

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

**PRESENT BY ROLL CALL:**

**Councilmember Steve Oliver**  
**Councilmember Mike Reilly**  
**Councilmember Susan Cole**  
**Councilmember Ron Wilson**

**Councilmember Mel Hansen**  
**Councilmember Marianne Elgart**  
**Councilmember Carol Brumet**

**STAFF:**

**City Clerk Linda Knutson**  
**Planning Director Tom Black**  
**Police Chief Michael Knapp**

**City Treasurer Mark Peterson**  
**Public Works Director Bob Cecile**

**Mayor Jerry Landcastle Presiding**

**BUDGET WORKSHOP – 5 p.m. – 6:45 p.m.**

The Council, Mayor, and Department Heads discussed decision cards for revenues and expenditures for 2006.

**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 Wilson:*

1. Approval of Minutes of 10/17/05 Council Meeting
2. Approval of Payroll of 11/03/05; Automatic Deposit  
Amount: \$112,756.17; Checks #22755 - #22768 Amount:  
\$40,532.85; Total Payroll:\$153,289.02
3. Approval of Claims Run Of 11/07/05; Checks #44370 -  
#44480; Total Claims: \$143,909.01 (#44371 & 44424 VOID)

*Motion passed unanimously.*

**PUBLIC COMMENT**

**Millie Jones, President of the Ferndale Jet Oldsters, introduced George Fujimoto, who thanked the Council for their continued support of the Ferndale Senior Center and its activities. He said they would appreciate funding in 2006, and hoped that consideration would be given to increasing the amount to help cover rising costs.**

**PUBLIC HEARING – 2006 REVENUE SOURCES AND PROPERTY TAX LEVY**

**Staff Report**

City Treasurer Mark Peterson reviewed that the Council has been studying the impacts of the different revenue sources on the proposed 2006 budget. He has built into the preliminary budget a property tax levy of 1% plus 2% banked capacity. Also up for consideration are increases to the Solid Waste Tax, reinstatement of the Storm Water Utility, and reinstatement of the Gambling Tax. He also noted to the Council that the preliminary budget is in the red over \$100,000, not including any of the more than \$1 million requested in the various decision cards.

**Public Hearing Opened**

**Jim Stack, Owner of Mt. Baker Lanes, said that the City's gambling tax was phased out a few years ago, but in the years 2001 through 2004 gambling activity dropped 20%, and an additional 9% in 2004. He said that even a one-percent City tax will hurt his business, and that gambling revenue is vital to the success of Mt. Baker Lanes.**

**Kathleen Marshall, Director of the Domestic Violence and Sexual Assault Center- Bingo 262, stated that one-third of the Center's operating budget comes from the proceeds of Bingo 262, where over 40% of their players come down from Canada. Their agency provides counseling, medical services intervention, support services and**

more to the community. Ms. Marshall stated that with the high probability of passage of the no-smoking initiative, they could lose nearly half of their player base to the nearby tribal casinos, where smoking will still be allowed. Reinstatement of the gambling tax would further devastate this funding source. She asked that the Council consider exempting non-profits if this tax is brought back.

**Ann LaVigne, 2160 Washington Street**, said that she is an employee at Murdocks and that the tax is inappropriate for smaller businesses trying to survive in this economy. She said that Murdock's employs single head of households, and that some would be laid off if this tax is reinstated.

**Jody Hendricks, Manager of Murdocks**, felt that the tax would severely impact her business, which is already struggling to survive. (Read into the record by Ann Lavigne)

**Greg Kotsay, 6427 Portal Way**, also an employee at Murdocks, said that the tax would be a real hardship on the owner and employees, and would result in cutbacks.

#### **Public Hearing Closed**

#### **PUBLIC HEARING: 2006 PRELIMINARY BUDGET**

**Public Hearing Opened**

**No one spoke**

**Public Hearing Closed**

Another hearing will be held at the next regular Council meeting.

#### **PRELIMINARY PLAT – SOUTH CHURCH**

Planning Director Tom Black reviewed that this is an 8-unit Preliminary Plat with three open space tracts, on approximately 32.8 acres of land in the RS 6.5 zone (Single-Family Residential, minimum lot size 6,500 sq. ft.), and includes a Plat Variance to allow one parcel to have less than the minimum lot width. The project is located on the east side of South Church Road at the intersection of Douglas Road and South Church Road, addressed as 5410 South Church Road.

