

MINUTES
Ferndale City Council Meeting
Held Monday, June 20, 2005
City Hall Annex – Council Chambers
7 p.m.

PRESENT BY ROLL CALL:

Councilmember Mel Hansen
Councilmember Susan Cole

Councilmember Mike Reilly
Councilmember Carol Brumet

ABSENT: **Councilmember Steve Oliver (Excused)**
 Councilmember Marianne Elgart (Excused)
 Councilmember Ron Wilson (Excused)

STAFF:

City Administrator Greg Young
Planning Director Tom Black
Police Lt. Travis Glass

City Clerk Linda Knutson
City Treasurer Mark Peterson
Public Works Director Bob Cecile

Mayor Jerry Landcastle Presiding

CALL TO ORDER

Mayor Landcastle called the Meeting of the Ferndale City Council to order at 7:00 p.m.

CONSENT AGENDA

The following consent agenda was moved for approval by Councilmember Brumet and seconded by Councilmember Hansen:

1. Approval of Minutes of 06/06/05 Council Meeting
2. Approval of Minutes of 06/15/05 Special Council Meeting
3. Approval of Payroll of 6/04/05; Automatic Deposit Amount: \$29.24; Checks #22571 - #22572 Amount:\$201.90; Total Payroll:\$231.14 (Supplemental Pay – Late Timecard)
4. Approval of Payroll of 06/17/05; Automatic Deposit Amount: \$105,649.91; Checks #22573 - #22589 Amount:\$39,847.67; Total Payroll \$145,497.58
5. Approval of Claims Run of 06/20/05; Checks #43557 -#43650; Total Claims: \$319,003.17 (VOID Checks #43596 & 43597 & Wire Transfer Ref. 100106)

Motion passed unanimously.

PUBLIC COMMENT

No one spoke.

PUBLIC HEARING – SIX YEAR TRANSPORTATION PLAN – RESOLUTION #05-06-20

Public Works Director Bob Cecile reviewed the Six Year Transportation Improvement Plan as discussed over the past two months with the Streets and Utilities Committee. The Plan includes a seven-to-twenty year plan as well.

The Council discussed the shifting of some projects in the seven-to twenty year plan up to the Six Year Plan.

Mayor Landcastle reviewed to protocol governing public hearings.

Public Hearing Opened

No one signed up or came forward to speak

Public Hearing Closed

It was moved by Councilmember Reilly and seconded by Councilmember Hansen to approve Resolution #05-06-20 for the Six Year Transportation Improvement Program with the discussed modifications. Motion passed unanimously.

PUBLIC HEARING – HOMEQUEST VARIANCE/LOT LINE ADJUSTMENT

Planning Director Tom Black reviewed that the applicant proposes to adjust the lot line between two existing lots, which he owns, in the Memorial Heights Plat, located on Malloy Avenue. An existing home straddles the lot line where the two lots meet. Wishing to construct a new home on lot two, the applicant proposes a lot line adjustment to shift the boundary 20 feet to the south. This would leave the existing home on a single lot (lot 1) and leave a 50 foot wide vacant lot where a new home would be constructed. The variance is requested because the new lot would have less than the 65 foot minimum. Also, the resulting lot would be 6,000 feet rather than the required 6,500 feet for this zone. The lot line could actually be angled off on the alley side to meet the required square footage of 6,500, which is what staff prefers.

Mayor Landcastle noted that the rules regarding public hearings were still in effect.

Public Hearing Opened

Christine Woodward, 5893 Malloy Road, spoke as an **opponent** to the proposed variance, as she and other neighbors felt the resulting lot would be too narrow and small for the character of the neighborhood. She said that most of the homes in the area are of the older “craftsman” style, and are located on large lots, with nice views.

Ms. Woodward added that should the Council decide to approve the variance, the neighborhood would want assurances that height and view restrictions be imposed, architectural elements be followed, and that manufactured housing not be allowed.

Councilmember Hansen responded to Ms. Woodward that the Council was not empowered to impose the suggested restrictions on the proposed lot.

Dennis Saubchek, representative of Homequest Homes, spoke as a **proponent** of the proposed variance and resulting project. Mr. Saubchek appreciated the concerns of the opponents. He said that Homequest has every intention of building an attractive home that “fits” into the neighborhood’s character. He further stated that option “b” as shown in the staff report was an acceptable alternative to meeting the 6500 square foot minimum.

