



City Council Minutes – September 2, 2008

At 7:30 p.m. Mayor Maxwell called the regularly scheduled meeting of Tuesday, September 2, 2008 to order. Roll call found present: Kevin McKeown, Nick Petrish, Erica Pickett, Brad Adams, Bill Turner, Cynthia Richardson, and Brian Geer. Roll call was followed by the Pledge of Allegiance.

Minutes of Previous Meetings

Mrs. Richardson noted a misspelling on page 2 of the August 11, 2008 minutes; with that, Mrs. Richardson moved, seconded by Mr. McKeown that the minutes of August 4, 2008 and August 11, 2008 be approved as if read. Mr. Petrish abstained from voting on the minutes of August 4th. Vote: Ayes – Petrish, Pickett, Adams, Turner, Richardson, Geer, and McKeown. Motion carried.

Citizen Hearings

No one in the audience wished to testify on matters not on the agenda.

Mayor/Council Communication**Mayor's Award of Merit – Becky Fox**

Mayor Maxwell presented the Mayor's Award of Merit to Ms. Becky Fox in recognition of her outstanding and diligent performance in the Public Works Department. Ms. Fox has provided assistance and expertise in the daily operations at the Wastewater Treatment Plant. In particular, the Mayor highlighted Becky's commitment to make sure that the City remains in compliance with permit requirements and regulations. The Mayor and Council expressed appreciation for Ms. Fox's hard work and dedication to this organization. Ms. Fox accepted a gift certificate from the City together a heartfelt standing ovation from the audience.

Recreation Department Update: Nicole Johnston

Ms. Nicole Johnston, Recreation Coordinator, reported that this year's soccer season begins on Saturday with 34 teams and 332 participants. Also, the 10th Annual Skatefest will also be held on Saturday at the Ben Root Skate Park; the City's Fire Department will be donating a helmet to any skater without one. Fall registration begins on Monday, September 8th. The Mayor thanked Ms. Johnston for the update.

Proclamations:**Senior Center Month**

Mayor Maxwell proclaimed September 2008 as Senior Center Month in the City of Anacortes and called upon all citizens to recognize the special contribution of the senior center participants and the special efforts of the staff and volunteers who work every day to enhance the well being of the older citizens of our community. Ms. Sally Hill, Center Director, thanked the Mayor and Council for this acknowledgment and support. Mr. Densley Palmer, Ms. Lynn Simonson; Mr. Earl Heisey, and Ms. Brenda Smith all commented on the excellent programs, user friendly building, wide range of classes and events offered, and the care and commitment of the staff and volunteers at the Senior Center.

United Way Campaign in Skagit County

Mayor Maxwell read from a document proclaiming, in part, that the spirit of caring for one another is expressed by volunteers working with the United Way of Skagit County to raise funds for health and human services needs; and that there are many local non-profit agencies that are supported by United Way so health and human service needs can be met. With that, Mayor Maxwell proclaimed September, October, and November as "United Way Campaign Months" in the City of Anacortes.

Library Card Sign-up Month

Mayor Maxwell read from a document proclaiming, in part, that the smartest card is a library card; and that a library card opens up a world of opportunity for people of all ages. The Mayor then designated September as Library Card Sign-up Month in Anacortes and encouraged everyone to sign up for the smartest card at your library.

Appointment: Planning Commission

Mayor Maxwell first thanked Ms. Betty Kuehn for her many years of dedicated service as a member of the Planning Commission. Mrs. Richardson respected Ms. Keuhn's point of view and dedication to this significant volunteer effort. The Mayor then recommended Mr. Stuart Janke to fill this vacancy; Mr. Janke's letter of interest and resume were previously circulated to the Council. With that, Mr. Geer moved, seconded by Mrs. Pickett, to confirm the appointment of Mr. Stuart Janke to the Planning Commission. Vote: Ayes – Pickett, Adams, Turner, Richardson, Geer, McKeown, and Petrish. Motion carried.

Confirmation and Swearing in of John Small, Police Captain

Mayor Maxwell announced that, due to unfolding events in Skagit County, the confirmation of Police Captain John Small will take place at a future meeting.

Confirmation of Ryan Larsen, Director of Planning and Community Development

Mayor Maxwell thanked the committee members who conducted the interview/assessment process to select a candidate for the Planning Director's position. The Mayor then introduced Mr. Ryan Larsen, the recommended nominee as the new Director of Planning and Community Development for the City of Anacortes. With that, Mr. Adams moved, seconded by Mr. Geer, to approve the selection of Mr. Ryan Larsen as the Planning Director. Vote: Ayes – Adams, Turner, Richardson, Geer, McKeown, Petrish, and Pickett. Motion carried. Mr. Larsen thanked the Mayor and Council for the opportunity to serve the community.

