



City Council Minutes – April 5, 2010

At 7:30 p.m. Mayor Maxwell called the regularly scheduled meeting of April 5, 2010 to order. Roll call found present: Kevin McKeown, Nick Petrish, Erica Pickett, Brad Adams, Bill Turner and Cynthia Richardson. Brian Geer was absent. Roll call was followed by the Pledge of Allegiance.

Mayor Maxwell extended the community's thoughts and prayers to all those affected by the tragic events at the Anacortes Tesoro refinery on April 2, 2010. As a mark of respect honoring the victims the Mayor directed that the flags in Anacortes be flown at half mast through Monday, April 12. All present joined in a moment of silence to honor the workers killed and injured and their families and friends.

Mr. Turner reported that he and other members of Council met with Tesoro representatives on April 3. He expressed confidence that the refinery will take care of the families of those killed and injured and called for thanks for those who work in high risk jobs to provide essential services for the country.

Minutes of Previous Meeting

Mr. Petrish moved, seconded by Mrs. Pickett, that the minutes of March 15, 2010 be approved as if read. Vote: Ayes – Petrish, Pickett, Adams, Turner, Richardson and McKeown. Motion carried.

Citizen Hearings

No one present wished to speak on any items not already on the agenda.

Mayor/Council Communication

Swearing In of Police Officer Terrence Clifford

Police Chief Bonnie Bowers introduced new Anacortes police officer Terrence Clifford who graduated from Anacortes High School in 2004, from Western Washington University in 2008 and last March graduated third overall in his class from the Criminal Justice Training Commission. Mayor Maxwell administered the oath of office to Officer Clifford who was duly sworn in.

Proclamation: Arbor Day

Mayor Maxwell read a proclamation declaring April 14, 2010 to be Arbor Day in Anacortes. The National Arbor Day Foundation has recognized Anacortes as a Tree City USA for the 9th year in a row. The event will be celebrated with a tree planting at Mt. Erie Elementary School.

Proclamation: Elks Junior Citizens Week

Mayor Maxwell read a proclamation declaring May 2-8, 2010 to be Elks Youth Week to honor the young citizens of our community. The Anacortes Elks Lodge No. 1204 will sponsor an observance in tribute to junior citizens and the Mayor urged the community to participate wholeheartedly.

Update: Skagit County Solid Waste Transfer Station

Kevin Renz, Solid Waste Division Manager for Skagit County, updated Council on the plans for the new transfer station. Mr. Renz had presented a detailed description of the project goals and benefits to Council at its September 14, 2009 study session. The design drawings are now substantially complete and the project will go out to bid approximately April 30, 2010 if it receives approval from the Solid Waste Governance Board on April 21. The existing facility will continue to operate while the new one is built beside it. The new facility will be safer, more efficient, more flexible and expandable. Mr. Renz provided copies of selected design drawings and outlined the improved traffic flow. He said the construction contract is expected to be executed mid-July so construction can be complete by June 2011. Once a contractor is selected the County will go out to bid separately for the compactor (approximately \$1M) to avoid the mark up involved in having the construction contractor procure that expensive equipment. The overall budget is \$8.6 million. Mr. Renz provided spreadsheets summarizing several financing options via bonding capacity made available through the American Reinvestment and Recovery Act. The interest paid on the bonds could come back to the County from the federal government to significantly lower the cost of the financing. He said regardless of the financing option selected the debt service will be lower

than currently by approximately \$271K per year. The existing bonds will be paid off in 2013. Mr. Renz explained that for 2010-2013 the system can use cash reserves to cover the costs of overlapping financing without altering rates, then tipping fees will likely go down after 2013 as the bonding expense goes down. Mr. Turner asked if any cash reserves will be left by 2013. Mr. Renz said they will be at the minimum functional level at that point so for a couple years the system will build reserves back up to a prudent level, then the Board will evaluate tipping fees for possible reduction. Mr. Petrish asked if the county or cities are issuing the bonds. Mr. Renz said Skagit County is handling all the bonding. Mr. McKeown asked how long construction will take and how many jobs will be created. Mr. Renz said construction is anticipated to take one year and many people will be working on it. Mayor Maxwell commended Mr. Renz for his efforts to move the project forward to make the facility handle local needs affordably for the next 20-30 years.