Public Hearing Closed

The Council noted that there are many lots in the area and in the City in general that are in a similar situation. Several lots on the block in question seemed to show encroachments by existing home onto lot lines.

It was moved by Councilmember Hansen and seconded by Councilmember Cole to approve option “b” as presented in the staff report, allowing lot width requirement 65 feet of frontage to be varied to 54 feet.

Councilmember Reilly voiced concern that the proposed lot and home would not be a good fit for the established neighborhood.

Councilmember Hansen disagreed, noting that several homes on Malloy took access from the alley. He also felt granting the variance was in conformance with GMA infill requirements.

Councilmember Cole was inclined to support the variance request, as older neighborhoods are facing these issues more frequently, and property owners wishing to build on vacant lots should be able to do so.

Councilmember Brumet felt that the variance was not appropriate to the area and would not support it.

Council discussion focused on the alley behind the lots being used as the access for the newly created lot. Mayor Landcastle felt that the alley's gravel needed to be addressed, so as not to impact, or spill out, onto paved roadways.

Amendment to Main Motion

It was moved by Councilmember Hansen and seconded by Councilmember Cole require the proponent to lay a fifty foot asphalt apron approaching and at the end of the alley where it intersects with Golden Eagle Drive. Motion passed three-to-two, with Councilmembers Brumet and Reilly voting no, and Mayor Landcastle breaking the tie with an aye vote.

Vote on Main Motion as Amended

Motion passed three-to-two, with Councilmembers Brumet and Reilly voting no, and Mayor Landcastle breaking the tie with an aye vote.

ADMINISTRATIVE APPEAL – HARBOR LANDS GROUP

Planning Director Black reviewed that in May of this year he received a telephone call from Darrell Benson, representing Joel Douglas of Harbor Lands, LLC, asking about the status of a previously approved Conditional Use Permit (CUP) for a mobile home park on Portal Way. Specifically, Mr. Benson asked if the CUP was still in effect, and if construction of the mobile home park could proceed under the authority of that previously approved CUP.

Director Black determined that the CUP in question (#99226.CUP) was approved on December 15, 1999, and that the Ferndale Municipal Code states that Conditional Use Permits expire after 5 years. As such, he informed Mr. Benson that the CUP had expired in December of 2004, and therefore the mobile home park could not be constructed under that permit.

Following the above-mentioned telephone conversation, Director Black received a letter from Mr. Benson asking for a "written ruling" relative to the verbal decision that the CUP could not be extended once it had expired. Director Black responded in writing, restating the position that the CUP could not be extended because it had already expired.

In response, Mr. Benson filed an appeal of the Planning Director's administrative action. The Appellant argues in his Notice of Appeal that Section 18.12.160 (Expiration of Conditional Use Permits) of the Ferndale Municipal Code (FMC) grants the City Council authority to extend a Conditional Use Permit, even after it has expired. That section of the FMC reads as follows:

"If establishment of the use authorized by a Conditional Use Permit.....has not commenced within five (5) years from the date the grant of the permit became final, the permit shall expire and be null and void unless the City Council grants an extension of not more than twelve months upon written request and evidence that the owner intends to activate the permit within that time period."

The Planning Director's position is that the FMC provides an opportunity for the City Council to extend Conditional Use Permits for up to one additional year, under certain circumstances. However, the language clearly states that the CUP becomes "null and void" upon the date of expiration, unless the City

Council intercedes with the granting of an extension. It therefore follows that in order for the City Council to intercede with an extension of a permit prior to it's becoming null and void, the decision (or at least the request for extension) must occur prior to the expiration of the permit.

Based on this reasoning, it is the position of the Planning Director that only permits that are still in effect may be extended, and then only upon written request of the owner prior to the expiration date. Permits that have expired (i.e. become null and void) are no longer in effect and may not be extended. To do otherwise would render meaningless the entire concept of permit expiration.

It is the opinion of the Planning Director that the administrative action being appealed--- the determination that a previously expired Conditional Use Permit cannot be extended--- was both reasonable and appropriate and should be supported. Conversely, it appears that the Appellant has failed to support his assertions of error on the part of the Planning Director in this regard.

Based on the presented analysis, staff recommended that the City Council uphold the administrative action of the Planning Director, and deny the appeal. When considering appeals to administrative actions, the Council's responsibility is to determine if the action being appealed was rendered in error or not. In order to support the appeal, the Council must determine that the administrative action was inaccurate, unreasonable, or arbitrary.