Mayor's Budget Message to Council

The Mayor presented the following to the Council and members of the Community:

I am pleased to submit the proposed 2009 budget for the City of Anacortes for your review, comment, and action.

The proposed 2009 budget totals \$45,295,976, and represents a 4.4% increase over the adopted 2008 budget of \$43,398,079. The majority of increase is due to an increase in capital funding for the Water Treatment Plant expansion project. The proposed budget utilizes real estate excise tax, impact fees, and general facility charges to build another West end park, to build a new section of the Guemes Channel Trail, to fund the majority of the roundabout at the SR20 and Commercial Avenue intersection, to improve streets, to continue our street overlay program, to pour new sidewalks, to improve existing parks, and to maintain the City's strong investment in our utility infrastructure.

The following is an overview of some highlights related to this budget preparation year (2008) and to the 2009 projected budget:

Administration/General

Departments worked closely with Finance and my office to prepare a balanced budget that provides high levels of service to our community within the parameters of a 1% property tax increase. The City maintains a 5% emergency reserve in each of its funds, and has a fiscally conservative philosophy to pursue strong fund balances in all of its funds. Anacortes continues to be one of the lowest taxing cities in Skagit County with a projected 2008 millage of \$1.32 / 1000 of assessed value. Property tax revenues largely fund operations of the City's general government departments Police, Fire, Museum, Parks, and Library. The utility department budgets are funded separately.

The City will continue its strong support of the region's social needs with \$28,500 contributed to Skagit County Senior Services for staffing; \$5,000 budgeted for our local Food Bank Emergency Fund; \$5,000 budgeted towards a regionally shared Energy Conservation Resource Manager; \$5,000 for the Skagit County Community Action Agency; and \$10,000 for the Anacortes Chapter of the Skagit County Boys and

Girls Club. The local Boys and Girls Club supports over 200 members, 40% of whom qualify for the public schools' reduced lunch program offered for those with financial needs.

Public Safety

Police: The Police Department intends to fill two vacant patrol officer positions by the end of 2008, and enter 2009 with all budgeted positions filled. The proposed budget maintains all current programs. Training of new staff will be a top priority as will training an investigator in electronic (computer/cell phone) fraud investigations. Every officer will continue to receive 24 hours of continuing education including 8 hours of defensive tactics, 12 hours of firearms training, and 4 hours of emergency vehicle operation. The department will continue its commitment to train all commissioned staff in dealing with persons affected by mental health disorders. The narrow banding of 400mgz radios and repeaters Countywide will occur in early 2009. Crime prevention, outreach programs and associated community policing activities will continue to have high priority.

Fire: The Fire Department has a long tradition of providing a high level and quality of service, and is responsible for Advanced Life Support needs for residents of Fidalgo and Guemes Islands. The Fire Department enters 2009 fully staffed, with two fire stations, Station 1 and Station 2, operating 24 hours a day. Station 3 is currently located in temporary facilities on Molly Lane and is staffed with two Firefighter/paramedics from 8:00 am to 8:00 pm.

In 2002, the City purchased a four-acre parcel of property located off South March Point Road, east of Reservation Road, for the construction of a permanent fire station and training facility. To begin the process of determining costs and conceptual plans for construction, we have budgeted \$50,000 dollars to hire an architectural/engineering firm to give us a clearer picture as to all the elements of the project, cost estimates, and construction plans.

This budget also reflects the completion of a three-year goal to obtain a thermal imaging camera placed at each fire station so the first engine to arrive on site at a fire emergency will have this valuable tool.

Finally, in the EMS budget, we have budgeted for a safety device important for both our patients and firefighters: vehicle stabilizer jacks. These devices are utilized at motor vehicle accidents where a vehicle may be resting on its side or top. The jacks are placed on the vehicle prior to making entry to check the patients, improving both firefighter and patient safety.

Public Works

The City of Anacortes has seen substantial growth in the past decade; however, growth started to slow in 2007, and this pattern continued in 2008. The Growth Management Act set aside specific fees and taxes to enhance those communities absorbing the impacts of growth. The City receives revenues in the form of impact fees for streets and parks and real estate excise tax on the sale of homes in our city limits, as well as utility hookup fees. The 2009 budget takes advantage of these moneys as available and uses them on projects that enhance our City streets, sidewalks, and utility infrastructure.