The applicant proposes a Preliminary Plat to subdivide approximately 32.8 acres of land located in the RS 6.5 zone into 78 single-family lots and three open space tracts. The three open space tracts represent approximately 11 acres. The proposed Preliminary Plat includes an associated request for a Plat Variance to allow one lot (Lot 31) to have less than the required street frontage.

The project was heard by the Hearings Examiner during a public hearing on October 6, 2005. The Hearings Examiner recommends approval of the preliminary plat and approval of the plat variance for reduced lot width, subject to all conditions of approval.

***It was moved by Councilmember Brumet and seconded by Councilmember Oliver to approve the South Church Preliminary Plat, including the requested variance, subject to all Conditions of Approval and Findings of Fact, as recommended by the Hearings Examiner. Motion passed unanimously.***

#### **PRELIMINARY PLAT – TRIGG WOODS**

Planning Director Black explained that is project is a proposed 25-lot residential subdivision, with 2 landscaping tracts, on approximately 8.3 acres of land located in the RS 8.5 zone (Residential Single-Family, 8,500 sq. ft.) and includes a variance to city standards to allow lots with less than the required minimum street frontage to be served by shared access easement, and to allow a deviation from design standards for street width/turning radius. The project is located on the south side of Trigg Road approximately 450 feet west of the intersection of Trigg Road and Portal Way, addressed as 1970 Trigg Road. A new street would serve all residences.

The proposed Preliminary Plat includes an associated request for a Plat Variance to allow lots with less than the required street frontage. Two lots would be served by shared access easement. In addition, the applicant requests a deviation from design standards to allow a reduced street width at one end of the new street. The reduced street width allows for full turning radii without obtaining right-of-way from an adjacent property.

The project was heard by the Hearings Examiner during a public hearing on October 6, 2005. The Hearings Examiner recommended approval of the preliminary plat, approval of the plat variance for reduced lot frontage, and

denial of the plat variance for reduced street width and turning radius. The Hearings Examiner's recommendation is subject to the staff-recommended conditions of approval and two additional conditions applied by the Hearings Examiner.

***It was moved by Councilmember Brumet and seconded by Councilmember Wilson to approve the Preliminary Plat of Trigg Woods, and the variance to lots 13 and 14, while denying the street variance, as recommended by the Hearings Examiner and based on all Conditions of Approval and Findings of Fact.***

Councilmember Cole stated that she would not support the motion because she did not like the land use change from Commercial to Residential.

***Motion failed four-to-three, with Councilmembers Oliver, Reilly, Elgart and Cole voting no.***

Planning Director Black noted that the proponent could appeal this decision to Superior Court.

#### **INTERLOCAL AGREEMENT WITH THE PUBLIC UTILITIES DISTRICT**

Mayor Landcastle reviewed the draft Interlocal agreement between the City and the PUD. This agreement would allow for the sharing of staff resources between the entities. Administration believes that such cooperation is in the best interests of the City, especially in the case of emergencies or unforeseen events.

The "Purpose" section of the agreement reads: "The purpose of this agreement is to establish procedures whereby the Parties can combine, share, and use their respective skills and assets, thereby expediting their respective receipt and delivery of utility and related services to customers within their respective service areas. The cooperative efforts enabled by this agreement are intended to reduce the cost of system planning, construction, and operation over what would otherwise be achieved if the Parties acted independently."

An example of an extreme situation would be if all three of the City's WTP employees became ill or incapacitated, the PUD would man the City's plant until the situation was over. The same would be true if the PUD experienced such a situation. Personnel would be cross trained to operate the other's facilities. Other exchangeable and cooperative services are covered under the "General Scope of Services" section.

The Council had some questions of the costs of cross-training and other services which staff addressed.

***It was moved by Councilmember Oliver and seconded by Councilmember Elgart approve the Interlocal Agreement between the City of Ferndale and the PUD #1 for the Sharing of Staff Resources. Motion passed unanimously.***

#### **TERASEN PIPELINE FRANCHISE**

Public Works Director Cecile indicated to the Council that the City Attorney has been reviewing the franchise agreement with Terasen Pipeline Corporation, and has approved it as to form. The pipeline runs through an area of the City, including a new subdivision on LaBounty, and no expansion is planned. Staff stated that this is a general pipeline agreement that is fairly universal between jurisdictions and pipelines.

***It was moved by Councilmember Oliver and seconded by Councilmember Wilson to approve Ordinance #1377, a Franchise with Terasen Pipeline. Motion passed unanimously.***

#### **SPORTS COMPLEX CONCESSION AGREEMENT**

Mayor Landcastle reviewed that two bids for the provision of concessions at the Sports Complex had been received, one from Whatcom Wide Holdings and one from Babe's Place Restaurant. After review by the Recreation and Finance Committee, it was recommended that the concession bid from Whatcom Wide Holdings be accepted.

