

City Council Minutes – October 21, 2019

Mayor Laurie Gere called to order the Anacortes City Council meeting of October 21, 2019 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Brad Adams, Carolyn Moulton, Bruce McDougall and Matt Miller were present. Councilmember Anthony Young was absent.

Mr. Adams moved, seconded by Mr. Johnson, to excuse the absence of Mr. Young who was ill. The motion carried unanimously by voice vote.

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Recognition of Community Service by Jim Falk: Mayor Gere honored Jim Falk for his protection and stewardship of the Ship Harbor Interpretive Preserve (SHIP) and many other projects in the community. The mayor presented Mr. Falk with a certificate of appreciation and displayed the sign that would be posted at the entrance of the Preserve.

Public Works Committee: Mr. Adams reported from the committee meeting earlier in the evening. He indicated that the group discussed the senior center roof contract which would be considered later on the agenda, street conditions, the south Fidalgo water system, and the potential impact of Initiative 976 on road maintenance funding.

Mr. Miller reported from the Tourism Promotion Area Workgroup meeting earlier in the day and said a proposal on that topic would come back to City Council for action by the end of the year.

Public Comment

Doug Thurber, PO Box 159, called Council's attention to a radical international environmental group called Extinction Rebellion which has a local membership. He said the group's website indicates they are not violent but they are disruptive. Mr. Thurber said the group had applied chalk graffiti to sidewalks around City Hall that had to be washed off by city staff. He urged prosecution of any illegal activity engaged in by Extinction Rebellion members.

Brian Wetcher, 814 26th Street, called attention to the October 11, 2019 Thurston County Superior Court decision regarding the Environmental Impact Statement (EIS) of the Tesoro xylene project and vessel traffic impacts that must be considered in that EIS. Noting the proposed plastic bag ban that would be considered later on the agenda, Mr. Wetcher discussed the role of xylene as a raw material for plastic including plastic bags and said it was a schizophrenic approach to environmental protection to produce xylene but ban plastic bags. He suggested the city would do better to protect the environment by actively opposing the Tesoro xylene plant and asked Council to reverse its previous position in support of the plant.

Barbara Baker, 3717 R Avenue, expressed the alarm her neighbors felt about the condition of 37th Street after decades of deferred maintenance. She called the state of the road a safety concern. Ms. Baker said the road was now effectively a one lane road with no safe place for children to walk. She said the neighbors would like to talk about other funding sources outside of established pavement management program to repair the street sooner than two to five years out. Ms. Baker asked the city to consider safety and not just roadway condition when it prioritized streets for maintenance. Mayor Gere advised that a traffic counter and speed recorder had been installed at the location earlier in the day.

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 October 14, 2019
- b. Approval of Claims in the amount of: \$313,854.13
- c. Street Fair Applications: Christmas Tree Lighting Event & Lions Club Christmas Parade

The following vouchers/checks were approved for payment:
EFT numbers: 94958 through 95011, total \$140,058.83
Check numbers: 95012 through 95053, total \$170,857.18
Wire transfer numbers: 257490 through 257594, total \$534.60

OTHER BUSINESS

Resolution 2062: Updated Sewer Rates and Updated General Facilities Charges (GFCs) for Water and Sewer

Finance Director Steve Hoglund invited Council to resume discussion of this topic last considered at the October 7, 2019 regular City Council meeting. He reviewed his slide presentation from the prior meeting. Mr. Hoglund presented a summary of the number of utility accounts by water service size; his summary was added to the packet materials for the meeting. He responded to councilmember questions about which capital projects were included in the GFC calculations, the potential to phase in an increase in GFCs, and the number of projects that incur GFC charges each year. Mr. Miller and Mr. Adams requested future discussion of phasing in any GFC increase. Mr. Miller requested that future resolutions adopting a revised Unified Fee Schedule clearly indicate which portions of the UFS were being changed by that resolution.

Mayor Gere invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Mr. Walters repeated his prior request for a white paper providing a narrative of how the proposed GFCs were developed. Mayor Gere said staff would prepare an explanation to help Council arrive at a decision and bring the matter back for consideration at a future meeting.