Streets/Trails: The proposed 2009 budget contains grant matching funds for a long awaited roundabout project at the intersection of Commercial and SR 20. This is historically one of the most dangerous intersections in the city and the addition of the roundabout will improve the safety and traffic flow, enhance the appearance of this intersection, and acknowledge arrival into our commercial business district and the urban areas of our community. The Street fund also includes \$300,000 for the Old Brook Lane to Fidalgo Bay access road which begins the Sharpe Corner infrastructure development project. Funding has also been included in 2009 for the continuing effort to acquire right-of-way for the future construction of the Pennsylvania Avenue connection. The City continues its commitment to maintaining city streets and sidewalks by funding \$200,000 for street overlays and \$105,000 for sidewalk construction.

Water Treatment, Transmission, and Distribution: The 2009 budget includes \$2,250,000 for the realignment of a section of 36-inch transmission main crossing Swinomish Tribal Community property, a condition of the renewal of the easement for that water main. The continuing design effort for the water treatment plant upgrade is included in the budget in the amount of \$2,542,000 for the final design of the improvements. The new sedimentation process will reduce turbidity loading on the existing filters and

expand our water treatment capability and reliability. The 2009 budget includes \$1,010,000 to complete the Deception Pass 10" waterline relocation associated with the Highway 20 widening. Also included in the budget is \$298,000 for the Water System Plan update as required by the Department of Health, as well as \$154,000 for the replacement of distribution mains.

Wastewater Treatment, Collection, and Conveyance: The Wastewater budget includes funding for significant improvements to the infrastructure from the general facility charges for new hookups. The 2009 budget will provide \$125,000 for sewer pipeline replacement, \$100,000 for sewer manhole repair or replacement, and \$100,000 for inflow and infiltration (I & I) reduction, which will reduce the volume of wastewater the plant will need to treat. Additionally, \$500,000 is budgeted for the replacement of the wastewater plant's belt press, which will reduce the amount of fuel required to incinerate waste sludge.

Storm Drainage: The general facility charge has accumulated to a level that allows for infrastructure improvements. The 2009 budget includes funding of \$60,000 for infiltration and inflow reduction, and \$47,000 for storm drain outfall reconstruction. The budget also includes \$447,980 for the Flounder Bay dredging project Phase II design, to be reimbursed to the City through a basin specific fee. This project serves as an excellent example of a public-private partnership, working together to solve a significant problem.

Sanitation: The 2009 budget includes \$30,000 to finish the closure of the 'A' Avenue dump site, as well as \$100,000 to provide a debris handling and dewatering facility.

Equipment Rental and Replacement: The Equipment Rental and Replacement fund continues to monitor and serve the City's equipment requirements with \$312,896 budgeted to replace aging equipment in 2009. Equipment scheduled to be purchased includes new trucks for the Water, Parks, and Street Departments, three police cars, and a tilt deck backhoe trailer.

Library

Over 100,000 community members and visitors have come to the Library since the beginning of 2008 using a variety of services including free Internet access. This winter and spring, well-received adult programs drew audiences that totaled 2,000 attendees, and we have a line-up of 22 programs for the fall season including our monthly Sunday Jazz performances. In addition to the popular book, magazine, CD and DVD collections, the Library now provides a variety of audio books that can be downloaded to home computers and for use on MP3 players. Our new reference computer funded by a grant from the Gates Foundation features GrantStation, a database to help patrons identify grant sources that meet their needs, as well as other electronic resources.

We have seen cost savings in Library operations as a result of the implementation of a new computer system, sending patron overdue notices by email, and through other automated services. In 2009, the Library expects to benefit from even greater economizing measures. To help contain staffing costs and provide faster customer service, a self check-out station for materials and a security system to help safeguard our assets is to be installed.

Legal/Courts

The 2009 Court budget is relatively unchanged from 2008.

The major unanticipated expense in the current year has been the cost of appealing the court decision to allow T-Mobile to locate a cell tower on private property in a residential area not zoned for commercial use. The City values the rights of our citizens, and will continue to fight for our constituency where necessary.

Planning

The Planning Department has several large projects planned to begin in 2009 that are grant dependant, but significant projects.

City Hall was constructed in the 1930's, and a seismic structural assessment and retrofit could start in 2009. At the same time, the building's fire suppression requirements will be assessed. The Planning Department has also budgeted in 2009 projects to aid the boat building industry. \$72,000 has been budgeted to repair a

scour hole at the base of the city boat launch ramp; and an assessment and upgrade of the city dock will be performed, dependant on grant fund availability, to increase the capacity of the dock to accommodate vessels beyond its current 50 ton capacity.

