

MINUTES
Ferndale City Council Meeting
Held Monday, April 17, 2006
City Hall Annex – Council Chambers
7 p.m.

PRESENT BY ROLL CALL:

Councilmember Steve Oliver
Councilmember Mike Reilly
Councilmember Ken Downey
Councilmember Keith Olson

Councilmember Mel Hansen
Councilmember Marianne Elgart
Councilmember Gary Jensen

STAFF:

City Administrator Greg Young
City Treasurer Mark Peterson
Public Works Director Bob Cecile
City Attorney Richard Langabeer

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

Mayor Jerry Landcastle Presiding

CALL TO ORDER

Mayor Landcastle called the meeting to order at 7 p.m.

CONSENT AGENDA

- ***The following consent agenda was moved for approval by Councilmember Hansen and seconded by Councilmember Oliver:***
- Approval of Minutes of Council meeting of April 3, 2006
- Approval of Payroll of April 6, 2006 – Auto Deposit amount \$848.93; Checks #22957 - #22960 amount: \$2,238.93; Total Payroll: \$3,087.86 (Check #22957 VOID) Cash-out Fran Raabe
- Approval of Claims Run of April 17, 2006 – Checks #45428 - #45511; no voids, Totaling \$288,088.70

Motion passed unanimously.

PUBLIC COMMENT

Steve Malpezzi, Ferndale, distributed to the Council a letter which outlined his concerns over information given the Council at the previous meeting concerning the Malloy/Vista roundabout Project. He contended, with documentation, that the accident numbers used for safety and grant information were exaggerated, and that funding numbers were also problematic. In light of this information, he was requesting that the Council reconsider or rescind their action of the previous Council meeting in which the roundabout was approved for the area, and engineering funds authorized.

It was moved by Councilmember Downey and seconded by Councilmember Elgart to reconsider the action made at the previous Council meeting approving the Malloy-Vista roundabout and engineering costs. Motion passed unanimously.

This item was moved toward the end of the agenda to accommodate scheduled business.

FINAL PLAT: MALLOY VILLAGE PHASES 2 & 3

Planning Director Tom Black reviewed that this is a final plat allocation for Malloy Village, a portion of a proposed 154-lot residential development on approximately 40 acres of land located in the RS 8.5 zone (Single-Family Residential, minimum lot size 8,500 sq. ft.). Phase 2 and 3 consist of 40 residential lots and two open space lots on approximately 16 acres of the 40-acre site, and located on the east side of Malloy Avenue, approximately ¼ mile north of Thornton Road, addressed as 6250 Malloy Avenue.

The Preliminary Plat and Planned Unit Development for Malloy Village was approved by the City Council on December 13, 2004. Construction of the physical infrastructure for Phase 2 and 3 of the project,

consisting of 40 residential lots has been underway for several months and is nearing completion. When the staff report was written, an alley and a portion of roadway were not paved, and the stormwater pond for Phase 3 was not constructed. Since the time of drafting the staff report, the applicant has made progress on the stormwater pond. It is estimated by staff to be 25-percent complete. The alley and roadway section remain unpaved. These are non-bondable items that must be completed prior to recordation of the Final Plat.

The Hearings Examiner held a public meeting on March 16, 2006 to consider the Final Plat Application. After considering the materials provided, the report submitted by staff, and the recommendations of the Plat Administrator and the Public Works Director, the Hearings Examiner recommends APPROVAL of the Final Plat Application, based on the Findings of Fact and Conclusions of Law contained in the Hearings Examiner Decision, and subject to the Conditions of Final Plat Approval contained in the Staff Report dated December 1, 2005.

Council had some general questions regarding the uncompleted items noted by the Planning Director. The Plat's engineer replied that the stormwater facility is approximately fifty-percent completed, and should be done by the first week in May.

It was moved by Councilmember Hansen and seconded by Councilmember Reilly to approve the Final Plat of Malloy Village Phases 2 and 3, subject to the Findings of Fact, Conclusions of Law, Conditions of Approval including the completion of the two items discussed this evening prior to the recording of the Plat. Motion passed unanimously.

