



Council Study Session Minutes – May 10, 2010

At 7:30 p.m. Mayor Maxwell called the regularly scheduled Anacortes City Council study session of May 10, 2010 to order. Roll call found Councilors Kevin McKeown, Erica Pickett, Brad Adams, Cynthia Richardson and Brian Geer present. Nick Petrish and Bill Turner were absent.

Proclamation: Historic Preservation Month

Mayor Maxwell read a proclamation declaring May to be National Preservation Month in Anacortes and called upon citizens to participate in this nationwide observance. The Mayor thanked the Anacortes Historic Preservation Board for its dedicated service.

Annual Grade School Recycling Contest Awards

Public Works Director Fred Buckenmeyer presented the Annual Grade School Recycling Art Contest awards. Mr. Buckenmeyer noted that Anacortes leads the county in recycling participation and that the recycling program in Anacortes kept 44% of the waste stream out of landfills in 2009. He added that 95% of the community participates in recycling at some level. Mr. Buckenmeyer then introduced the recycling art contest judges and presented awards to honorable mentions 4th grader Anna Hayworth, 4th grader Jacob South and 5th grader Rebecca Mays and to contest winners 1st grader Ayden Malone, 3rd grader Loren Frates, 6th grader Brandon Tennant and 6th grader Baylee South. Mr. Buckenmeyer reported that the winning entries will be displayed on the side of the City's sanitation trucks throughout the coming year. All the contestants had their photo taken with the Mayor.

Anacortes Hospital Presentation

Mayor Maxwell introduced Island Hospital CEO Vince Oliver who shared the hospital's plan for the future, *Island Hospital 2020*. Mr. Oliver said the hospital's long term planning looked at community demographics, disease and treatment trends, medical technology and national health care developments to ensure that the hospital is well prepared to provide medical services throughout the planning window. In June 2007 the hospital concluded that the 43 beds it is licensed for is sufficient but the mix of uses has changed and will continue to change. Mr. Oliver said the hospital will continue to adapt to changes in community demographics and health care technology and gave examples of changes in the demand for different services at the hospital but noted that overall use continues to increase. As a result the hospital is planning for property acquisition for eventual required expansion of services and parking. Mr. Oliver said the short range plan for the next five years includes a new medical arts pavilion to provide expanded cancer care, physical therapy and rehabilitation, kidney dialysis, wound care and behavioral health.

Mr. Oliver then introduced project manager Marc Estvold who showed graphics of the recently completed addition and plans for the new medical arts pavilion including the site layout and potential street and alley vacations and outstanding zoning issues involved. Mr. Estvold said the pavilion is planned to be a 25,000 SF two story steel frame brick veneer building that will be connected to the main hospital by an enclosed walkway. He explained that the pavilion would be accessed via the alley from 26th Street and by a new connection to the existing north parking lot. The alley between 24th and 25th Streets may provide additional access. Mr. Estvold added that the hospital would like to work with the City to improve 25th Street to provide additional on street parking as well as pedestrian amenities and landscaping. Apart from the new pavilion, Mr. Estvold said that to meet future service needs the existing hospital building may be expanded to the north into the existing parking lot which would require relocating the helipad, likely to the roof of the new addition. The emergency department could be expanded to the west and the original 1962 hospital building will eventually make way for new service space as well. The existing medical office buildings may be expanded to the west and slightly to the north in the future. Mr. Estvold concluded that the hospital is always looking for additional property in the vicinity to provide for future service expansion.

Mrs. Pickett asked if the hospital pays property tax. Mr. Oliver confirmed it does not. Mrs. Pickett asked if medical professional services pay sales tax. Mr. Oliver said the medical office buildings pay leasehold excise tax of 12.8% instead. Mr. Geer asked if the original 1962 hospital would be removed or simply renovated. Mr. Oliver said it will eventually be razed because it would not be cost effective to bring it up to current building codes but that is not part of the 2020 plan. Mr. Adams asked if the 2020 plan positions

Island Hospital as a local or a regional hospital. Mr. Oliver said surveys during the bond campaign showed that people want local health care so the plan considers local health care needs. He pointed out that the hospital's current service area extends beyond the Public Hospital District (Fidalgo, Cypress, Sinclair and Guemes islands) to Whidbey Island, Bow, La Conner, and the San Juan Islands. Mrs. Richardson reported public concerns that Commercial Avenue is intended for commercial business that generates sales tax revenue but the hospital doesn't do that. She asked if the hospital will locate their more retail elements such as the pharmacy onto Commercial Avenue. Mr. Oliver said that's one reason the hospital has backed off from purchasing the existing taqueria at 26th and Commercial but that it may expand its medical retail offerings such as durable medical equipment. Mr. McKeown asked what are the biggest challenges to achieving the 2020 plan. Mr. Oliver said charity care and bad debt. He reported that Island Hospital is beginning to wrestle with staggering numbers there which reflects the larger economy. He also sees people not seeking preventive care which will affect the future demands on hospital services for treatment of more serious illnesses. Mrs. Pickett expressed appreciation for the much improved hospital facility.