Ordinance 3055: Amending the 2019/2020 Biennial Budget - 3rd Quarter Budget Amendment

Mr. Hoglund introduced Ordinance 3055 for a first reading. He explained that projects proposed for both the third quarter 2019 budget amendment and the mid-biennial budget adjustment included projects that would be eligible for impact fee funding if those projects were included in the Capital Facilities Plan. Mr. Hoglund outlined the schedule for public hearings and subsequent Council action on both the CFP update and the budget adjustment on November 4, 2019. He then reviewed each line item of proposed Ordinance 3055. Mr. Hoglund then previewed a series of slides outlining proposed amendments to the CFP; his slides were added to the packet materials for the meeting. He responded to councilmember questions about use of REET vs. impact fees for various capital projects.

Mayor Gere invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Ordinance 3053: Regulating the Distribution of Single-use Carryout Bags by Retail Establishments

Mr. Walters introduced draft Ordinance 3053 for a first reading. He summarized the rationale for and structure of the ordinance, referring to the agenda bill description of the three ways in which the ordinance differed from the Washington State model ordinance. Mr. Walters reported on comments from local retailers and the grocery

store association. Mr. Johnson noted that the Washington Food Industry Association suggested that local plastic bag bans recognize that state law prevails over local law; he suggested adding that to the Anacortes ordinance.

Mayor Gere invited members of the audience to comment on this agenda item, in the order in which they had signed up prior to the meeting, and asked speakers to limit their comments to three minutes given the large number of people who wished to speak.

Wayne Huseby, 3318 W 2nd Street, spoke in favor of a plastic bag ban. He urged Council to adopt ordinance language more consistent with the state model ordinance, including a charge for paper bags.

Vince Henley, 4306 Shelby Court, said he was not against plastic bag ban but said the ordinance language requiring reusable bags to be washable was not enforceable. Mr. Henley said he would support the ordinance if it included a mechanism for increasing sanitarness and hygiene of reusable bags.

Holly Chisa, representing the Northwest Grocery Association and the Washington Food Industry Association, said those retailers support the statewide legislative proposal to ban plastic bags. She said the Anacortes draft language did not align with the state model ordinance. Ms. Chisa argued that small retailers should not be exempted and that a fee should be charged for paper or thicker plastic bags offered by retailers in lieu of single use plastic bags.

Doug Thurber referred to his testimony on this topic at previous City Council meetings and said it was pretty serious business to ban something that 90% of people use. He urged Council find out if local retailers would switch to thicker, washable plastic bags in lieu of the light plastic film bags. Mr. Thurber displayed a long list of other single use plastic bags that the ordinance would not regulate. He objected to the \$1/bag fee the ordinance would require retailers to charge for thicker plastic bags.

Carol Sullivan, identifying herself as the Skagit Bring Your Own Bag Lady, described her work in support of “bring your own bag” ordinances in Skagit County and reported that visitors from elsewhere in the state expressed surprise that Skagit County did not already have such ordinances because it was now common in other cities to have to pay for bags. Ms. Sullivan urged Council to pass a bring your own bag ordinance that would charge an 8 cent fee for paper bags offered at the point of sale in lieu of single use plastic bags.

Gary Hagland, 2211 37th Court, distributed to councilmembers an article regarding the public health risks of banning plastic bags; the article was added to the packet materials for the meeting. Mr. Hagland elaborated on points made in the article and urged looking closely at public health risks before banning bags. He reported that local retail clerks had told him they were sometimes afraid to touch bags that customers brought in and said he was not in favor of the plastic bag ban.

Jack Arrington, 5009 Croatian Way, reported that he often picks up litter along the beach and had never had to pick up a single use plastic bag though he had picked up lots of bottles, cans, other plastics and dog waste. Mr. Arrington said other shoppers’s reusable bags were not always clean and he didn’t envy the retail clerks who have to handle them. Mr. Arrington said he was against special rules for special groups and abhorred the concept of government picking winners and losers in any endeavor.

Don Black, 5012 Kingsway, said he recycles he plastic bags and is proud of it. Mr. Black urged Council to model and educate the community to take personal responsibility for their single use plastic bags: to reuse or recycle them and not litter.

