

**MINUTES**  
**Ferndale City Council Meeting**  
**Held Monday, January 7, 2002**  
**City Hall Annex Building - 5694 Second Avenue**  
**7:00 p.m.**

**PRESENT:** Councilmember Albert Lavine  
Councilmember Mel Hansen  
Councilmember Mike Reilly  
Councilmember Marianne Elgart  
Councilmember Susan Cole  
Councilmember Ron Wilson

**ABSENT:** Councilmember Jerry Landcastle

**Mayor Carolyn Jensen presiding**

**STAFF PRESENT :** City Administrator Roland Signett  
City Clerk Linda Knutson  
Parks and Recreation Director David Erickson  
Planning and Building Director Tom Black  
Public Works Director Loren Sperry  
Police Chief Dale Baker  
City Attorney Dick Langabeer

**EXECUTIVE SESSION**

The Council, Mayor and City Administrator met in Executive Session from 6:30 p.m. to 7:00 p.m. to discuss collective bargaining issues.

**CALL TO ORDER**

Mayor Jensen called the meeting of the Council to order at 7:05 p.m.

**OATH OF OFFICE**

Re-elected Councilmember Susan Cole and newly elected Councilmember Ron Wilson were sworn in by City Clerk Knutson.

**CONSENT AGENDA**

The following consent agenda was moved for approval by Councilmember Hansen, with a second from Councilmember Reilly:

1. Approval of Minutes of 12/17/2001 Council Meeting
2. Approval of Minutes of 12/20/2001 Special Meeting
3. Approval of Payroll of 12/18/2001; Auto-Deposit Amount: \$96,186.60; Checks #20850 - #20860 Amount: \$27,870.54; Total Payroll: \$124,057.14
4. Approval of Payroll of 12/21/2001; Auto-Deposit Amount: \$3,206.85; Checks #20861 - #20864 Amount: \$6,173.56; Total Payroll: \$9,380.41 (Reissue Cks #20473 & 20754; Buy-out Vacation/Comp: Sperry)
5. Approval of Payroll of 12/31/2001; Auto-Deposit Amount: \$102,244.42; Checks #20865 - #20877 Amount: \$28,770.12; Total Payroll: \$131,014.54
6. Approval of Ordinances #1269 - #1276 Closing Obsolete Funds and Creating 2002 Budget Project Funds.

Motion passed unanimously.

**PUBLIC COMMENT**

Cheryl Wilson wanted an update from the City on the progress on the Public Safety Building. She also commented that she had this evening attended a meeting with local legislators, stating that large

amounts of money are available from the state for Parks and Recreation. She also stated that the Legislature is hesitant to implement the Governor's gambling tax plan because so many small communities are dependant upon those monies to survive budget shortfalls. She stated that the Mayor had mentioned that the gambling tax, which is now phased out, could be reinstated at any time, and Ms. Wilson felt now was the time.

Administrator Signett stated that the Public Safety Facility architect had completed soil testing and delineation of property lines. They also had completed analyzing the needs assessments turned in by City personnel and will submit a preliminary footprint in the next couple of weeks.

### **INTERLOCAL AGREEMENT: PARTNERSHIP FOR A SUSTAINABLE ECONOMY**

Administrator Signett explained that the City has been working with the Port of Bellingham to establish a coalition with a common interest in sustaining and enhancing the business economy of Whatcom County. This Interlocal, once signed by all parties, which include Bellingham, Everson, Nooksack, Lynden, Sumas, Blaine, the Port, and PUD #1, gives the group official status to pursue federal funding and grants.

Councilmember Reilly moved to approve the interlocal agreement, with Councilmember Hansen seconding.

Discussion:

Councilmember Cole asked how this group differed in goals from the Ferndale Development Economic Department. Administrator Signett responded that this group will take a County-wide approach that will tie together local economic efforts and build upon what the FDED is trying to accomplish..

Motion passed unanimously.

### **AGREEMENT WITH YAKIMA COUNTY JAIL FACILITY**

#### **Planning and Judicial Committee Action Item**

Councilmember Cole, Chair of the Committee, stated that the Committee had reviewed the agreement, which is the same one entered into by the cities of Blaine and Lynden. Defendants sentenced to jail time at the Whatcom County jail are often being turned away due to overcrowding. The cost for housing and transport to the Yakima facility is a maximum of \$50.00 per day while Whatcom County's cost is in excess of \$70.00 per day. It has been proposed that primarily those defendants being sentenced to ten days or longer should be transported to Yakima.

Councilmember Cole moved to approve the Agreement with Yakima Council Jail, with Councilmember Reilly seconding.

Motion passed unanimously.