Depot Plaza Project Update

Parks Director Gary Robinson displayed a visual of the Depot Master Plan adopted several years ago including improving the plaza area where the Farmer's Market is held in the summer and creating a flexible, accessible and inviting public space. He said the first phase has now been funded by a \$90,000 STP grant which will be used to install patterned brick paving blocks and conduit for future electrical and water utilities in the area immediately north of the Depot and possibly perform some sidewalk rehabilitation. Bids will be opened May 12, 2010 and the work is scheduled to happen in June and be done by July 4th. Mr. Robinson noted that no matching funds are required for this grant and the City will continue to pursue grants to complete the Master Plan.

Mrs. Pickett asked if this first phase uses Marine Resources money. Mr. Robinson said no, the MRC funds will be used for downspouts on the back of the Depot building towards a rain garden. Mr. Robinson added that the pavers will provide a permeable surface in the plaza. Mr. Geer asked how the Farmer's Market will work around the construction site in June. Mr. Robinson said the Market will set up in R Avenue, which will be closed on Saturdays, during the construction period. Mrs. Richardson asked if the bids come in for less than the grant amount if the extra funds could be used to run the wire to provide electricity for the Farmer's Market. Mr. Robinson said the conditions of this federal grant money may not allow that. Mayor Maxwell reminded that this is a first step in completing the overall Depot Master Plan and that the City will continue to aggressively pursue funding. In response to a question from Mr. Adams, Mr. Robinson confirmed that if the bids come in below \$90K the City can spend the difference on additional work, preferably installing brick pavers in additional area. Mayor Maxwell explained that STP grants are not like American Reinvestment and Recover Act (ARRA) money which has to be refunded if bids come in below the grant amount.

Keeping of Hens Ordinance Review

Assistant Planning Director Don Measamer introduced the topic by explaining that City staff consistently receives calls from residents wanting to know if they can keep chickens in town and also from residents complaining about neighboring chickens. He said the Council Planning Committee asked staff to look at what other jurisdictions do to regulate chickens and propose some language. Mr. Measamer also reminded that Ordinance 543 which regulated domestic fowl was repealed in 1977 so the City hasn't had any specific language regulating chickens or other fowl since that time. Mr. Measamer then summarized the staff recommendations for an ordinance to revise AMC Chapter 6 to allow the keeping of a specified number of hens (no roosters) per SF of lot size including a requirement for full enclosure with specified area and setbacks and provisions for enforcement of nuisance provisions. Mr. Measamer noted that public comments indicate there is a demand for locally produced, healthier, tastier and less expensive eggs. He said the Planning Commission reviewed proposed language at its April 28, 2010 meeting and voted to forward the item on to Council with several recommended language enhancements which Mr. Measamer reviewed with Council item by item. He said Mrs. Richardson also suggested some revised language which was distributed at the beginning of the meeting.

Mrs. Pickett asked for clarification on how many hens are permitted on a given lot size in each residential zone. Mr. Measamer agreed to clarify that in the final language. Mr. Geer asked what happens to the roosters currently owned in town. Mr. Measamer said he will consult with the City Attorney on that question. Mrs. Richardson pointed out that under the proposed language no special permit would be required to keep hens as long as all the requirements were met.

6th Street ARRA Project Update

Assistant City Engineer Matt Reynolds provided an update on the 6th Street improvements currently under construction using Tier 2 ARRA money. Mr. Reynolds reported that the project has been creating jobs: in March alone the project employed 30 people and generated \$83,000 in wages. Mr. Reynolds recapped the public input during the design process and the scope of the project (complete street rebuilding between I Avenue and K Avenue including curb, gutter and sidewalk; a 10-foot sidewalk on the south side of the street from I Avenue to O Avenue; traffic calming and pedestrian safety features and street trees). He explained that the Guemes ferry holding lane will still be on the north side of the street, all without widening the street footprint. In addition to the contract work being performed by Schwetz Construction and its subcontractors, Mr. Reynolds said City Water Department crews have transferred residential water services that were connected to the existing 6" water line along 6th Street to the newer 12" water line so the 6" line can be abandoned. The project is scheduled for completion on May 28 with paving happening that last week of May. Mayor Maxwell asked how the County is doing with its project at the Guemes Ferry Terminal. Mr. Reynolds said it appeared to be progressing. Mrs. Richardson commended Mr. Reynolds for working to minimize the disruption to the public. Mr. Reynolds thanked Steve Lange and Jim Baldwin for their help there. Mr. Adams commented that the work in place looks very nice. Mayor Maxwell noted that 6th Street had not been at the top of the City's capital facilities project list and expressed appreciation that the ARRA money made it possible.

There being no further business, at approximately 8:42 p.m. Mayor Maxwell adjourned the regularly scheduled study session of May 10, 2010.