PRELIMINARY PLAT: VISTA MEADOWS

Planning Director Tom Black present to the Council the staff report on Vista Meadows, a Preliminary Plat and associated Plat Variance to create 34-lots on approximately 8 acres of land zoned RM1.5 (Residential Multi-Family) and RS 6.5 (Residential Single-Family, 6,500 square foot minimum lot size). The project is located on the west side of Vista Drive, approximately 300 feet north of Washington Street, addressed as 5787 Vista Drive.

The applicant requests City approval of a land division to create 34 lots for residential development, and two for stormwater management. In addition, the applicant requests a plat variance to allow some lots to be served by a private drive, and to allow a cul-de-sac that would exceed 600 feet in length and have a reduced ROW width of 50 feet.

The Hearings Examiner held a public meeting on March 16, 2006 to consider the application. After considering the materials provided, the report submitted by staff, and public testimony, the Hearings Examiner recommends APPROVAL of the Preliminary Plat and Plat Variance Application, based on the Findings of Fact and Conclusions of Law contained in the Hearings Examiner Decision, and subject to the Conditions of Preliminary Plat Approval contained in the Staff Report dated March 16, 2006.

There was a lengthy discussion regarding access issues, with several Councilmembers remarking on the poor condition of Legoe and Ferndale Terrace road surfaces and lack of sidewalks.

Motion

It was moved by Councilmember Hansen and seconded by Councilmember Reilly to approve the Preliminary Plat of Vista Meadows, subject to the applicant revising the Plat to allow for a second access from the Plat to Washington Street.

Discussion

Director Black noted that such a revision to include additional ingress and egress would require a substantial design change to the plat.

Councilmember Jensen noted that diverting extra traffic onto Washington did not seem practical.

Amendment to Motion

It was moved by Councilmember Downey and seconded by Councilmember Oliver to allow the developer to figure a secondary access from either the north or south of the plat.

Discussion on Amendment

Since northerly access would involve Ferndale Terrace, several Councilmembers felt that that road was a poor choice to handle the increased traffic. Others felt that it was the most logical choice, given the upcoming improvements scheduled for Vista.

Vote on Amendment

Amendment failed with Councilmembers Hansen, Reilly, Jensen, and Olson voting no.

Vote on Main Motion

Main motion passed unanimously.

ORDINANCE #1389 – STORMWATER FEES

City Administrator Young reviewed that the stormwater fund and fee issue has been discussed numerous times over the past several years, with staff following several directives from Council regarding fees structures, public education, capital projects, and deferred maintenance,

Ordinance #1389 states that the purpose of the stormwater/drainage fund is to account for improvements to the City's storm drainage system and flood control mechanics, and sets out a proposed fee of \$5 per month per single family residence, which would also constitute an Equivalent Residential Unit (ERU). Administrator Young went on to review how larger business and industrial and smaller residential customers would relate to the ERU as proposed.

The Council discussed at length how this methodology would work once instituted. Staff felt that while many methods, from simple to complex, had their pros and cons, this method seemed the most equitable. The Council generally agreed, however there was a great deal of discussion regarding the \$5 fee, and whether it would be prudent to begin the fee at a lesser amount and look at it again after an appropriate evaluation period. Administrator Young proposed dropping Home Occupations from the fee structure as they would already be paying as a single family residence. Some Councilmembers also felt that Churches and Schools should pay the same fees as an equally sized commercial or industrial customer.

Motion

It was moved by Councilmember Hansen and seconded by Councilmember Jensen to approve Ordinance #1389, replacing the basic ERU at \$3.50/month instead of \$5/month, charging churches and schools at 100%, and striking home occupations.

Discussion

Councilmember Elgart felt that this was a good beginning to the process to build this utility.

Councilmember Oliver said that he would support the motion, but felt that the Council should consider the professional staff's recommendation of \$5 per month.

