

City Council Minutes – March 4, 2019

Mayor Laurie Gere called to order the regular Anacortes City Council meeting of March 4, 2019 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Brad Adams and Bruce McDougall were present. Councilmembers Anthony Young and Matt Miller were absent. The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Public Works Committee: Mr. Walters reported from the committee meeting earlier in evening. He advised that staff would soon bring forward a contract for SCADA updates at the water treatment plant for a total price of approximately \$400K. Mr. Walters explained the justification for the upgrade and indicated that the committee was supportive of approving the contract.

Mayor Gere read a press release explaining the process for filling City Council Position 6 which had been vacated by the resignation of Senator Liz Lovelett on February 25. The mayor advised that letters of interest would be accepted until noon on March 20 and that interested candidates who met eligibility requirements would be invited to address the City Council at the March 25, 2019 City Council meeting. The press release, which had been posted on the city website, was added to the packet materials for the meeting.

Public Comment

Theresa Baker, 1820 11th Street, commented on the proposed \$65K earthquake early warning system contract that had been considered by City Council at its February 25, 2019 meeting and would be considered again later on the agenda. Ms. Baker suggested that Council ask for an overview of what would happen in the event of a 9.0 earthquake and observed that in a quake of that magnitude the water system might be the least of the city's worries. She asked if the refinery might be more in need of an early warning system that could be shared with other organizations. Mayor Gere noted that the city was focusing on emergency preparedness in 2019, including drills and an update to its emergency response plan.

Consent Agenda

Mr. Johnson moved, seconded by Mr. Adams, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

- a. Minutes of February 19, 2019 and February 25, 2019
- b. Approval of Claims in the amount of: \$301,365.80
- c. Interlocal 267 Amendment 1 with Skagit County - BLS OTEP Training Hub

The following vouchers/checks were approved for payment:
EFT numbers: 92377 through 92406, total \$200,671.38
Check numbers: 92407 through 92444, total \$140,772.76
Wire transfer numbers: 245554 through 245818, total \$7,164.34

OTHER BUSINESS

Ordinance 3035: Safety Suggestion Incentive Program for Employees

Community Service Officer Karl Wolfswinkel, chair of the city's Safety Committee, provided a brief update on the city's safety program and the work of the Safety Committee, referring to his slide presentation that had been included in the packet materials for the meeting. Officer Wolfswinkel then presented proposed Ordinance 3035 to rescind the safety suggestion program enacted in 2005 and establish a replacement program. He said the new

program was designed to motivate and recognize those employees who perform their jobs in a safe and efficient manner above and beyond the call of duty, including an opportunity to be recognized by the Safety Committee and City Council and possible financial incentives. Mr. Walters suggested that the Safety STAR Recognition Program would be more appropriately adopted by resolution rather than by ordinance, though noting that the current ordinance would need to be repealed. Ms. Swetnam agreed that staff could change the legislative format and bring the item back to Council for consideration and action the following week. Mr. Walters also suggested that the final line of the program description not specifically call for VISA gift cards, but more generally “gift cards”. Officer Wolfswinkel concurred.

Mr. Johnson reported that the Air Force had programs to reward employees with a share of cost savings achieved due to exceptional cost saving innovations they proposed. Administrative Services Director Emily Schuh advised that the city had a similar program in place but that it was difficult to distinguish suggestions above and beyond an employee’s regular duty.

Mr. Adams spoke in support of the proposed safety incentive program, observing the importance of employee safety. Mayor Gere concluded that staff would bring back a resolution for action the following week on the consent agenda, removing the specific mention of VISA gift cards.

Ordinance 3037: Vacating the Alley in Block 31 "Map of the City of Anacortes"

Engineering Technician Tim Hohmann recalled that the public hearing on the proposed alley vacation had concluded at the February 25, 2019 City Council meeting. Mr. Hohmann advised that two changes had been made to draft Ordinance 3037 since the hearing: addition of \$6K compensation from the Port to the City and revision of the quitclaim deed that would transfer Lot 18 to include the required covenant to guarantee the property’s use for public benefit under RCW 39.33.015.

Mayor Gere restated the motion on the floor from the February 25, 2019 meeting:

Mr. Walters moved, seconded by Mr. Young, to approve Ordinance 3037 vacating the alley in Block 31 with the compensation of the \$30K parcel swap and an additional \$6K from the Port.

Mr. Walters noted that the revised ordinance presented in the packet for the March 4, 2019 meeting explicitly included the \$6K payment he had sought. Mr. Walters moved, seconded by Mr. McDougall, to amend his motion to approve the revised Ordinance 3037 and revised Quit Claim Deed as presented in the March 4, 2019 packet. The motion to amend carried unanimously by voice vote.