Human Resources

The 2009 Human Resource budget is a conservative budget that continues to provide for progressive human resources programs and support including employee and supervisor training, a wellness program, and involvement with the AWC's Employee Benefits Advisory Board and WCIA's Risk Management Board.

Museum

This year, the Museum celebrated a trio of anniversaries: 50 years since the establishment of the Anacortes History Board; 40 years since the Museum moved into the Carnegie Library; and 25 years since the *W. T. Preston* came to Anacortes.

In 2008, the Museum staff undertook a very ambitious project to restore the Carnegie Building interior back to near original condition. The project focused on the east and center galleries, uncovering painted over windows, removing old carpet and ceiling tiles, repairing and repainting the walls and refinishing the wood floors. The Museum also added a long-awaited accessibility lift. The Museum opened the very popular exhibit, *Colorful Characters & Local Lore*, which will run through spring of 2009.

In the upcoming year, the Museum will continue the restoration project on the Carnegie building, focusing on the west gallery. The Museum will continue to develop exhibits of local historical interest and significance to display at both the main gallery and the WT Preston Heritage Center. The Museum's research library is heavily used by residents and visitors alike and staff will focus on fine-tuning that service as well as continuing to produce books and other materials about local history.

Parks and Recreation

In 2009 the Parks Department has set its sights high, to try and complement its accomplishments in 2008, which includes participation in the Our Park Our Town project at Storvik Park, and the initiation of construction at Pennsylvania Park.

Budgeted in the upcoming year is \$275,000 for the SHIP Interpretive Trail, \$200,000 for another park on West 6th Street, \$50,000 for a potential acquisition of additional ACFL land, and \$15,000 for the Heart Lake Master Plan.

Additionally, the 2009 budget includes \$175,000 for expansion and improvement of the municipal cemetery. There is also \$20,000 budgeted for Volunteer Park improvements, \$20,000 for H Avenue park improvements, and \$10,000 for Depot Art Center improvements.

The Parks Department is also taking the lead on improvements of existing City facilities, including \$60,000 to paint City Hall, and \$36,500 to replace flooring at the Fidalgo Center.

In conclusion, the 2009 budget is fiscally conservative reflecting these times. All major projects have been funded through the accumulation of impact fees, real estate excise tax, and our utility general facilities charges. The street projects, parks, and utility enhancements will maintain and improve the excellent quality of life in our community that makes Anacortes such a beautiful place to live.

The Mayor is looking forward to the Council's and community's input regarding the 2009 budget.

Morand Property Status Report

Mr. Don Measamer, Assistant Planning Director, reported to Council that erosion control measures have been completed at the Morand property to the satisfaction of staff; also, the owner's geotechnical engineers provided a report indicating that the required measures are in place. Mr. Measamer explained that the owner was required to install these improvements as part of the bulkhead/temporary access road project at the site. The owner failed to comply in a timely manner and penalties were assessed; the owner appealed the imposition of fines. To date, the City has incurred \$1,926 in costs in both man hours and geotechnical monitoring; penalties are now at \$13,500. Staff recommends that a geotechnical engineer monitor the site

over the winter; additional erosion control measures may be required. Boulders have been placed on the adjacent property that should sufficiently protect that site from erosion; the first winter storm should bear that out. The City will continue to monitor Anaco Beach Road. Mr. Brad Furlong, City Attorney, explained that City has responded appropriately in this situation; Council should hold imposing additional fines and penalties in abeyance to determine the success of the winter maintenance plan.

Deliberation: 30th Street Vacation – Woolworth

Mr. Fred Buckenmeyer Public Works Director, reported that on April 27, 2008, staff received a Petition for a right-of-way vacation from Ronald Woolworth and James Scott involving that portion of 30th Street lying between Commercial Avenue and “Q” Avenue. The Board of Adjustment took testimony on this matter on June 5, 2008. The City Council passed a resolution setting a public hearing date for the vacation. A Public Hearing was held on August 18, 2008 and the Council directed staff to bring the matter back before Council for deliberation on conditions. Staff recommends the vacation be granted with the following conditions: (1) the vacated right-of-way and the adjoining parcels owned by the petitioners shall be developed as a single parcel, unless otherwise approved by the City Council through a formal subdivision process; (2) the resulting aggregated parcels will be developed as retail use unless otherwise approved by City Council; (3) traffic circulation off the site will be limited to one driveway on Commercial Avenue and one driveway on “Q” Avenue; (4) a binding site plan shall be approved by the City and recorded with the Skagit County Auditor depicting the aggregated lots and illustrating the conditions set forth by the City Council through the vacation ordinance; and (5) payment of 75% of the appraised value shall be received pursuant to City of Anacortes ordinance # 2780. Mr. Brad Furlong, City Attorney, explained that there are a number of legal mechanisms to document these conditions; if the Council came to an agreement as to an array of conditions, an Ordinance could be brought back outlining which mechanism to be employed. Mrs. Pickett restated her request to consider a pedestrian public amenity. Mr. Turner suggested lowering the 75% compensation requirement in exchange for a portion of the development conditions proposed. After discussion, Mrs. Richardson moved, seconded by Mr. McKeown, to table this matter for two weeks in order to consider the proposed conditions and additional information from staff. Vote: Ayes – Turner, Richardson, Geer, McKeown, Petrish, Pickett, and Adams. Motion carried.