Councilmember Downey stated that \$3.50 was a positive start.

Councilmember Reilly was opposed to the ordinance, saying that the fee should be voted on by the citizens and added to property tax bills.

Amendment to Main Motion

It was moved by Councilmember Oliver and seconded by Councilmember Hansen to amend the main motion to charge customers outside the City limits twice the amount of the fess charged to equivalent customers inside the City limits, i.e. \$3.50 inside to \$7 outside. Amendment passed five-to-two, with Councilmembers Reilly and Downey voting no.

Citizen Input

Brent Goodrich, Ferndale, wondered how condo owners would be categorized.

Steve Malpezzi, Ferndale, was under the impression that staff would bring a variety of scenarios and fee structures. He felt that the presented ordinance was "half-baked".

Casey Hall, Whatcom County, had a question regarding how far the Urban Growth Area extended north on Portal Way.

Stephanie Nelson, Ferndale, said that she strongly supported the fee, and that she and her neighbors had severe water problems and damage during heavy rain events.

Further Council Discussion

Councilmember Reilly repeated his contention that this fee should be tied to property taxes.

Councilmember Hansen stated that the next step needed to be the formulation and implementation of mitigation and impact fees for capital projects.

Vote on Motion as Amended

Motion passed six-to-one with Councilmember Reilly voting no.

FIVE MINUTE BREAK: 9:05 – 9:10 p.m.

ORDINANCE #1388: FIRST QUARTER BUDGET AMENDMENT

City Treasurer Mark Peterson presented the Council with a first quarter recap of revenue and expenditure detail, noting where fund balances are higher than projected, as well as some that are at or below projections. Most of the first quarter amendment expenditure items were either approved by Council in the past three months, or were items that had been approved and purchased in 2005 and paid for in early 2006.

Council had a few questions regarding some of the detailed expenditures, which were addressed by Treasurer Peterson. Councilmembers Downey and Elgart thanked him for the user friendly graphs and spreadsheets.

It was moved by Councilmember Oliver and seconded by Councilmember Elgart to approve Ordinance #1388 amending the 2006 Budget. Motion passed unanimously.

CONTRACT FOR IT SERVICES

City Administrator Young stated that the proposed contract for IT services with Northwest Technology Solutions. The detail set out in the contract closely follows the proposed services approved by the Council at their April 3rd meeting. Administrator Young and Ryan Oord answered a few questions from the Council regarding some minor language changes in the agreement.

It was moved by Councilmember Reilly and seconded by Councilmember Jensen to approve the Contract for IT Services with Northwest Technology Services. Motion passed unanimously.

REVIEW OF CENTENNIAL FUND AND CENTENNIAL ADVISORY COMMITTEE

Administrator Greg Young stated that as part of the 2006 First-quarter Budget Amendment, \$10,000 had been set aside for the newly established Centennial Fund.

Mayor Landcastle updated the Council that he had spoken to ten citizens willing to serve on a Mayor's Advisory Committee on Centennial Projects and Activities. He expects that this committee will meet approximately five times and bring forth recommendations to the Council in July. Mayor Landcastle asked the Council to bring any ideas and suggestions to him as soon as possible and he will forward those suggestions to the Committee.

ECONOMIC DEVELOPMENT AND DOWNTOWN REVITALIZATION UPDATE

Mayor Landcastle reviewed packet material provided by Paul Koch, updating the Council on the progress of the public outreach by the Steering Committee and Turn-out Task Force. Mr. Koch and the appointed groups will be conducting a series of upcoming meetings which will center on citizen input on how they wish Ferndale to evolve. Councilmembers are strongly encouraged to attend.

RECONSIDERATION OF ROUNDABOUT ACTION OF APRIL 3

The protocol governing motions for reconsideration was briefly reviewed. City Clerk Knutson read the motion from the meeting of April 3rd regarding the Malloy-Vista Roundabout and engineering funding authorization: ***It was moved by Councilmember Hansen and seconded by Councilmember Oliver to proceed with the roundabout project on Malloy and Vista, authorizing \$103,847 for engineering costs.***

This motion now lay anew before the body with action pending.