***It was moved by Councilmember Wilson and seconded by Councilmember Elgart to enter into a concession agreement with Whatcom Wide Holdings for the provision of concession services at the Sports Complex.***

Councilmember Hansen wondered if there would be any conflicts with tournaments that wished to bring in their own concessions. Mayor Landcastle responded that Whatcom Wide holdings would be able to negotiate any such conflicts.

Councilmember Hansen also wondered if the advertisement for these bids had been clear regarding the provision of equipment. Mayor Landcastle stated that the ad left it up to the bidders as to how the concessions and their set ups were to be provided.

Councilmember Oliver said that he was appreciative that the bids came from local businesses.

***Motion passed five-to-two with Councilmembers Hansen and Reilly voting no.***

#### **STORAGE BUILDINGS AT SHOP AND TREATMENT PLANT**

Public Works Director Cecile state that two bids had been received from the small works roster for the design and construction of storage buildings at the shop site and the treatment plant. Roosendaal Honcoop was the low bidder, submitting a cost of \$56,900 for the Shop building and \$47,500 for the Treatment Plant building. With tax, these bids total \$113,065.20.

Director Cecile stated that \$80,000 had been allocated for these two structures in the 2005 budget. Another \$25,000 had been set aside for the repair and painting of the Treatment Plant's eaves. He suggested that those monies be instead allocated to the buildings. The remaining \$8,065.20 is available in the Shop Construction Fund and would be appropriate for funding these buildings.

Councilmember Reilly felt that there was enough money in the Shop Fund to have the eaves done as well. Other Councilmembers agreed.

***It was moved by Councilmember Oliver and seconded by Councilmember Wilson to award the bids for two out-buildings to Roosendaal-Honcoop in an amount totaling \$113,065.20, with funding to be arranged as discussed. Motion passed unanimously.***

#### **DECLARATION OF SURPLUS**

Public Works Director Cecile stated that the City owns two homes located in the area of the proposed Malloy-Vista Project. He is asking that the Council declare them surplus, as several people have shown interest in removing them. The City would require removal of the houses, as well as land restoration, which would save the City money, time, and labor costs.

***It was moved by Councilmember Hansen and seconded by Councilmember Brumet to declare the houses as surplus and to authorize a call for bids. Motion passed unanimously.***

#### **SOUTHWEST INTERCEPTOR EASEMENT**

With the engineering complete on the Southwest Interceptor Project, Director Cecile stated that the only r-o-w issue was related to a 10,500 sq. ft. easement needed in the vicinity of Main Street and Hendrickson. Rather than monetary compensation to the land owner, it was suggested that the city offer two water/sewer connections for a proposed development on the subject property. This will help keep the project costs as low as possible.

***It was moved by Councilmember Hansen and seconded by Councilmember Oliver to allow two water and sewer connections at no cost to Robert Fillipini in exchange for an easement through his property in connection to the Southwest Interceptor Project. Motion passed unanimously.***

#### **AGREEMENT FOR THE PREPARATION OF THE TRANSPORTATION ELEMENT OF THE COMPREHENSIVE PLAN UPDATE**

Director Black reviewed the background and qualifications of Michael Birdsall, who prepared the original transportation element in the mid-nineties. Mr. Birdsall now works for David Evans and Associates. It was explained that the City should be doing annual updates to the transportation element and specifically the methodology in determining traffic impacts. Mr. Birdsall has related to staff that this will be a reasonably easy annual adjustment, affecting one component of the traffic formula.

The funds for this update have already been allocated as part of the overall Comprehensive Plan Update, with just the contract itself needing Council approval, which staff recommends.

***It was moved by Councilmember Cole and seconded by Councilmember Brumet to approve the Agreement as of this date as discussed. Motion passed unanimously.***

#### **MAYOR REPORTS**

Mayor Landcastle updated the Council of the progress of the Parks update being drafted by Paul George of Cascade Design Group. The Council indicated that the two options now being discussed should go through the Committee process.

#### **STAFF REPORTS**

City Treasurer Peterson stated that the Budget Workshops are falling behind schedule in fund reviews and he would be more comfortable if another Workshop were set in order to cover the material. The Council agreed to schedule an additional workshop for Tuesday, November 15<sup>th</sup> at 5 p.m.

#### **ADJOURNMENT**

There being no further scheduled City business, the meeting was adjourned at 8:27 p.m.