Consent Agenda

Mr. Turner moved, seconded by Mr. Adams, to approve the following Consent Agenda items. Vote: Ayes – Richardson, Geer, McKeown, Petrish, Pickett, Adams, and Turner. Motion carried.

Approval of Vouchers/Cancellation of Warrants

Council voted unanimously that the following vouchers/warrants audited and certified by the City's Auditing Officer (Finance Director) and subsequently reviewed and approved by the Council Finance Committee on August 21, 2008 and August 28, 2008 are approved for payment as of this date September 2, 2008.

Claims Warrants

Aug 2008: Warrant Numbers 47523 through 47701 in the total amount of \$510,806.72

EFT

Aug 2008: EFT Number 47521 through 47522 in the total amount of \$84.00

Prewritten Claims

Aug 2008: Warrant Number 47520 in the total amount of \$1,264.48

Payroll August 20, 2008 in the total amount of \$503,512.24

Warrant Numbers 32646 through 32701 in the total amount of \$48,809.46

Direct Deposit Numbers 27593 through 27762 in the total amount of \$277,977.83

EFT Numbers 886 through 890 in the total amount of \$176,724.95

In the same motion:

Council accepted as complete the Waterline Replacement Project Segments 5 and 6 (04-037-WTR-005).

Bid Award: Pennsylvania Avenue Park

Gary Robinson, Director of Parks and Recreation, presented the bid results for the Pennsylvania Park project; bids were opened on August 22, 2008 with Strandberg Construction as the apparent low bidder in the total amount of \$381,558.70 (including tax.) Mr. Robinson then reviewed the base bids and additive

items; staff recommends accepting the Strandberg Construction base bid together with additive 3. The City will complete additive items 1 and 2. After discussion, Mr. Geer moved, seconded by Mr. Adams, to award the Pennsylvania Park project to Strandberg Construction in the amount of \$381,558.70 (including tax). Mr. Turner said he would donate small cedar trees for the shelter. Discussion followed regarding funding and work schedule. Vote: Ayes – Geer, McKeown, Petrish, Pickett, Adams, Turner, and Richardson. Motion carried.

Resolution: Regarding Pedestrian and Bicycle Safety and Local Access along SR 20

Mayor Maxwell presented a Resolution to Council for review and adoption. Mrs. Richardson has been working with bicycle access groups to participate in the development of pedestrian and bicycle safety/local access along State Route 20. In light of the new round-about proposal, these issues have become critically important. The Resolution now before Council specifies that the Sharpe's Corner highway improvements must balance safety considerations for conventional vehicles, public transportation, slower-speed personal vehicles, pedestrians and bicycles, and alternative transportation features must be accommodated in projects along the entire SR20 corridor. Additionally, the City Council encourages full funding of pedestrian and bicycle facilities and urges WSDOT to make every effort to keep this a high priority. Mr. John Pope, 4001 Peters Lane, and Mr. Tom Carson, 14188 Madrona Drive, discussed their participation in and contributions to the development of this Resolution. Mr. Petrish shared his concerns over the round-about design and other pedestrian crossing/access issues. After discussion, Mrs. Richardson moved, seconded by Mr. McKeown, to adopt **Resolution No. 1762** entitled "A Resolution Regarding Pedestrian and Bicycle Safety and Local Access along State Route 20", and that this Resolution be forwarded to the Department of Transportation. Vote: Ayes - McKeown, Petrish, Pickett, Adams, Turner, Richardson, and Geer. Motion carried.

At approximately Mayor Maxwell continued the regularly scheduled meeting of September 2, 2008 to Monday, September 8, 2008 for the purpose of review and action relative to the Anacortes Cinema Lease.