Randy Burgess, 4118 R Avenue, owner of Ace Hardware, said the his store had voluntarily not distributed plastic bags since 2000, offering paper and reusable bags for free instead. Mr. Burgess said he did not like the idea of having to charge for reusable bags. He said that since switching, Ace distributed to customers maybe

20% of the bags it used to and that many customers choose no bag at all. Mr. Burgess said he supported the bag ban but disagreed with exempting small stores from the Anacortes bag ban and with requiring retailers to charge for alternative bags.

John Strathman, Guemes Island, spoke in favor of the bag ban. He cited many other jurisdictions that have passed such bans and discussed different types of bans or taxes. Mr. Strathman said that if a fee is collected for shopping bags, bag consumption is reduced significantly, otherwise customers just switch to whatever style of bag is offered at no cost. He reported his own sample data collected outside retail stores in Everett, Edmonds and Mukilteo, each of which has a bag ban but only Everett charges for paper bags; he said his data was consistent with published data which shows that charging for bags is what changes consumer behavior.

Marie Burnett spoke in favor of the plastic bag ban and spoke to the dangers of microplastics in the environment.

Grace Hill, 1308 34th Street, a senior at Anacortes High School and president of the high school Green Club, reported that the club had picked up a lot of plastic bags by the side of the road. Ms. Grace said she represented the student body in support of a plastic bag ban, on plastics of all thicknesses, in all stores of all sizes, and requirement for a fee for paper bags to discourage their use as well. Ms. Hill reported that in a day and a half the Green Club officers had collected 178 signatures from middle and high school students in support of a ban that met the criteria she had described.

Siggy Janzen, 34th Street, said she grew up in Germany where retailers had never offered customers free bags of any type and no plastic bags at all. She said it was not an issue for German shoppers. Ms. Janzen added that German shoppers had not suffered adverse public health effects from universal use of personal reusable bags.

Brian Wetcher, 814 26th Street, reminded that reducing plastic bags is not just for reducing litter, it is to reduce pollution at the base of the marine food chain.

No one else present wished to address Council on this topic.

Mr. Walters said that based on the public comments, he would redraft the ordinance with 10 cent paper bag fee and without the exemption for stores under 10,000 SF, then bring both drafts back to Council for consideration on a future agenda.

Interim Ordinance 3054 Declaring an Emergency and Adopting a Moratorium on the Acceptance of Certain Land Use Applications in the R4 Zone

City Attorney Darcy Swetnam introduced Ordinance 3054 for first reading and summarized the rationale, content and procedures for adopting the interim ordinance. Her slide presentation was added to the packet materials for the meeting. Mr. Miller asked staff to report back on whether any current or known applications would be affected by the ordinance.

Mayor Gere invited members of the audience to comment on this agenda item.

Mike Pearl, 1617 O Avenue, asked the rhetorical question what prompted the moratorium, then asked how many people in the audience were at the meeting due to interest in the proposed 25-unit apartment building at 18th Street and O Avenue. [The majority of the audience raised their hands.] Mr. Pearl said he appreciated the moratorium but that those present were concerned about the specific project already proposed. He listed aspects of the project that were of concern to him and his neighbors.

Siggy Janzen, 34th Street, owner of properties in the R4 zone, indicated that property owners now don't know what to expect to be able to do with their properties. Ms. Janzen said that the zoning changes were destroying neighborhoods.

Tina Kertis said that the proposed 25-unit project was destroying the city and didn't fit in the area; she suggested it would be better suited to downtown or on R Avenue. Ms. Kertis expressed support for low cost housing but said the proposed 25-unit apartment building at 18th Street and O Avenue was not low cost housing. She said there were too many changes happening and she didn't like it.

Sharron Stringer had signed up to speak but said she would submit her comments to councilmembers in writing instead.

Ronald Fernandez, 1501 15th Street, referenced a paper he had sent to mayor and City Council reanalyzing the 2017 residential concepts survey data that had been used in developing the bonus height provisions in the development regulations adopted by Ordinance 3040. Mr. Fernandez summarized his findings and concluded that it was not true that hundreds of people supported the bonus height provision and that only a few people actually supported it.

Ellen Chevalier had signed up to speak but declined to do so.

Linda Harris, 1120 17th Street, said the proposed 25-unit apartment building at 18th Street and O Avenue was not appropriate or beneficial to the neighborhood. Ms. Harris said just because it is legal and permitted doesn't mean it needs to be or should be built. Ms. Harris cited examples of redevelopment already underway in the neighborhood to provide a more viable type of affordable housing.