Councilmember Hansen pointed out that according to the appellant, a permit could be expired, null, and void for a number of years, and later be granted an extension by the Council.

It was moved by Councilmember Reilly and seconded by Councilmember Brumet to uphold the Administrative Decision of the Planning Director and deny the appeal. Motion passed unanimously.

A gentleman came forward stating that he had been contacted by Joel Douglas that morning to appear on his behalf, and had several documents he wished to distribute. The Mayor, Council and staff pointed out that any relevant information on the appeal should have been included with the filed documentation.

LAND PURCHASE AUTHORIZATION

Mayor Landcastle asked for Council authorization to purchase the vacant parcel of land that lies between the Ferndale Post Office and the old Ferndale Drug Store building, fronting Fourth Avenue between Vista and Main Streets. The cost for this land is \$350,000 and will be funded through a combination of the Public Safety/Criminal Justice Fund and the Real Estate Excise Tax Fund.

It was moved by Councilmember Hansen and seconded by Councilmember Brumet to authorize the purchase of the above described property for a sum of \$350,000 which will be funded as outlined by staff. Motion passed unanimously.

ORDINANCE #1364 – SW INTERCEPTOR SURCHARGE

At the direction of Council, the City is moving forward with the installation of an interceptor that will relieve the pressure of at-capacity sewer line on the eastern side of residential Ferndale.

Administrator Young outlined an ordinance that will place a \$1,000 surcharge for any new connections to the City sewer in an established benefit area serviced by the interceptor. The benefit area is both inside and outside of the City limits. This surcharge will be in addition to established sewer connection fees.

Councilmember Oliver suggested some language modification to section one, which would clarify that the surcharge be based on residential unit *equivalents*.

It was moved by Councilmember Reilly and seconded by Councilmember Hansen to recommend approval of the surcharge Ordinance as discussed. Motion passed unanimously.

ORDINANCE #1365 – PROPERTY TAX REMITTANCE SCHEDULE FROM COUNTY

Administrator Young stated that staff had requested that the Whatcom County Treasurer's Office begin a weekly distribution of property tax collections. Currently the proceeds are distributed twice yearly.

The passage of this Ordinance will enable to the City to invest property tax collections. It is estimated that the City will gain approximately \$2,000 in investment interest using this collection schedule.

It was moved by Councilmember Hansen and seconded by Councilmember Brumet to recommend approval of the Ordinance as presented. Motion passed unanimously.

ORDINANCE #1366 – EXEMPTION FROM CIVIL SERVICE

Administrator Young presented an ordinance that would exempt the City's Police Chief from Civil Service. Young explained that that state statute allows for this exemption in City's where the Chief was hired after 1987, and has 6 or more commissioned officers. A majority of cities in Washington State have adopted this exemption. In Ferndale's case, the Civil Service Commission has been dormant for many years, and is in the process of being re-activated. Currently the Chief and Lieutenant are members of the Machinist's Union.

Councilmember Reilly said he would not support this Ordinance, as he had been a civil servant for many years.

It was moved by Councilmember Brumet and seconded by Councilmember Cole to recommend approval of the Ordinance as presented. Motion passed three-to-one, with Councilmember Reilly voting no.

CITY ADMINISTRATOR CONTRACT FOR SERVICES

Mayor Landcastle reviewed an Agreement between the City of Ferndale and Gregory Young for City Administrator Services. The three-year agreement outlines salary, medical benefits, and other general provisions. Some minor typos were pointed out and will be corrected by staff.

It was moved by Councilmember Reilly and seconded by Councilmember Brumet to approve the Agreement between the City of Ferndale and Gregory Young as City Administrator. Motion passed unanimously.

REQUEST TO REFINANCE STREET LIGHTS

City Treasurer Mark Peterson noted that as part of the Rural Sunset Project, as well as the Main Street Project, the City is obligated to pay for the new light poles installed in those area. To keep project costs down, the City had opted to finance the street lights through Puget Sound Energy at 11% over fifteen years.

With favorable interest rates, the City would like to refinance the lights at 5.5% over ten years. If not refinanced, the City will pay a total of \$651,240 over fifteen years. If refinanced through Key Bank, the City will pay \$414,600 over ten years. This will save the City approximately \$217,000.