Mr. Johnson questioned Mr. Hohmann and Ms. Swetnam on the references in the documents to “low income housing,” noting that the intent of the land transactions was to enable workforce housing on the Olson Building site. Ms. Swetnam clarified that the deed restriction explicitly referenced the RCW language and that it only applied to Lot 18, not to the Olson Building itself.

Vote on amended motion: Ayes – Walters, Adams, McDougall and Johnson. Motion carried.

Mayor Gere announced that Agenda Item 8a, Executive Session: Potential Litigation or Litigation per RCW 42.30.110 (i), had been removed from the agenda.

Contract Award: Water System Earthquake Early Warning System - Phase 1 & 2, #19-038-WTR-001

Water System Manager Jeff Marrs recapped the prior week’s presentation on the proposed professional services contract with Varius Inc. for an earthquake early warning system as part of the USGS/PNSN “ShakeAlert” collaborative program. Mr. Johnson observed that a significant portion of the total contract would be performed and billed by Varius before the city’s Pilot Project Application to USGS and PNSN was approved. He questioned what value the city would have received if the application were then to be denied. Mr. Marrs said

that staff did not anticipate denial of the application and elaborated on the emphasis the ShakeAlert program was placing on enrolling water utilities. Mr. Adams looked forward to the potential for wider application in the future, including schools, hospitals and refineries.

Mr. Adams moved, seconded by Mr. McDougall, to approve the contract for the Water System Earthquake Early Warning System – Phases 1 & 2. Vote: Ayes – Adams, McDougall, Johnson and Walters. Motion carried.

Ordinance 3036: Municipal Code Chapter 1.30, Contracting and Resolution 2030: Purchasing Policy

City Attorney Darcy Swetnam resumed the discussion of draft Ordinance 3036 and Resolution 2030 from the February 19, 2019 City Council meeting. She called Council’s attention to revised versions of both documents that she had circulated to councilmembers earlier in the day and advised that those drafts were for discussion only at the present meeting. She then reviewed the revisions in more detail. Ms. Swetnam’s slide presentation was added to the packet materials for the meeting.

Ms. Swetnam presented a sample of contract authority limits in other Washington jurisdictions. She then reviewed a number of specific changes to Ordinance 3036 including:

- Making the ordinance inapplicable to agreements for purchasing goods that had been budgeted for
- Requiring all grant agreements to come before City Council
- Specifying review criteria for each of the reviewing parties listed in Section 1.30.030
- Making the ordinance applicable for both contracts with a total aggregate value of less than \$30K and for the purchase of goods not used in connection with a public work
- Requiring all conveyances of real property interests and leases for a term of more than one calendar year to be approved by City Council

Mr. Walters questioned the reference to “budgeted” purchases and suggested that agreements for both purchases and services over the established dollar threshold should come before Council. Mr. Adams agreed. Ms. Swetnam said that in that case she recommended establishing the mayor’s contract authority at \$30K for agreements to purchase both goods and services. Mayor Gere noted that the current \$30K limit had been established back in 1996 and that Mr. McDougall had calculated that to be approximately \$42K in present day dollars. Mr. Walters referred to Ms. Swetnam’s slide showing significantly higher thresholds for some other cities. Ms. Swetnam said she would research additional threshold amounts from comparably sized cities. Mr. Adams and Mr. McDougall favored increasing the mayor’s contract authority to \$40K or \$50K.

Mr. Walters suggested that Section 1.30.040(B)(1)(c) be revised to “a new total contract amount less than 110% of the original contract amount.”

Ms. Swetnam agreed to make the requested revisions and bring the ordinance back to Council for consideration and possible action at its March 11, 2019 meeting with the contract authority figure left blank for Council to determine at that time.

Mr. Walters praised the added language in Section 1.30.030 but argued that 1.30.030(A)(3) should require Department Heads to establish that “the contract is consistent with the Department’s budget, capital plan, and department objectives.” Councilmembers discussed this topic with Ms. Swetnam at some length. Mr. Walters emphasized that staff should be required to disclose and explain whenever a proposed agreement was not consistent with the adopted budget, the adopted capital facilities plan, or both. Councilmembers discussed possible means of documenting the contract review. Ms. Swetnam offered to revise the language of Section 1.30.030 to better reflect Council’s intent.

Ms. Swetnam then turned to Resolution 2030 and its attached purchasing policy. She pointed out the one revision to the policy, which was adding legal authority to the purchasing matrix in Section XIII.

Mayor Gere concluded that staff would bring revised documents back to Council for further consideration and possible action the following week.

There being no further business, at approximately 7:06 p.m. the Anacortes City Council meeting of March 4, 2019 was adjourned.