her appreciation for the years of service she had received from Community Action and described how the transportation services provided by CA volunteers and Mr. McCracken allowed her to attend critical medical appointments even though her health no longer allowed her to drive off Fidalgo Island.

Donald Slack, Anacortes resident, said that since retiring from the Navy eighteen years prior he had been a volunteer driver for both Community Action and Meals on Wheels. Mr. Slack said the CA program is deeply needed by the community and described its meaning for both clients and volunteers. He urged Council to get behind the Community Action program.

Rae Gilbertson, Anacortes resident, described the invaluable service provided to she and her husband, Bob, by Community Action volunteers who have provided transportation to critical medical appointments over the past five years. Ms. Gilbertson described CA as an integral part of her husband's care team and said she was eternally grateful for CA's arrangement of transportation at this critical time in their lives.

Consent Agenda

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

- a. Minutes of June 18, 2018
- b. Approval of Claims in the amount of: \$464,896.98
- c. Contract Award: Sewer Cost of Service and Rate Design Study 18-099-SEW-001

The following vouchers/checks were approved for payment:

EFT numbers: 89638 through 89682, total \$290,292.41

Check numbers: 89683 through 89725, total \$170,165.04

Wire transfer numbers: 232828 through 234406, total \$3,555.88

OTHER BUSINESS

Anacortes Senior Activity Center Foundation Donation to the Anacortes Senior Activity Center (ASAC)

Administrative Services Director Emily Schuh and Anacortes Senior Activity Center Director Sally Hill acknowledged a gift from the Anacortes Senior Activity Center Foundation to the ASAC of a new state of the art audiovisual system in the Great Room, including a screen, projector, microphones and associated audio equipment. Ms. Hill called the system a wonderful asset for everyone who uses the center and noted that the Foundation is a great conduit for the community to support the Center. Ms. Schuh asked Council to acknowledge and accept the donation valued at over \$22,000. In response to councilmember questions, Ms. Hill added that three rooms of the Center, including the Great Room, currently have induction loops ("T-Loops") to benefit hearing aid users.

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

Ms. Lovelett moved, seconded by Mr. Young, to accept the donation from the Foundation to improve the audiovisual capabilities at the Anacortes Senior Activity Center and to assume responsibility for the upkeep and maintenance of the system. Vote: Ayes – Young, Walters, Adams, Lovelett, McDougall, Miller and Johnson. Motion carried.

Anacortes Senior Activity Center Foundation MOA

Ms. Swetnam presented a draft memorandum of agreement between the Anacortes Senior Activity Center Foundation and the city governing how the two organizations can work together to best support the Senior Center. Ms. Swetnam's slides were added to the packet materials for the meeting. She presented highlights of the Foundation's support for the center since 1980, then summarized the transition of the ASAC from Skagit County to the city in 2017. Ms. Swetnam listed the goals of the MOA, including clarifying each party's roles and responsibilities, providing procedures for financial and staff support, aligning efforts so the two organizations can maximize their impact, and recognizing the valuable relationship between the parties. She then summarized the basic terms of the MOA including its initial 6-year term, renewal provisions, transition of the administrative assistant position to city employment, liability insurance, communication, budget, and staffing. Ms. Swetnam noted that the proposed MOA would serve as a model for future agreements with other foundations that serve the city. Ms. Schuh then reviewed in more detail the plan to transition the administrative assistant position, currently a staff position of the Foundation, to a city employee position effective January 1, 2019, with offsetting funding from the Foundation for the first six years according to a schedule of annual decreases. Ms. Schuh estimated an initial cost of \$12,000 annually for wages and benefits for the part time position.

Mr. Johnson cited paragraph 1d of the proposed agreement and suggested changing the language to clarify that City Council specifically should have oversight on capital projects, perhaps over a specified dollar threshold. Ms. Swetnam concurred. She offered to add clarifying language and bring the revised MOA back to City Council for action on the Consent Agenda at a future meeting. Mr. Walters suggested that the language also address capital projects which may not have been included in the capital improvement budget, particularly if the MOA was to serve as a model for agreements with other foundations.

Ms. Lovelett asked what the Foundation would do with the funds freed up by the city's assumption of wages and benefits for the administrative assistant. Michelle Pope, Foundation Vice President, noted that for the next few years the Foundation would actually be raising and contributing more funds than it currently expended for the position. Ms. Pope said that the Foundation invests to meet future needs of the Center and its programs as they arise. Mayor Gere called the MOA a great culmination to the discussion that began two years prior regarding transitioning the ASAC. She thanked the Foundation members present and Ms. Hill for their leadership.

Contract Award: Sanitary Sewer Lines Rehabilitation 18-021-SEW-002

Assistant Public Works Director Matt Reynolds requested Council approval to award a contract in the amount of \$336,057.05 to Allied Plumbing and Pumps, LLC dba/Allied Trenchless to perform the 2018 Sanitary Sewer Line Rehabilitation. Mr. Reynolds displayed maps from the packet materials for this agenda item depicting the location of the work along M Avenue and between 34th and 35th Streets west of M Avenue prior to the M Avenue asphalt overlay later in the season. He recommended approval of the contract. In response to councilmember questions, Mr. Reynolds described the Cured-in-Place-Pipe (CIPP) technology that relines existing pipe without requiring excavation and restoration, resulting in much lower cost and extending the life of the pipe by decades.

Mr. Walters moved, seconded by Ms. Lovelett, to approve the contract as presented. Vote: Ayes – Walters, Adams, Lovelett, McDougall, Miller, Johnson and Young. Motion carried.

Resolution 2019: Authorizing Pledge to Community Action of Skagit County Capital Campaign

Finance Director Steve Hoglund recalled the presentation by Community Action of Skagit County at the February 26, 2018 City Council meeting seeking a contribution of \$50,000 from Anacortes for CA's capital campaign to purchase a new building. Mr. Hoglund reported that in response to councilmember suggestions at that meeting, the Finance Committee had drafted Resolution 2019 suggesting a donation of \$35,000 which would equate to the same per capita level of support from Anacortes as that provided by the \$25,000 contribution from Sedro Woolley.

Mr. Johnson suggested altering the final paragraph of the resolution to state that Anacortes would deliver its contribution *once the sale is completed* rather than based on CA's *commitment* for the new building.

Mr. Young spoke of CA's commitment to serve those in the community most in need and said that the initial request for \$50K was reasonable. He asked his colleagues to reconsider the \$35K figure and pledge \$50K instead. Mr. Walters, a member of the Finance Committee, said he did not necessarily object to the \$50K figure but preferred an amount calculated on a rational basis. Councilmembers discussed historic annual amounts contributed to CA for operating and program expenses, both from the general fund and from the city's CDBG grant. Ms. Lovelett urged considering a budget line item for \$12-15K in the 2019-2020 budget to support CA programs. Mr. McDougall expressed support for contributing \$50K for the capital campaign and suggested that perhaps the Anacortes economic demographic would support a higher per capita contribution than in Sedro Woolley. Mr. Young suggested that the high proportion of retirees in Anacortes might one day need CA's services and that CA also worked in tandem with the Anacortes Family Center, which continued to grow. He challenged his colleagues to show leadership in responding to this one-time request. Mr. Johnson reminded that a community resource center had previously been identified as one of the top two needs for community services in Anacortes and that the Anacortes Family Center had set aside space for such a center which now only needed funding to staff it. He cited statistics demonstrating that the need for homeless services is as great in Anacortes as across the valley but that the AFC receives far less funding from other sources than CA. He urged focusing locally and fulfilling pledges to the AFC before increasing the contribution to CA. Mr. Young responded that the AFC had awed the county by its ability to so quickly raise over a million dollars for its new facility from private donors and that CA was not in a position to do that. Mr. Adams allowed that there might be a middle ground between \$35K and \$50K and asked to hear from the audience.

Mr. Walters asked how much other cities were contributing. Joan Penney, Community Action of Skagit County, reported that CA had asked Anacortes, Mount Vernon, Burlington and Sedro Woolley each for \$50K for the capital campaign. She said Sedro Woolley had pledged \$25K, Mount Vernon had declined to participate, and Burlington had not made a final decision. She added that following her presentation to Anacortes City Council in February, CA had submitted additional information substantiating the amount of the \$50K request. Mr. Walters requested that councilmembers all receive a copy of that information. Ms. Penney added that CA offers zero barrier programs, serving clients with addiction and records, which closes off some funding sources. She said most of the over \$1M CA had raised thus far for the capital campaign was grants. Ms. Penney also explained that CA and AFC coordinate fundraising so as not to present conflicting requests to the same donor pool. She said that CA was attempting a tidal change by asking Skagit County cities to join in addressing community needs together as a region. Mayor Gere said it was important for Anacortes to participate in the CA capital campaign at least at the \$35K level and suggested that during the upcoming biennial budget process Council determine what level of annual allocation would be appropriate for social services. She cautioned against pitting one agency against another.

Mr. Walters asked Ms. Penney if the language change proposed by Mr. Johnson, to deliver the funding upon closing of the property purchase, was acceptable to CA. Ms. Penney said a pledge under those terms would be helpful and would allow CA to pursue grant opportunities. Mr. Walters asked staff to reword the resolution to say the city may pay an invoice after Community Action completes the transaction, not that SCAA shall invoice the city. Mr. Walters said that since two of the four cities asked had so far declined funding, it was incumbent on

Anacortes to provide at least the \$50K requested to provide an incentive for other cities to step up to the plate. Ms. Lovelett agreed, and said that providing \$50K to CA did not preclude funding the community resources center at AFC. She agreed with other colleagues on the goal of determining a desired funding level for social and community services during the budget process, then allocating that amount among agencies. Mr. Johnson agreed that it would be desirable to set a social service budget, then determine where to best leverage the budgeted funds rather than responding to a series of individual requests as they come in. He supported pledging the \$35K and then possibly increasing that amount after the budget was finalized. Mr. Miller agreed with Mr. Johnson and stressed the need for a measured basis for each donation, basing it on population or percentage of the budget or some other rational metric.

Mr. Young reiterated his support for CA's programs and moved, seconded by Ms. Lovelett, to pledge \$50K for Community Action's capital campaign. Mayor Gere clarified that the motion included prior suggested amendments that the funds would be payable once Community Action completed the sale transaction for its new Services Center building.

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

Lynn Christofersen, Community Services Director at Community Action, read from her prepared remarks sharing the story of how a small investment Anacortes made many years ago in the dry food storage facility continues to pay dividends to not only the citizens of Anacortes but to everyone in Skagit County. She urged Council to invest in the new service center that is the right size and has the right mix of services to meet current and emerging needs. Ms. Christofersen's comments were added to the packet materials for the meeting.

Mr. McDougall expressed his support for pledging the full \$50K but cautioned against spending those funds emotionally rather than strategically. He asked his colleagues to consider pledging the \$35K and then considering adding additional funding during the 2019-2020 budget process during the summer. Mr. Adams agreed that the decision to spend so much taxpayer money should be objective, not emotional. He recommended deliberating, then taking a step back and postponing the decision to a subsequent meeting.

Mr. Walters asked Ms. Christofersen to summarize the history of Anacortes funding to CA, which she did. He concluded that \$35K was less than Anacortes formerly contributed to CA annually. He supported the \$50K figure. Mr. Adams said he would prefer to think about the decision for a week or two and take a more objective approach. Mr. Walters moved, seconded by Mr. Adams, to postpone consideration of Mr. Young's motion for one week. Vote on motion to postpone: Ayes – Adams, McDougall, Miller and Johnson. Nays – Lovelett, Young and Walters. Motion carried.

Mr. Walters requested that an updated version of Resolution 2019 be included in the packet materials for the July 2, 2018 meeting.

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

Steve Clarke, Anacortes resident, said after moving here a few years ago and being humbled by the work of past generations to build the wonderful Anacortes trails, he sought some way to give back. Mr. Clarke said he has been volunteering with Mr. McCracken's program every Saturday morning, visiting homes, delivering food, helping people move, and so forth. He said the experience had opened his eyes to conditions community members face. Mr. Clarke said that having the facilities and infrastructure to support the work of volunteers is super important. He urged Council to support CA's request to the maximum level that works for the city.

Ward MacKenzie, 1302 7th Street, said he was encouraged by the evening's discussion about planning for future giving by the city. Drawing on his 30 years of experience in human services and government, Mr. MacKenzie said some non-profits are far more effective than others. He advocated that during the budget deliberations,

Council determine the values and priorities that will be part of the budget and then ask that the recipients of those funds demonstrate results and report the cost per person, to ensure that funds are used wisely and achieve desired results.

There being no further business, at approximately 8:00 p.m. the Anacortes City Council meeting of June 25, 2018 was adjourned.