### **CONTRACT FOR FINANCIAL CONSULTING SERVICES**

#### **Planning and Judicial Committee Action Item**

Councilmember Cole, Chair of the Committee, said the Committee has reviewed the possibility of entering into an agreement with Steve Gaidos Consulting for financial services. Mr. Gaidos has provided these services to the City for approximately 20 years while in the employment of various financial institutions. Two to three years ago he began working independently and has assisted the City without the benefit of a formal contract during this period. Most recently he worked on preliminary issued related to the Tosco Bond issue. Annual assistance would also be monitoring existing bond issues for compliance with legal requirements and periodic review of debt service structure to take advantage of the lowest rates offered.

The City has recently received a petition from the developers of Pioneer Plaza for the formation of a local improvement district. They have provided \$2,000 to defray the cost of financial assistance. This work will include a full analysis of the feasibility of the project from a financing perspective. The remainder of

the \$5,000 needed for financial consulting services will come from the Water fund, sewer fund, and street fund, at \$1,000 each.

Councilmember Cole moved to approve the contract, with Councilmember Reilly seconding. Motion passed unanimously.

#### **PETITION FOR THE CREATION OF LOCAL IMPROVEMENT DISTRICT**

As mentioned in the preceding item, the City received a petition signed by the minimum required ten percent of the property owners in the Pioneer Plaza property for the formation of a local improvement district to construct the street infrastructure for that project. Administrator Signett noted that the Council must decide whether to accept or reject the petition and to direct the proponents to obtain the signatures of the requisite 50% necessary to form an LID. Upon receipt of such a petition the Council would need to set a public hearing on the matter.

Councilmember Reilly moved to accept the petition and to direct the proponents to pursue the required number of signatures, which was seconded by Councilmember Hansen.

Discussion:

Council had a few questions regarding the logistics and procedures governing the creation of LID's.

Motion passed unanimously.

#### **FLUME AT WATER TREATMENT PLANT**

##### **Streets and Utilities Committee Action Item**

Councilmember Reilly, Chair of the Committee, reported that it was recently discovered that the flume at the water treatment plant had developed leaks. The options for the City are to replace the flume with a new one or to coat the existing flume to stop the leakage. The cost to replace the aluminum flume would be \$10,950, while coating the old flume would cost \$15,541.

Councilmember Reilly moved to replace the flume at \$10,950, with Councilmember Wilson seconding.

Discussion:

Administrator Signett recommended that this unplanned expenditure be paid from the Utility Reserve Fund. Councilmember Lavine asked how old the current flume was. Director Sperry stated that it was approximately 30 years old. Motion passed unanimously.

#### **STERLING WATER MAIN REPLACEMENT PROJECT - FINAL CHANGE ORDER**

##### **Streets and Utilities Committee Action Item**

Councilmember Reilly reported that the contractor on this project had contacted the City several weeks ago requesting change orders for additional work performed. After negotiation, a final change order increasing the amount of the original contract an additional \$552.15 was agreed upon.

It was moved by Councilmember Reilly to approve \$552.15 over the original contract, and seconded by Councilmember Hansen.

Discussion:

Councilmember Wilson asked if this essentially completed the contract for this project. Staff noted that it did. Motion passed unanimously.

#### **ORDINANCE #1277 - UTILITY OCCUPATION TAX**

Administrator Signett reviewed that this ordinance was the same one Council approved in November, pending legal review. The revised ordinance increases the tax paid by utilities from the current five percent to six percent. Her further noted that the increase had been included in the 2002 budget revenues.

Councilmember Reilly moved to approve ordinance #1277, with Councilmember Cole seconding.

Motion passed unanimously.

## **COMMITTEE AND INTERGOVERNMENTAL ASSIGNMENTS**

### **Mayor Pro-Tem for 2002**

Councilmember Reilly nominated Councilmember Hansen for Mayor Pro-Tem for 2002. There were no other nominations.

The Council voted in Councilmember Mel Hansen as Mayor Pro-Tem. Councilmember Hansen did not vote.

### **Planning and Judicial Committee**

The Committee consists of **Councilmembers Cole, Elgart and Reilly**. No changes for 2002.

### **Streets and Utilities Committee**

The Committee consists of **Councilmembers Reilly, Hansen, and Landcastle**. No changes for 2002.

### **Recreation and Finance Committee**

The Committee consists of **Councilmembers Hansen and Lavine**. **Councilmember Wilson** will fill the vacant seat on this committee.