It was moved by Councilmember Cole and seconded by Councilmember Brumet to approve the refinancing of the Rural/Sunset street lights, through Key Bank, at 5.5% over ten years. Motion passed unanimously.

Councilmember Cole thanked Mr. Peterson for his efforts in tracking down ways to save the City money.

REQUEST FOR FULL-TIME POLICE OFFICER

Administrator Young reviewed that the Police Department is asking Council to consider increasing the current staffing levels at the Police Department. Several factors are currently leaving the department

without adequate coverage, and some future issues were discussed and analyzed. Comparisons were examined at the Planning and Judicial Committee; most indicating that Ferndale is rapidly dropping behind other jurisdictions in police-to-population ratios. It is apparent that staffing needs are now "critical". Lt. Glass is requesting, with the support of the Mayor and Administrator, to hire another full-time officer immediately, rather than waiting for the 2006 budget process. He explained that it takes two to six months to "get a new officer on the streets".

It was moved by Councilmember Reilly and seconded by Councilmember Brumet that a full-time police officer be hired immediately. Motion passed unanimously.

CHANGE ORDER – SPORTS COMPLEX FIELDHOUSE

Public Work Director Bob Cecile noted that the City received a change order request to modify the asphalt surrounding the field house at the sports fields. The slope was such that there was inadequate drainage away from the fieldhouse. The amount of this modification totals \$5,058.00

It was moved by Councilmember Hansen and seconded by Councilmember Brumet to approve the change order for the sports complex field house in the amount of \$5,058. Motion passed unanimously.

PIONEER PARK PROTOCOL

The Council as a whole had reviewed the Pioneer Park Protocol Committee's recommendations, as well as the revisions suggested by the Parks Advisory Board. While one suggested recommendation was approved at the last Council meeting, the Protocol itself had yet to be confirmed/adopted. The Recreation and Finance Committee asked that staff prepare a pared-down version of the protocol that combined recommendations of the Protocol Committee, the Parks Board, and City Staff, for this Council meeting.

The Council considered the following recommendations point-by-point::

1. Memorial Benches

No Memorial Benches shall be allowed inside the fenced, historic area of Pioneer Park. Those installed prior to this protocol being passed shall be removed and relocated at the City's discretion.

It was moved by Councilmember Cole and seconded by Councilmember Hansen to approve as stated. Motion passed unanimously

2. Dedications, Donations and Plaques

Requests for Memorial Plaques and Memorial Donations and other such memorial dedications will not be considered by the City until such time that the City has a working Parks Department. Donations having historical value will be referred to the Ferndale Heritage Society and/or the Old Settlers Association. (Temporary moratorium on memorials)

It was moved by Councilmember Cole and seconded by Councilmember Hansen to send this protocol to Planning and Judicial for further work. Motion passed unanimously.

3. Buildings and Structures

No additional buildings or structures will be allowed to be placed in or at Pioneer Park until the completion of the updated Park Comprehensive Plan (last updated in 1996.), or at the recommendation of a qualified landscaping architect, or a professional parks planner, or other such professional person, as approved by Council.

It was moved by Councilmember Hansen and seconded by Councilmember Cole to approve as presented and modified. Motion passed unanimously.

4. Planting, Replanting, and Replacement of Trees in Parks

No additional planting, re-planting or replacement of trees in Pioneer Park shall be accomplished prior to the completion of the updated Park Comprehensive Plan (last updated in 1996), or at the recommendation of a qualified landscaping architect, or a professional arborist, or other such professional person, as approved by Council.

It was moved by Councilmember Brumet and seconded by Councilmember Hansen to approve as presented. Motion passed unanimously.

REVIEW OF FINANCIAL MANAGEMENT POLICIES

Administrator Young reviewed the final two elements of the City's Financial Management Policies: The Financial Reporting Policy, and The Investment Policy. The Investment Policy was established and approved approximately four years ago, and received an Award of Excellence from the Washington Treasurer's Association.

It was moved by Councilmember Reilly and seconded by Councilmember Hansen to approve the final two elements as presented. Motion passed unanimously.

CITY OF FERNDALE CENTENNIAL IN 2007

Administrator Young stated that the City will be celebrating its 100th birthday in 2007. He has been researching such celebrations and would like to start formulating ideas for a big City event in 2007.

COUNCIL REPORTS

Councilmember Cole commended both City Treasurer Peterson and Lt. Glass for their outstanding work for the City during the past several months.

Councilmember Reilly noted that business was slow at the tavern he manages during the Highland Games Event. He asked that the Police Department strategize traffic detours for next year to help local downtown businesses. Currently, traffic is routed out of town.

DEPARTMENT REPORTS

Lt. Glass thanked the Council for their support with staff funding.

Administrator Young updated the Council on the search for the new Police Chief.

ADJOURNMENT

There being no further business before the Council, the meeting was adjourned at 9:25 p.m.

ATTEST:

Jerry Landcastle, Mayor

Linda Knutson, City Clerk

Attachment A:

MINUTES
Planning and Judicial Committee
Held Wednesday June 15, 2005
City Hall Conference Room
11:00 a.m.

COMMITTEE: Councilmembers Susan Cole, Marianne Elgart and Carol Brumet
CITY ADMIN: Jerry Landcastle, Greg Young, Linda Knutson, Travis Glass,
Tom Black

ORDINANCE – EXEMPTING POLICE CHIEF FROM CIVIL SERVICE

Administrator Young presented an ordinance that would exempt the City's Police Chief from Civil Service. Young explained that that state statute allows for this exemption in City's where the Chief was hired after 1987, and has 6 or more commissioned officers. A majority of cities in Washington State have adopted this exemption. In Ferndale's case, the Civil Service Commission has been dormant for many years, and is in the process of being re-activated.

It was moved by Councilmember Brumet and seconded by Councilmember Cole to recommend approval of the Ordinance as presented. Motion passed unanimously.

DISCUSSION ON POLICE STAFFING LEVELS

Lt. Travis Glass requested that the Committee consider the current staffing levels at the Police Department. Several factors currently leaving the department without adequate coverage, as well as some future issues, were discussed and analyzed. Comparisons were examined; most indicating that Ferndale is rapidly dropping behind other jurisdictions in police-to-population ratios. Lt. Glass distributed several documents generated to illustrate his statement that the staffing needs are now "critical". He was requesting, with the support of the Mayor and Administrator, to hire another full-time officer immediately, rather than waiting for the budget process. He explained that it takes two to six months to "get a new officer on the streets".

It was moved by Councilmember Brumet and seconded by Councilmember Elgart to recommend to the full Council that a full-time police officer be hired immediately. Motion passed unanimously.

SHORT PLAT VARIANCE – LOT LINE ADJUSTMENT

Director Tom Black reviewed that the applicant proposed to adjust the lot line between two existing lots, which he owns, in the Memorial Heights Plat, located on Malloy Avenue. An existing home straddles the lot line where the two lots meet. Wishing to construct a new home on lot two, the applicant proposes a lot line adjustment to shift the boundary 20 feet to the south. This would leave the existing home on a single lot (lot 1) and leave a 50 foot wide vacant lot where a new home would be constructed. The variance is requested because the new lot would have less than the 65 foot minimum. Also, the resulting lot would be 6,000 feet rather than the required 6,500 feet for this zone. The lot line could actually be angled off on the alley side to meet the required square footage.

The Committee noted that there are many lots in the area and in the City in general that are in a similar situation. Staff generally felt that the lot line adjustment proposal was reasonable, and recommend approval. Staff does not recommend allowing the second lot to fall below 6,500 feet.

It was moved by Councilmember Cole and seconded by Councilmember Elgart to forward the variance to Council at their next regular meeting. Motion passed two-to-one, with Councilmember Brumet voting no.

APPEAL OF ADMINISTRATIVE ACTION – JOEL DOUGLAS

Director Black reviewed that a Conditional Use Permit, approved in 1999 for a proposed mobile home park on Portal Way, expired in December of last year. The applicant requested an extension and the Planning Department determined that an extension can not be granted *after* a CUP has expired. The Code is clear that an extension may only be considered if requested *before the expiration date*. The applicant disagrees and has filed an appeal to the City Council.

This item will go to the full Council for a public hearing at the regular meeting of June 20th.

Attachment B:

**MINUTES
Recreation and Finance Committee
Held Wednesday June 15, 2005
City Hall Conference Room
9:00**

COMMITTEE: Councilmembers Ron Wilson, Marianne Elgart and Steve Oliver
CITY ADMIN: Jerry Landcastle, Greg Young, Linda Knutson, Mark Peterson

FINANCIAL MANAGEMENT POLICIES – FINANCIAL REPORTING ELEMENT

Administrator Greg Young reviewed that this item was to go to the Council at their last regular meeting, but the meeting was adjourned before it could be considered. He added that the last proposed element, “investments”, will be replaced with the City’s current investment policy.