Discussion

Administrator Young reviewed for the Council the options regarding this reconsideration: 1) approve the motion as stated; 2) do nothing and leave the intersection as it is now; or 3) return to the signalization concept. He stated that he was a proponent of roundabouts, as they were superior to other traffic devices for safety and long term flow.

City Treasurer Peterson and City Administrator Young reviewed all monies received and expended on this project to date, including when it was proposed as a signaled intersection.

The Council's discussion focused on how information may have been mis-communicated, and how to proceed.

Councilmember Oliver said that his three Roundabout Project concerns were cost, long-term effectiveness, and multi-jurisdictional cooperation.

Councilmember Hansen acknowledged that clearly some information had been mis-communicated regarding accident data and monies spent, but the big picture remained the same regarding alternatives for a badly designed intersection.

Councilmember Reilly said that a good portion of already extended funds was for right-of-way, which could be recouped.

Councilmember Jensen pointed that traffic experts had all agreed that a roundabout was a good alternative for this area, and that the Council had an obligation to maintain a certain level of service.

Mayor Landcastle added that although relatively minor injuries had been reported in the accident analysis, this intersection will only get worse as time passes. He did not want to wait until a child is badly injured or killed to finally fix the problem.

Steve Malpezzi wanted to point out that the level of service quoted for the roundabout only considered an annual growth rate at 2.6 percent. He felt Ferndale was growing much faster than that.

EXTENTION OF COUNCIL MEETING

At 10:15 p.m. it was moved by Councilmember Jensen and seconded by Councilmember Downey to extend the Council meeting to 10:30 p.m. Motion passed six-to-one, with Councilmember Hansen voting no.

Further Council Discussion

Councilmember Elgart stated that she would not support the motion based upon the bad information she had received.

Councilmember Oliver stated that although he still had major concerns over the costs and other associated project issues, he would support the motion.

Councilmember Hansen said he would support the motion as the best available solution for a "very poor" intersection.

Councilmember Reilly said that he would not support the motion because the City could recoup a large portion of expended funds through the value of the purchased right-of way.

Vote on Motion as Reconsidered:

Motion passed four-to-three, with Councilmembers Reilly, Elgart, and Olson voting no.

MAYOR REPORTS – COMMENTS

Mayor Landcastle reported that an there is an opening on the Domestic Violence Task force for a Ferndale elected official and asked for a volunteer. Councilmember Oliver said that he would be willing to serve.

EXTENTION OF COUNCIL MEETING

At 10:30 p.m. it was moved by Councilmember Jensen and seconded by Councilmember Elgart to extend the Council meeting to 10:45 p.m. Motion passed five-to-two with Councilmembers Hansen and Oliver voting no.

DEPARTMENT REPORTS

Police Chief Knapp reported that both Bill Hatchett and Ken Gates have been promoted to Sergeant, and Matt Huffman has been promoted to Lieutenant.

City Administrator Young said that he would like the full Council to agree on a date to meet for a visioning session similar to the Council retreat of last year.

EXECUTIVE SESSION

At 10:43 Mayor Landcastle announced that the Council would meet in Executive session for approximately ten minutes to discuss litigation, and that no action would take place upon reconvening.

ADJOURNMENT

At the conclusion of the executive session, the Council meeting was reconvened at 10:50 p.m. and adjourned.

ATTEST:

Jerry Landcastle, Mayor

Linda Knutson, City Clerk

ATTACHMENT A:

**MINUTES - Planning and Judicial Committee Meeting
Held Wednesday, April 12, 2006 City Hall Conference Room
10 a.m.**

PRESENT: Councilmembers Elgart, Jensen, and Downey
ADMINISTRATION: Jerry Landcastle, Greg Young, Linda Knutson,
Mark Peterson, