Mayor Laurie Gere called to order the regular Anacortes City Council meeting of June 5, 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.

Mr. Johnson moved, seconded by Ms. Lovelett, to remove from the agenda Item 7d, Ordinance 3005: Wave Franchise Agreement, pending additional work by staff. The motion passed unanimously by voice vote.

Mr. Adams requested that agenda Item 7a, Heart Lake Milfoil and Algae Treatments, be moved to follow Item 7c. Councilmembers and Mayor Gere concurred.

Announcements and Committee Reports

Proclamation: General Aviation Appreciation Month:
Mayor Gere read a statement proclaiming June 2017 to be General Aviation Appreciation Month in Anacortes and inviting all citizens to recognize the occasion.

Housing Affordability & Community Services Committee: Ms. Lovelett reported from the Housing Affordability subgroup meeting the prior Thursday. She said the fourth draft of the Affordable Housing Strategic Plan was under review with the goal of presenting the final draft to the Planning Commission in early July in order to harmonize it with the development regulations update.

Public Works Committee: Mr. Johnson reported from the committee meeting earlier in the evening at which the members discussed the prilled sulfur traffic mitigation agreement with the Port of Anacortes and the fiber optic network project.

Ms. Lovelett reported that the school district and Anacortes Public Library would be hosting the film *Resilience* regarding childhood trauma. She also announced that the Learning and Lunches program would start on June 26 providing free lunch to children at 11:30 each day at Whitney School.

Ms. Lovelett and Mayor Gere reported from recent meetings with the Senior Center focus group regarding their accreditation and strategic plan.

Ms. Lovelett commented on recent tragedies in Portland and urged the community to come together to stand up for the vulnerable.

Ms. Lovelett reported constituent concern about departure from the Paris climate accords and calls for Anacortes to determine what standards it would uphold.

Mr. Johnson reported on revisions to the Kiwanis Aktion Club electronics recycling service and provided a list of locations where printers, scanners, other computer peripherals could be recycled since the club was no longer able to accept them.

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

Consent Agenda
Ms. Lovelett moved, seconded by Mr. Johnson, to approve the following Consent Agenda items. The motion passed unanimously by voice vote.

a. Minutes of May 22, 2017 and May 25, 2017
b. Approval of Claims in the amount of: $230,034.84
c. Contract Modification: Downtown Sidewalks Phase 1 – 3rd St (17-028-TRN-001)
d. Interlocal Cooperative Agreement: Whatcom County Plantation Rifle Range Use Agreement

The following vouchers/checks were approved for payment:
EFT numbers: 85087 through 85142, total $238,464.56
Check numbers: 85143 through 85218, total $219,899.10
Wire transfer numbers: 216345 through 217277, total $5,890.74

PUBLIC HEARINGS

Closed Record Public Hearing: CUP-2017-0001, Anacortes School District, Cap Sante High School Portable(s) at SE corner of 22nd Street & "J" Avenue
Planning Director Don Measamer presented an application for Conditional Use Permit CUP-2017-0001 to permit the temporary placement of a 2,700 square foot portable building on the grass field located at the southeast corner of the intersection of 22nd Street and "J" Avenue to house Cap Sante High School. Mr. Measamer's slide presentation was added to the packet materials for the meeting. After summarizing the project, the application and the relevant municipal code, Mr. Measamer reported that following its open record public hearing on May 24, 2017 the Planning Commission had recommended 5-0 that City Council approve the CUP subject to recommended conditions. He added that there were no parties of record other than the applicant.

Mr. Measamer responded to questions from mayor and Council regarding timing of the proposed temporary use and parking concerns. Applicant Project Manager Marc Estvold responded to councilmember concerns regarding parking.

Mr. Johnson moved, seconded by Mr. Miller, to approve the subject Conditional Use Permit subject to staff's recommended conditions of approval. Vote: Ayes – Walters, Pickett, Adams, Lovelett, McDougall, Miller and Johnson. Motion carried.

OTHER BUSINESS

Ordinance 3006: Vacation of Portions of 31st Street, 30th Street and Alleys related to Jacob's Meadow Final Plat/PUD-2011-0001
Planning Manager Libby Grage presented draft Ordinance 3006 which would vacate portions of 31st Street, 30th Street and alleys related to Jacob's Meadow Final Plat (PUD-2011-0001). Ms. Grage summarized the PUD (application initially filed in 2011) and the related vacations. Her slide presentation was added to the packet materials for the meeting. Ms. Grage reported that the appraised value of the area proposed for vacation was $5/SF or $84,015 and that 75% of that amount, or $63,011, was the required vacation compensation per code. Mr. Miller clarified the compensation calculations with Ms. Grage.

Mr. Walters moved, seconded by Ms. Pickett, to approve Ordinance 3006 as presented.

Ms. Lovelett asked what the public benefit would be for the vacation. Mr. Measamer explained the open space and new public roadway provided by the project. He also responded to questions regarding access to the adjoining Mehler property. Mr. Adams noted that the appraisal was performed in 2015 and said property values had increased since that time. Mr. Measamer said Council could request a new appraisal, which could take a month or so, but that staff was satisfied with the value as established. Mr. McDougall reported that median sales price in Anacortes had gone up 20% since 2015. Mr. Adams objected to accepting the $5/SF value established in 2015. Mr. Miller observed that adding new homes adds to the city property tax base. Mr. Walters agreed with Mr. Adams's point but suggested that a new appraisal would not significantly change the total compensation calculation.

Vote: Ayes – Pickett, Lovelett, McDougall, Miller, Johnson and Walters. Nays – Adams. Motion carried.

Request for Final Plat Approval: PUD-2011-0001, Jacob's Meadow, D Avenue/30th Street

Ms. Grage presented the final plat application for PUD-2011-0001. Her slide presentation was added to the packet materials for the meeting. Ms. Grage summarized the final PUD and plat procedure from AMC 16.16 and outlined the processing of the application in compliance with that procedure. She said staff found that the plat had been constructed consistent with conditions of approval but listed six conditions that remained unmet prior to recording of the prior plat as outlined in the staff memo.

Ms. Lovelett asked about the condition regarding fee in lieu for the detention pond. Public Works Director Fred Buckenmeyer explained that the specific pond in question was slated for work by the city later in the year. Mr. Walters asked about the maintenance bond for public improvements; Ms. Grage indicated that was an original condition of final approval. Mr. Walters noted that the six listed conditions were all part of the original plat conditions and were noted by staff as remaining to be completed prior to recording of the final plat.

Mr. Adams moved, seconded by Mr. Johnson, to approve the final plat/PUD application for Jacob's Meadow subject to the conditions recommended by staff. Vote: Ayes – Adams, Lovelett, McDougall, Miller, Johnson, Walters and Pickett. Motion carried.

Heart Lake Milfoil and Algae Treatments

Forestlands Manager Jonn Lunsford and Parks & Recreation Director Gary Robinson continued the discussion of this topic begun at the May 22, 2017 regular City Council meeting. Their slide presentation was added to the packet materials for the meeting. Mr. Lunsford briefly summarized the acquisition of the lake from the State Parks and the subsequent development of the Heart Lake Management Plan and Heart Lake Master Plan. Mr. Lunsford presented a ten-year funding plan for Heart Lake hybrid milfoil and algae treatments. He provided comparative information regarding results of treatments at other nearby lakes. Mr. Lunsford said DOE was waiting for response from the city regarding the $49K grant offered for the alum treatment. He responded to earlier councilmember questions regarding dredging the lake as an alternative to chemical treatment, reporting that costs for that process could be $900K or more.

Parks & Recreation Director Gary Robinson and Finance Director Steve Hoglund responded to councilmember questions regarding the funding plan, potential funding sources, Heart Lake projects included in the Capital Facilities Plan, and potential results of the No Action alternative. Ms. Pickett observed that public sentiment revealed during the Management Plan and Master Plan public processes indicated that citizens wanted the lake to be maintained for recreation.