**ATTEST:**

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Jerry Landcastle, Mayor

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Linda Knutson, City Clerk

#### **Attachment A:**

**MINUTES  
Streets and Utilities Committee  
Held Wednesday, November 2, 2005  
City Hall Conference Room  
7:30 a.m.**

**COMMITTEE: Councilmembers Mike Reilly, Mel Hansen and Steve Oliver  
ADMINISTRATION: Jerry Landcastle, Bob Cecile, Linda Knutson**

#### **TERASEN PIPELINE FRANCHISE – REVIEW**

Public Works Director Bob Cecile indicated that the City Attorney has been reviewing the franchise agreement with Terasen Pipeline Corporation. The pipeline runs through an area of the City, including a new subdivision on LaBounty. Staff stated that this is a general pipeline agreement that is fairly universal between jurisdictions and pipelines.

#### **STORAGE BUILDINGS AT SHOP AND TREATMENT PLANT**

Director Cecile said that bids had been received for the construction of two out-buildings; one at the City Shop and the other to be located at the Treatment Plant. Roosendaal-Honcoop was the low bidder, submitting \$56,900 for the Shop building and \$47,500 for the Treatment Plant building. With tax, these bids total \$113,065.20.

Director Cecile stated that \$80,000 had been allocated for these two structures in the 2005 budget. Another \$25,000 had been set aside for the repair and painting of the Treatment Plant's eaves. He suggested that those monies be instead allocated to the buildings. The remaining \$8,065.20 is available in the Shop Construction Fund and would be appropriate for funding these buildings.

*It was moved by Councilmember Oliver and seconded by Councilmember Reilly to award the bids for two out-buildings to Roosendaal-Honcoop in an amount totaling \$113,065.20, with funding to be arranged as discussed. Motion passed unanimously.*

#### **DECLARATION OF SURPLUS – TWO HOUSES**

Director Cecile requested that two city owned houses that were purchased for right-of-way of the Malloy-Vista Project be declared surplus by the Council. The City would ask that bidders assume the responsibility and cost of moving the houses, as well as land clean-up, permits, etc.

*It was moved by Councilmember Reilly and seconded by Councilmember Hansen to declare the two discussed houses as surplus. Motion passed unanimously.*

#### **SOUTHWEST INTERCEPTOR RIGHT-OF-WAY**

With the engineering complete on the Southwest Interceptor Project, Director Cecile stated that the only r-o-w issue was related to a 10,500 sq. ft. easement needed in the vicinity of Main Street and Hendrickson. Rather than

monetary compensation to the land owner, it was suggested that the city offer two water/sewer connections for a proposed development on the subject property. This will help keep the project costs as low as possible.

***It was moved by Councilmember Hansen and seconded by Councilmember Reilly to allow two water and sewer connections at no cost to Robert Fillipini in exchange for an easement through his property in connection to the Southwest Interceptor Project. Motion passed unanimously.***

**Attachment B:**

**MINUTES  
Planning and Judicial Committee  
Held Wednesday, November 2, 2005  
City Hall Conference Room  
11 a.m.**

**COMMITTEE: Councilmembers Susan Cole, Marianne Elgart  
ADMINISTRATION: Jerry Landcastle, Tom Black, Linda Knutson**

**INTERLOCAL AGREEMENT – PUBLIC UTILITIES DISTRICT**

Mayor Landcastle presented the Committee with a draft Interlocal agreement between the City and the PUD. This agreement would allow for the sharing of staff resources between the entities. Administration believes that such cooperation is in the best interests of the City, especially in the case of emergencies or unforeseen events.

The "Purpose" section of the agreement reads: "The purpose of this agreement is to establish procedures whereby the Parties can combine, share, and use their respective skills and assets, thereby expediting their respective receipt and delivery of utility and related services to customers within their respective service areas. The cooperative efforts enabled by this agreement are intended to reduce the cost of system planning, construction, and operation over what would otherwise be achieved if the Parties acted independently."

An example of an extreme situation would be if all three of the City's WTP employees became ill or incapacitated, the PUD would man the City's plant until the situation was over. The same would be true if the PUD experienced such a situation. Personnel would be cross trained to operate the other's facilities. Other exchangeable and cooperative services are covered under the "General Scope of Services" section.