REFINANCING OF RURAL/SUNSET STREET LIGHTS

City Treasurer Mark Peterson noted that as part of the Rural Sunset Project, the City is obligated to pay for the new light poles installed in that area. To keep project costs down, the City had opted to finance the street lights through Puget Sound Energy at 11% over fifteen years.

With favorable interest rates, the City would like to refinance the lights at 5.5% over ten years. If not refinanced, the City will pay a total of \$651,240 over fifteen years. If refinanced through Key Bank, the City will pay \$414,600 over ten years. This will save the City approximately \$236,640.

Councilmember Oliver asked if the City had considered using the State to re-fi. Treasurer Peterson responded that since the City pays for the street lights, but does not actually own them, we don’t qualify for a state loan.

It was moved by Councilmember Wilson and seconded by Councilmember Oliver to approve the refinancing of the Rural/Sunset street lights, through Key Bank, at 5.5% over ten years. Motion passed unanimously.

ORDINANCE RELATING TO THE DISTRIBUTION OF PROPERTY TAX RECEIPTS

Administrator Young stated that staff had requested that the Whatcom County Treasurer’s Office begin a weekly distribution of property tax collections. Currently the proceeds are distributed twice yearly.

The passage of this Ordinance will enable to the City to invest property tax collections. It is estimated that the City will gain approximately \$2,000 in investment interest using this collection schedule.

It was moved by Councilmember Wilson and seconded by Councilmember Oliver to recommend approval of the Ordinance as presented. Motion passed unanimously.

CHANGE ORDER – SPORTS COMPLEX FIELD HOUSE

The City received a change order request to modify the asphalt surrounding the field house at the sports fields. The slope was such that there was inadequate drainage slope. The amount of this modification totals \$5,058.00

It was moved by Councilmember Wilson and seconded by Councilmember Oliver to recommend approval of the change order for the sports complex field house. Motion passed unanimously.

PIONEER PARK PROTOCOL

Mayor Landcastle reviewed for the Committee that the Council as a whole had reviewed the Pioneer Park Protocol Committee's recommendations, as well as the revisions suggested by the Parks Advisory Board. While one suggested recommendation was approved at the last Council meeting, the Protocol itself has yet to be confirmed/adopted. Mayor Landcastle asked the Committee for direction.

After reviewing the Mayor's report with recommended modifications, ***the Committee asked that staff prepare a pared-down version for the next Council meeting.***

Attachment C:

**MINUTES
Streets and Utilities Committee
Held Wednesday June 15, 2005
City Hall Conference Room
7:30**

COMMITTEE: Councilmembers Mel Hansen, and Steve Oliver
CITY ADMIN: Greg Young, Bob Cecile, Linda Knutson

CHANGE ORDER – SPORTS COMPLEX FIELD HOUSE

Public Works Director Cecile briefly reviewed a change order for the sports complex field house, which will be forwarded to the Recreation and Finance Committee.

SIX YEAR TRANSPORTATION IMPROVEMENT PLAN

Director Cecile presented the proposed Six Year Transportation Improvement Plan and Twenty Year Plan. This will be presented at Council on June 20th as a public hearing, as required by law.

The Committee felt that it was important to move the Church Road Improvements from the Twenty Year Plan up to the Six Year Plan, as a high priority. Knowing that COG funding is unlikely, as this is an interior street, the Committee asked staff to explore Local Improvement District funding for this project.

The Council will consider this item at the regular meeting of June 20th.

ORDINANCE – SEWER CAPITAL SURCHARGE SUPPORTING THE SW INTERCEPTOR

The Committee had reviewed and approved moving forward with the installation of an interceptor that will relieve the pressure of at-capacity sewer line on the eastern side of residential Ferndale.

Administrator Young outlined an ordinance that will place a \$1,000 surcharge for any new connections to the City sewer in an established benefit area serviced by the interceptor. This surcharge will be in addition to established sewer connection fees.

Councilmember Oliver suggested some language modification to section one, which would clarify that the surcharge be based on residential unit *equivalents*.

It was moved by Councilmember Oliver and seconded by Councilmember Hansen to recommend approval of the surcharge Ordinance as discussed. Motion passed unanimously.