Mayor Gere invited members of the public to address the Council on this issue.

Sara Holahan, 1511 38th Street, thanked the Parks Department for its extensive research. She recalled that the vegetation problems were not at the fore of discussion during the master plan process. She asked why hand pulling or other mechanical means had not worked. She noted that chemicals required repeated application and asked about chemical transfer into Fidalgo Bay downstream. She urged educating the community about the risks and benefits of chemical application since those may not have been understood at the time the Master Plan was developed.

In response, Mr. Lunsford recapped the hand pulling efforts undertaken earlier and noted the limited effect and high cost.

Brian Wetcher, 814 26th Street, urged Council to recognize its new responsibilities with a new environment. He called the amenities included in the Master Plan a wish list, not items required to maintain traditional recreational pursuits at the lake. He urged Council to focus on the methodology of funding so that permits could be obtained timely and the liability of toxic algae could be addressed. He reminded that other lakes in town may face the same problems in the future. He urged moving forward with the treatment plan presented by staff.

No one else present wished to address the Council.

Mr. Johnson asked about regional efforts to prevent the spread of problem aquatic vegetation. Mr. Lunsford recapped state grants issued in the region for this effort.

Ms. Lovelett noted constituent comments from citizens who do not want to swim in a lake that has been chemically treated. Mr. Lunsford reported on the usage restrictions for the various chemicals under consideration. Mr. McDougall asked if Council was really committing to a 10-year plan if it committed to the first two years. Mr. Lunsford said the public expectation would likely be for continued management.

Mr. Lunsford reported that following Council discussion at the prior meeting staff had applied for a permit for chemical treatment. He suggested that staff proceed with issuing a Request for Proposals to keep treatment options open for the 2017 season. Councilmembers concurred. Mr. Walters requested more specific funding information including how much was available and suggested for use from each source. Mayor Gere asked Mr. Hoglund if the entire treatment plan could be funded by the DOE grant and the quarry fund. Mr. Hoglund said the quarry fund was only restricted to use within the ACFL so could be used for this purpose. Mr. Robinson preferred using quarry funds for only half of the costs. Mr. Johnson suggested that public fundraising might be another option. Ms. Lovelett questioned committing to the ongoing costs of pursuing chemical treatment in the face of needs at other park facilities.

Mr. Robinson said he would bring the topic back before Council two weeks hence with the additional information requested for one more round of public comment and ask for Council action at that point.

Keystone Latecomer Agreement 17-056-ADM (Discussion/Possible Action)

City Attorney Darcy Swetnam summarized the mechanics of latecomer agreements per Chapter 12.20 AMC. She presented a latecomer agreement for sewer infrastructure to be installed as part of the Keystone project, which was included in the packet materials for the meeting.

Attorney Bruce Flanagan, 3706 W 2nd Street, representing Richard McKee and Melissa Dykstra, said the proposed latecomer agreement was unfair. Mr. Flanagan related the history of the property transfer from Don McKee to Mr. Flanagan's clients and subsequently to Keystone LLC and described the sewer connections and prior latecomer agreements in the area. He said the latecomer fee was reasonable but would not serve his clients because sewage would have to be pumped uphill. He asked Council not to approve the agreement. He said his clients would rather tap into a different sewer location.

Richard McKee echoed Mr. Flanagan's comments.

Engineering Technician Steve Lange said the McKee property did see a direct benefit from the Keystone sewer and noted it would not have to pay the latecomer fee if it did not connect to the Keystone sewer. He said the McKee property could connect to the west instead.

Councilmembers and Mayor Gere asked that staff bring the matter back with additional information. Ms. Swetnam said that notice of the latecomer agreement had been made per code and no request for public hearing had been filed with the city during the 20-day window. She recommended that Mr. Flanagan prepare a briefing for Council with all the referenced agreements.

There being no further business, at approximately 7:50 p.m. the Anacortes City Council meeting of June 5, 2017 was adjourned.