Unfinished Business

2010 CDBG: Close 2010-2014 Consolidated Plan Draft Review

Planning Director Ryan Larsen reminded citizens to complete and mail back their Census surveys and reported that Anacortes has a very strong response rate so far.

Mr. Larsen announced that the City will receive \$114,000 from HUD for CDBG funding this year. He explained that the Consolidated Plan is a five-year plan to guide housing and urban development strategies and that no public comments were received on the Consolidated Plan. Several requests were received asking to be included in the Action Plan which is an annual plan guiding specific funding disbursements. Mr. Larsen asked Council to approve both the 2010-2014 Consolidated Plan and the 2010-2011 Action Plan so they can be implemented. Mrs. Pickett asked how the money comes to the city. Mr. Larsen explained that the \$114,000 annual funding for 2010 will arrive in July and the City then has 24 months to distribute the money or reallocate it. Mr. Turner noted the amount going to the Anacortes Housing Authority is for capital expenditures only and asked how the Authority's operating expenses are funded. Mayor Maxwell said through rents and other sources. Mrs. Pickett asked if the Housing Authority will get \$80,000 each year through 2014. Mr. Larsen said no, the Action Plan is an annual document and the disbursement amounts are determined each year. Mrs. Richardson asked who reviewed the applications for this year's funding. Mr. Larsen said he and Joann Stewart review proposals to see if they meet federal guidelines and if the project is ready to spend the funds because all funding must be spent within the deadline. Mrs. Richardson asked who prepared the packet materials. Mr. Larsen credited Ms. Stewart. Mrs. Richardson congratulated Ms. Stewart on her fine work on a very complicated set of documents. Mr. Adams noted that the Consolidated Plan calls for funding a non-profit land trust to foster affordable housing. Mr. Larsen said this project did submit a request for 2010 but was not ready to spend funding so will be considered again in future years. Mr. McKeown asked if the CDBG amount can be increased to justify the considerable work the City has to do to administer the program. Mayor Maxwell explained that federal guidelines set the amounts based on population and again reminded citizens to return their completed Census forms. Mr. Turner moved, seconded by Mr. McKeown, to approve both the 2010-14 Consolidated Plan and the 2010-11 Action Plan. Vote: Ayes – Pickett, Adams, Turner, Richardson, McKeown and Petrish. Motion carried.

Conservation Easement Program: Grove Approval

Parks and Forestlands Manager Jonn Lunsford asked Council to approve conservation easements on 45 acres of the community forestlands as outlined in his March 30, 2010 memo. Mrs. Richardson remarked upon the strong community support for the program and moved, seconded by Mr. Adams, to approve placing Conservation Easements on the 45 acres described in Mr. Lunsford's March 30, 2010 memo. Mr. Turner asked if donations had slowed down recently. Mr. Lunsford said the rate of donations has slowed somewhat as the program nears completion but reported that public interest remains strong. Vote: Ayes – Adams, Turner, Richardson, McKeown, Petrish and Pickett. Motion carried. Mayor Maxwell thanked Mr. Lunsford for his administration of this successful program.

Consent Agenda

Mr. Petrish moved, seconded by Mr. McKeown, to approve the following Consent Agenda items. Vote: Ayes – Turner, Richardson, McKeown, Petrish, Pickett and Adams. 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 March 18, 2010, March 25, 2010, and April 1, 2010 are approved for payment as of this date April 5, 2010.

Claims Warrants

March 2010: Warrant Nos. 54957 through 55195 in the total amount of \$1,052,966.02

EFT Claims

March 2010: EFT Numbers 54955 through 54956 in the total amount of \$572.00

Prewritten Claims

March 2010: Warrant Number 54954 in the amount of \$29,737.03

Payroll for March 19, 2010 in the total amount of \$530,520.27

Warrant Numbers 34594 through 34634 in the total amount of \$41,385.67

Direct Deposit Numbers from 34538 through 34713 in the total amount of \$314,406.03

EFT Numbers from 1103 through 1108 in the total amount of \$174,728.57

Payroll for April 5, 2010 in the total amount of \$843,861.88

Warrant Numbers 34636 through 34676 in the total amount of \$53,888.99

Direct Deposit Numbers from 34714 through 34911 in the total amount of \$529,837.63

EFT Numbers from 1109 through 1114 in the total amount of \$260,135.26

Cancellation of Warrants

Claims Warrant Number 34593 in the total amount of \$473.33

In the same motion Council:

Approved the Street Fair Application for the Depot Arts Center Garden Art Fair from 10:00 a.m. to 5:00 p.m. on April 24 and April 25, 2010;

Approved the Street Fair Application for the Anacortes Waterfront Festival from 10:00 a.m. to 6:00 p.m. on May 15, 2010 and 10:00 a.m. to 5:00 p.m. on May 16, 2010;

Approved the Interlocal Agreement for Jail Services with the City of Oak Harbor; and

Accepted as complete the 2009 "L" District Sewer Line Rehabilitation contract (09-003-SEW-001) with Strandberg Excavation & Commercial Construction, Inc.

New Business

Ordinance: Solid Waste Ordinance Revision (Removing Fee Schedule from Municipal Code) and Ordinance: Solid Waste Fees (Re-adopting Current Fee Schedule)

Public Works Director Fred Buckenmeyer introduced the two proposed ordinances. The first would remove the solid waste fee schedule from the municipal code and the second would re-establish the fees outside the AMC including the revised fees for yard waste collection per the recent contract with Waste Management, Inc. The goal of the ordinances is to avoid having to update the AMC every time rates change; henceforth the rates can be set by ordinance as needed. Mayor Maxwell observed that AMC updates are expensive so this will save costs as well. Mr. Buckenmeyer reported that City Attorney Brad Furlong and Solid Waste Supervisor Marc Kruger helped develop the ordinances. Mr. Turner moved, seconded by Mrs. Richardson, to adopt **Ordinance 2816** setting forth the mechanism for the establishment of garbage collection rates and amending sections of Chapter 8.04 AMC and **Ordinance 2817** setting forth refuse collection rates. Vote: Ayes – Richardson, McKeown, Petrish, Pickett, Adams and Turner. Motion carried.

Resource Conservation Management Plan (RCMP) Adoption

Facilities Manager Russ Pittis introduced the draft Anacortes chapter of the Resource Conservation Management Plan prepared by the Resource Conservation Manager hired by the Skagit Council of Governments. The chapter reflects the City's attempt to use resources wisely and save costs in the

process. Mrs. Richardson said most of the suggestions are common sense but noted that having a policy to implement them is a good idea. Mrs. Richardson moved, seconded by Mr. Turner, to approve the chapter. Mrs. Pickett commended the plan and asked if conserving gasoline as well as other fuels was considered. Mr. Pittis said not at this time. Mr. Adams asked about the building temperature set points. Mr. Pittis said most were based on PSE recommendations and noted that it costs 84 cents per square foot to heat City Hall each year. Mayor Maxwell said the plan establishes baseline energy use at 2008 levels and that the City will monitor usage over time so each facility can see how successful it has been at conserving. Mr. Turner said the fuel savings achieved at the WWTP will challenge other departments to find significant savings. Mr. Adams remarked that the plan calls on elected officials to follow the guidelines and to encourage the entire community to conserve. He asked that the plan be posted on the City website. Mrs. Richardson suggested an alternative format for reminders about keeping recyclable materials out of the trash. Mr. McKeown asked how many square feet of buildings the City heats overall. Mr. Pittis replied 134,000 SF citywide. Vote: Ayes – McKeown, Petrish, Pickett, Adams, Turner and Richardson. Motion carried.

Flounder Bay Dredging Noise Variance

Assistant Planning Director Don Measamer asked Council to approve a request for a noise variance for the Flounder Bay dredging project. Three potential bidders have asked if a noise variance could be available for up to five evenings, not necessarily consecutive, between July 15, 2010 and August 15, 2010 to allow work during optimal tides and at times of minimal boat traffic. Mr. Measamer stated public notice and a public comment period are not required for this variance because it is for less than 30 days. He reported that the Dredging Committee supports the request and noted that having a variance in place may result in more favorable bids. Mr. Turner moved, seconded by Mr. McKeown, to approve the requested variance. Vote: Ayes – Petrish, Pickett, Adams, Turner, Richardson and McKeown. Motion carried.

There being no further business, at approximately 8:20 p.m. Mayor Maxwell adjourned the regularly scheduled meeting of April 5, 2010.