### **Bellingham International Airport Advisory Committee**

**Councilmember Mel Hansen**

### **Emergency Management Council**

**Mayor Carolyn Jensen**

### **Growth Management Oversight Committee**

**Planning Director Tom Black**

### **Flood Control Zone District Advisory Committee**

**Councilmember Mike Reilly**

### **Risk Service Mngmnt Agency Op Committee**

**City Administrator Roland Signett**

### **Solid Waste Executive Committee**

**Mayor Carolyn Jensen**

### **Solid Waste Advisory Board**

**Councilmember Mike Reilly**

### **Transportation Technical Advisory Committee**

**Public Works Director Loren Sperry**

### **What-Comm Operations Advisory Committee**

**Police Chief Dale Baker and Councilmember Marianne Elgart**

### **Whatcom County Council of Governments**

**Mayor Carolyn Jensen**

### **Whatcom Transportation Authority Governing Board**

**Councilmember Jerry Landcastle**

### **Whatcom County Fire District #7 Advisory Board**

**Councilmember Jerry Landcastle**

### **Lodging Tax Advisory Committee**

Susan Cole - Council Liaison  
David Erickson - Staff Liaison

**Ferndale Department of Economic Development**

City Administrator Roland Signett

Councilmember Susan Cole

**DEPARTMENT REPORTS**

**Parks and Recreation**

Director Erickson reported that he had provided information in the Council packets regarding programs for reduced cost parks maintenance opportunities. Also, he is looking for volunteers to help with the upcoming Easter Egg Hunt at Pioneer Park. He noted that the department would need \$150 in donations to help buy supplies for the hunt.

**Public Works**

Director Sperry said that everything is in place for the upcoming informational meeting on the Main Street Bridge Project. This will be held on January 16 at the Annex.

**COMMITTEE MEETINGS**

Committee meetings will be held at their regular times this week.

**ADJOURNMENT**

There being no further scheduled City business, the meeting was adjourned at 8 p.m.

**ATTEST:**

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Carolyn Jensen, Mayor

Linda Knutson, City Clerk

***Attachment "A":***

**MINUTES  
Planning and Judicial Committee  
Held Wednesday, December 19, 2001  
City Hall Conference Room  
1:00 p.m.**

**COMMITTEE: Councilmembers Susan Cole (Chair), Mike Reilly, Marianne Elgart**

**STAFF: Roland Signett, Linda Knutson, Tom Black, Dale Baker**

**GUESTS: Councilmember-Elect Ron Wilson**

**CONSIDERATION OF CONTRACTING WITH YAKIMA COUNTY JAIL FACILITY**

The Committee reviewed the contract between the City of Lynden and the Yakima County Jail with the possibility of Ferndale entering into a similar agreement. It was noted that peoples sentenced to jail time at the Whatcom County Jail are being turned away regularly due to overcrowding. The cost for transporting and housing prisoners at the Yakima facility is currently \$50.00 per day. The cost at the Whatcom County facility is in excess of \$70.00 per day.

Some details of the contract will be worked out by staff, before a final draft is presented to Council.

Councilmember Reilly motioned to pursue a contract with the Yakima County Jail, with staff working out the details. Councilmember Cole seconded. Motion passed unanimously.

**UPDATE OF JUNK VEHICLES**

Chief Baker reviewed that though the plan to clean up the City of junk vehicles has been largely

successful, there are still several persons who have not complied with the clean up. Chief Baker said he has contacted the City Attorney for help in establishing an adjudication and/or abatement procedure to aid in enforcement.

**REVIEW OF HANDICAP PARKING**

The Committee will be looking into state and local regulations concerning adequate handicap parking spaces in the City.

***Attachment "B":***

**PLANNING AND JUDICIAL COMMITTEE MEETING  
2/26/01**

**COMMITTEE MEMBERS PRESENT: MIKE REILLY, SUSAN COLE**

**STAFF: ROLAND SIGNETT**

**CONTRACT FOR FINANCIAL CONSULTING SERVICES**

Staff is recommending entering into a contract with Gaidos Consulting for financial advisory services. Steve Gaidos has provided these services to the City for approximately 20 years while in the employment of various financial institutions. Approximately 2-3 years ago he began working on his own. He has assisted the City without benefit of a contract during this period. His latest work was help on the preliminary issues relative to the failed Tosco Bond issue.

As can be seen from the proposed contract there are a number of financial issues which require assistance on an annual basis. Among these are monitoring of existing bond issues for compliance with legal requirements and periodic review of debt structure to take advantage of lower interest rates.

The City has recently received a petition from the developers of Pioneer Plaza for the formation of a local improvement district. They were requested and have provided \$2,000 to defray the cost of financial assistance. This work will include a full analysis of the feasibility of the project from a financing perspective.

Additionally the city is being requested to perform a segregation of assessment of one of the existing properties which was assessed for revenue bonds in 1981, but until now has had the payment deferred due to open space. This will require a financial review and the developer should be asked to pay for the services to be provided.

I would recommend that in addition to the \$2,000 noted above the City fund the balance of the contract on a prorated share of \$1,000 from water, sewer, and street funds respectively as these are areas where on-going debt commitments need to be monitored.

It was moved by Councilmember Reilly and seconded by Councilmember Cole to recommend approval of the contract as presented. Motion passed.

***Attachment "C":***

**STREETS AND UTILITIES COMMITTEE MEETING  
12/19/01**

**COMMITTEE MEMBERS PRESENT: MIKE REILLY, JERRY LANDCASTLE  
STAFF: ROLAND SIGNETT, LOREN SPERRY, TOM BLACK, BRENNIA STERLING**

**REQUEST FOR QUALIFICATIONS AND QUOTES FOR AERIAL PHOTOGRAPHY**

Staff presented a request to seek proposals for completing an aerial photo/photogrammetric project for the City. The data obtained would be computerized and used for storm water projects, water and sewer utility projects and street projects as well as assist private developers in preparing storm drainage plans. Council accepted a loan from SRF in the amount of \$189,000 to develop a comprehensive storm water plan. It was anticipated that this project would be paid for with a portion of that loan. Originally the city had anticipated having the work done as part of a

cooperative project with the city of Bellingham for \$24,000. However, the \$24,000 would only cover the cost of doing the fly-over and would not provide the data in a computerized format. The estimated cost for the total project is \$99,000.

After considerable discussion the Committee requested staff to obtain additional information about ways in which the cost could be reduced. Options include shooting at 5' elevation contours rather than 2'; flying only the city limits instead of the urban growth area; doing the flyover, but using only a limited amount of the data at present for conversion to computer mapping. Staff was also asked to see if federal satellite photos could be obtained at a reasonable cost and at the resolution needed.

#### **NORTHWEST WATER ASSOCIATION - REQUEST FOR SEWER CONNECTION WAIVER**

Northwest Water Association is anticipating purchasing its water from the City of Bellingham. Eight of the associations connections are within the City Limit. The Association would like to convert these at connections to City of Ferndale water usage. However, the sewer is within 300' and the City ordinance requires in that case that connection also be made to sewer. The committee initially was of the opinion that the connections could be waived pending failure of the existing septic systems. On further consideration, the question arose regarding the City of Bellingham providing water within the City of Ferndale UGA. This was felt to be inappropriate and staff was requested to contact Northwest Water Association regarding their purchasing water from the City of Ferndale.

#### **FLUME AT WATER TREATMENT PLANT**

It was recently discovered that the flume at the water treatment plant has developed leaks. The options for the City are to replace the flume with a new one or to coat the existing flume to stop the leakage. The cost to replace the aluminum flume is \$10,950. Coating will cost \$15,541. It was moved by Councilmember Reilly and seconded by Councilmember Landcastle to recommend to the Council acceptance of the quote for a new flume from Keystone for \$10,950. Motion passed. Staff is to present information regarding how to pay for this non-budgeted item.

#### **STERLING WATER LINE CONTRACT**

The contractor on the Sterling water main had approached the city some weeks back requesting change orders for additional work performed. After negotiation a final change order increasing the original contract by \$552.15 was agreed upon. It was moved by Councilmember Landcastle and seconded by Councilmember Reilly to recommend acceptance of the change order. Motion passed.

#### **STREET LIGHTS - TURN OVER TO PSE**

Public Works Director Sperry prepared a list of street lights owned by the City. It is the City's intent to turn these all over to PSE as the City has neither the staff nor equipment for maintenance. Cost of maintenance will be included within the monthly power billing for street lights. Those located adjacent to Haggan must continue in City ownership, but the City can contract with PSE for maintenance. The lights for Shields Estates can be turned over to PSE at such time as the City can locate the developer. As the lights were installed by the developer and turned over to the city, the city cannot then turn ownership over to another party. This needs to be done by the party who installed them. The lights for Correll Park and Vista Ridge can be turned over to PSE by Homestead. PSE, however, will not accept the lights until they are relamped and new photo cells installed. The Committee recommends that staff have Homestead pay for the cost of relamping and photo cells before turning ownership over to PSE.

#### **YUNG HOON CORPORATION - FRED PARK - REQUEST TO EXTEND PERFORMANCE BOND**

Mr. Fred Park is requesting that he be allowed a 2 year extension on his performance bond for street improvements adjacent to his mushroom growing facility on Portal Way. He has already received a prior extension. The committee is reluctant to grant another extension. It was requested that this item be placed on the Council agenda for the second meeting in January.