

## **City Council Minutes – November 20, 2017**

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Mayor Laurie Gere called to order the regular Anacortes City Council meeting of November 20, 2017 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Erica Pickett, Brad Adams, Liz Lovelett, Bruce McDougall and Matt Miller were present. The assembly joined in the Pledge of Allegiance.

### **Announcements and Committee Reports**

Mayor Gere invited the public to participate in the Green Club Turkey Trot at Washington Park Loop on Thursday, November 23, 2017 at 9:00 a.m. to raise money for the Anacortes High School Green Club.

Public Works Committee: Mr. Walters reported that the regularly scheduled committee meeting earlier in the evening had been cancelled.

Mr. Miller reminded the public that the alternative solid waste collection schedule for the Thanksgiving holiday was posted on the City website.

Arts Commission Studio Tour Report: Lisa Rhoades, Arts Commission member, reported that the second annual 98221 Artist's Studio Tour was a great success and doubled in size over the previous year with over forty diverse artists in over thirty locations. Ms. Rhoades described the expanded publicity efforts for the event, the participation of Samish Indian Nation artists in 2017, and plans for further enhancements in 2018. She thanked the event sponsors and the City of Anacortes for their support.

### **Public Comment**

No one present wished to address the Council on any topic not already on the agenda.

### **Consent Agenda**

Mr. Johnson removed items 5b, Approval of Claims in the amount of: \$530,138.09, and 5c, Resolution 2000: Authorizing the Write-Off of Miscellaneous Billing Balances Deemed Uncollectible, from the Consent Agenda. Mr. Adams moved, seconded by Ms. Pickett, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

- a. Minutes of November 13, 2017
- d. Interlocal Agreement 258: Use of Whatcom County Plantation Rifle Range 2018

The following vouchers/checks were approved for payment:  
EFT numbers: 87121 through 87160, total \$172,588.44  
Check numbers: 87161 through 87200, total \$81,827.50  
Wire transfer numbers: 223282 through 224419, total \$5,683.18

- b. Approval of Claims in the amount of: \$530,138.09

Mr. Johnson noted the large number of invoices in recent weeks related to the \$35K budget item for the Operations Shop remodel and restroom expansion but said he could not recall a contract having come to Council for approval. He advised that Finance Director Steve Hoglund had confirmed that much of the work was being performed by Operations Division staff at considerable cost savings.

- c. Resolution 2000: Authorizing the Write-Off of Miscellaneous Billing Balances Deemed Uncollectible

Mr. Johnson asked about the fees charged by the city's collection agency. Mr. Hoglund explained that the collection agency adds its fee to the debt amount and that fee is paid by the debtor. Mr. Johnson asked

what rate of return the city receives on accounts sent to collections. Mr. Hoglund said the rate was not high.

Mr. Johnson moved, seconded by Ms. Lovelett, to approve Consent Agenda items 5b and 5c. The motion carried unanimously by voice vote.

## **OTHER BUSINESS**

### **Ordinance 3014: 2017/2018 Budget Mid-biennial Review and Modification**

#### **Resolution 1999: Setting the City's Year 2018 Property Tax Regular Levy Increase**

Finance Director Steve Hoglund recalled that at its November 13, 2017 regular meeting Council conducted a public hearing on the mid-biennial budget review and modification and subsequently expressed satisfaction with the ordinance and the resolution as drafted so those were now being presented to Council for action. Mr. Adams pointed out that a 1% property tax increase adds only pennies to each household's tax bill but brings in nearly \$50K for city operations. Mr. Johnson noted that the 1% increase doesn't even keep up with inflation.

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

Ms. Pickett moved, seconded by Mr. Johnson, to adopt Ordinance 3014 authorizing the mid-biennial modification to the 2017/2018 Biennial Budget and Resolution 1999 authorizing a 1% property tax increase for 2018. Vote: Ayes – Walters, Pickett, Adams, Lovelett, McDougall, Miller and Johnson. Motion carried.

#### **Resolution 1998: Authorizing Execution of 2018 Tourism Promotion Fund Contracts by and between the City of Anacortes and Recipient Agencies based on Lodging Tax Advisory Committee Funding Recommendations**

Planning Director Don Measamer reported that 24 projects had applied for 2018 Lodging Tax funding and that after three meetings to consider applications, the Lodging Tax Advisory Committee recommended that 21 of those be awarded funds totaling \$305,600. He added that the LTAC also recommended awarding \$40,167 for two capital projects. Mr. Measamer presented Resolution 1998 listing the awards per the LTAC recommendations. He recommended Council approval. Mr. Adams confirmed with Mr. Measamer that the recommended award total would still reserve 25% of anticipated lodging tax revenue as outlined in the Tourism Promotion Strategic Plan. Mr. Measamer responded to councilmember questions about specific funding requests and funding recommendations. Mr. Miller said the recommendations reflect LTAC's assessment of the importance of gateway signs and said the east end sign may warrant additional funding in the future.

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

Mr. Johnson moved, seconded by Mr. Adams, to approve Resolution 1998 authorizing execution of the Tourism Promotion Fund contracts by and between the City of Anacortes and recipient agencies. Vote: Ayes – Pickett, Adams, Lovelett, McDougall, Miller, Johnson and Walters. Motion carried.

#### **Public Meeting: Ordinance 3013 and Resolution 1996: Establishing a Unified Fee Schedule for Utility Fees and Charges**

Mr. Hoglund presented the cost of service water rate revision discussed at multiple recent meetings and endorsed by Council at its November 6, 2017 regular meeting. He advised that the terminology had been standardized and the definitions relocated in the Anacortes Municipal Code as requested by Council on

November 6. Mr. Hoglund recommended adopting Ordinance 3013 and Resolution 1996 to put the multifamily water rates into effect for 2018. Councilmembers acknowledged that the unified fee schedule adopted by Resolution 1996 for 2018 included CPI increases but did not address previously proposed restructuring of the agriculture irrigation water rate. Several councilmembers urged adjusting that rate sooner rather than later; Mr. Walters noted the need for defining agriculture irrigation.

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

Dan O'Donnell, 328 North 3<sup>rd</sup> Street, La Conner, asked that page 2 of Attachment A to Resolution 1996, Water Agriculture Irrigation section for 2018, be changed as follows:

*\*Agriculture rate will be ~~tie~~ applied to the contractual wholesale rate*

Mr. O'Donnell said that the 2017 wholesale water contract [with La Conner] would need to be changed as well because that agreement was silent about agricultural irrigation. Mr. O'Donnell reminded that he had provided a draft amendment to Council at the November 6, 2017 City Council meeting.

No one else wished to address the Council on this agenda item.

Mr. Johnson moved, seconded by Mr. Miller, to adopt Ordinance 3013 and Resolution 1996 as presented. Vote: Ayes – Adams, Lovelett, McDougall, Miller, Johnson, Walters and Pickett. Motion carried.

**Contract Award: March Point Road Shoulder Widening 15-006-TRN-002**

Mr. Hoglund requested City Council consent to award a contract to Granite Construction Company in the amount of \$205,373.00 to construct the March Point Road Shoulder Widening Project. Mr. Hoglund traced the history of the project, referring to the agenda bill in the Council packet, and responded to councilmember questions about the timing of and grant funding for the project.

Mr. Adams moved, seconded by Mr. McDougall, to consent to enter a contract with Granite Construction Company in the amount of \$205,373.00 to construct the March Point Road Shoulder Widening Project. Vote: Ayes – Lovelett, McDougall, Miller, Johnson, Pickett and Adams. Nays – Walters. Motion carried.

There being no further business, at approximately 6:47 p.m. the Anacortes City Council meeting of November 20, 2017 was adjourned.