Jeanne Olmsted noted that the wording of the moratorium said "west of O Avenue" but the map in the materials did not match that description; she asked that the wording be changed to match the map. Ms. Olmsted read from her prepared comments objecting to the height of the proposed 25-unit apartment building at 18th Street and O Avenue and requesting more extensive options for public input.

Sandra Shimkus, 1019 22nd Street, said that the proposed 25-unit apartment building at 18th Street and O Avenue would increase traffic on O Avenue which was already a hazard for pedestrians and bicyclists on that roadway.

Patty Carp, 2706 J Avenue, expressed concern about the proposed 25-unit apartment building at 18th Street and O Avenue because would change the character of a residential neighborhood. Ms. Carp also said off street parking should be required by the permitting process.

Mary Jo McArdle, 1514 N Avenue, suggested that the proposed moratorium should be broadened to stop any further multifamily development of this bulk and scale in the R4 zone, regardless of height. Ms. McArdle said development regulations adopted earlier in the year were not consistent with the Comprehensive Plan goals and policies. She asked that those documents be harmonized.

Gabriel Olmsted referred to his long history of working with affordable housing providers to develop appropriately scaled workforce housing. He recalled the emphasis on character of the community and scale during the comprehensive plan development as well as the need for affordable workforce housing. Mr. Olmsted said it was hard to speak against affordable housing he'd been working on for so long but the project proposed at 18th Street and O Avenue was not guaranteed to be affordable.

Cynthia Richardson, 315 V Avenue, observed it was not easy to meet the state requirements to plan for expected growth without having some disruption of what town looks like today. She said the zoning code rewrite tried to provide a wide variety of ways to meet those regulations and to provide for more variety of housing sizes as well

as affordable housing. Ms. Richardson noted that the R4 zone had allowed apartments for at least 40 years but few had been built because such projects hadn't penciled out, but now they might so neighborhoods may see some changes. Regarding the moratorium under discussion, Ms. Richardson suggested extending it to the entire R4 zone in this area. She also suggested there was a need to require that even a regular height building would not be a massive structure filling an entire block.

No one else present wished to address Council on this topic.

Mr. Walters moved, seconded by Mr. McDougall, to adopt Ordinance 3054 as presented.

Mr. Adams moved, seconded by Mr. Johnson, to amend the motion to apply to the entire R4 zone west of the Commercial zone.

Vote on the amendment: Ayes – Adams, McDougall and Johnson. Nays – Walters, Moulton and Miller. Mayor Gere voted aye to break the tie. The motion to amend carried 4 to 3.

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

Ordinance 3056: Amending Section 1.30.070 (A) and (B) of the Anacortes Municipal Code and Adding New Section 1.30.080 of the Anacortes Municipal Code Regarding Numbering, Recording, and Executing Contracts for Residential and Business Class Internet Services

Ms. Swetnam introduce Ordinance 3056 for a first read. She summarized the rationale for changing the current contracting code to exempt certain contracts for fiber service and the specific proposed changes to the code. Ms. Swetnam's slide presentation was added to the packet materials for the meeting. She invited councilmember feedback.

Ms. Swetnam responded to councilmember questions about why individual customer contracts were needed, whether fiber customer contracts should be made available with other city contracts on the city's website, and whether such agreements would be recorded. Mr. Johnson asked that definitions for dark fiber, residential internet service and business class internet service be added to the code.

Mayor Gere invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Contract Award: Senior Center Metal Roof Installation #19-066-FAC-001

Ms. Swetnam requested City Council consent to award a contract in the amount of \$257,504.86 to Esary Roofing and Siding Co. Inc. to perform the Senior Center Metal Roof Installation project. She summarized the procurement history for this seasonally sensitive project. Her slide presentation was added to the packet materials for the meeting.

Councilmembers expressed concern about the price of the contract and wondered about opting for a composition rather than a metal roof or contracting for repairs only and then rebidding the project in 2020. Mayor Gere and councilmembers determined to delay action until the next meeting and requested that staff investigate and present alternatives at that meeting.

There being no further business, at approximately 9:13 p.m. the Anacortes City Council meeting of October 21, 2019 was adjourned.