***It was moved by Councilmember Cole and seconded by Councilmember Elgart to forward this item to the full Council for consideration.***

**SOUTH CHURCH PRELIMINARY PLAT**

Planning Director Tom Black reviewed that this is an 8-unit Preliminary Plat with three open space tracts, on approximately 32.8 acres of land in the RS 6.5 zone (Single-Family Residential, minimum lot size 6,500 sq. ft.), and includes a Plat Variance to allow one parcel to have less than the minimum lot width. The project is located on the east side of South Church Road at the intersection of Douglas Road and South Church Road, addressed as 5410 South Church Road.

The applicant proposes a Preliminary Plat to subdivide approximately 32.8 acres of land located in the RS 6.5 zone into 78 single-family lots and three open space tracts. The three open space tracts represent approximately 11 acres. The proposed Preliminary Plat includes an associated request for a Plat Variance to allow one lot (Lot 31) to have less than the required street frontage.

The project was heard by the Hearings Examiner during a public hearing on October 6, 2005. The Hearings Examiner recommends approval of the preliminary plat and approval of the plat variance for reduced lot width, subject to all conditions of approval.

***It was moved by Councilmember Cole and seconded by Councilmember Elgart to move this item forward to the full Council for consideration. Motion passed unanimously.***

**TRIGG WOODS PRELIMINARY PLAT**

Planning Director Black explained that is project is a proposed 25-lot residential subdivision, with 2 landscaping tracts, on approximately 8.3 acres of land located in the RS 8.5 zone (Residential Single-Family, 8,500 sq. ft.) and includes a variance to city standards to allow lots with less than the required minimum street frontage to be served

by shared access easement, and to allow a deviation from design standards for street width/turning radius. The project is located on the south side of Trigg Road approximately 450 feet west of the intersection of Trigg Road and Portal Way, addressed as 1970 Trigg Road. A new street would serve all residences.

The proposed Preliminary Plat includes an associated request for a Plat Variance to allow lots with less than the required street frontage. Two lots would be served by shared access easement. In addition, the applicant requests a deviation from design standards to allow a reduced street width at one end of the new street. The reduced street width allows for full turning radii without obtaining right-of-way from an adjacent property.

The project was heard by the Hearings Examiner during a public hearing on October 6, 2005. The Hearings Examiner recommended approval of the preliminary plat, approval of the plat variance for reduced lot frontage, and denial of the plat variance for reduced street width and turning radius. The Hearings Examiner's recommendation is subject to the staff-recommended conditions of approval and two additional conditions applied by the Hearings Examiner.

The Committee had several questions regarding the established homes already in the plat, as well as the options for making the street width fit City standards.

*It was moved by Councilmember Elgart and seconded by Councilmember Cole to forward this item to the full Council for consideration. Motion passed unanimously.*

#### **AGREEMENT FOR THE PREPARATION OF THE TRANSPORTATION ELEMENT OF THE COMPREHENSIVE PLAN UPDATE**

Director Black reviewed the background and qualifications of Michael Birdsall, who prepared the original transportation element in the mid-nineties. Mr. Birdsall now works for David Evans and Associates. It was explained that the City should be doing annual updates to the transportation element and specifically the methodology in determining traffic impacts. Mr. Birdsall has related to staff that this will be a reasonably easy annual adjustment, affecting one component of the traffic formula.

The funds for this update have already been allocated as part of the overall Comprehensive Plan Update, with just the contract itself needing Council approval, which staff recommends.

*It was moved by Councilmember Cole and seconded by Councilmember Elgart to recommend approval of the Agreement as discussed. Motion passed unanimously.*

#### **Attachment C:**

**MINUTES  
Recreation and Finance Committee  
Held Wednesday, November 2, 2005  
City Hall Conference Room  
8:30 a.m.**

**COMMITTEE:** Councilmembers Ron Wilson, Steve Oliver, Marianne Elgart  
**ADMINISTRATION:** Jerry Landcastle, Linda Knutson

#### **BIDS FOR SPORTS COMPLEX CONCESSIONS**

Mayor Landcastle reviewed that the City had advertised for proposals for selling concessions at the Sports Complex. Two proposals were received; one from Whatcom Wide Holdings and one from Babe's Place.

In reviewing the proposals the Committee noted that Whatcom Wide Holdings was prepared to provide all hardware needed to outfit the concession area. This would save the City, and therefore the City taxpayers, a considerable amount of money. The Committee also felt that Whatcom Wide Holdings had submitted a more comprehensive account of how concessions would be provided.

*It was moved by Councilmember Wilson and seconded by Councilmember Elgart to recommend awarding the Sports Complex concessions to Whatcom Wide Holdings. Motion passed unanimously.*

If ratified by the full Council, staff will draw up a contract for final Council approval.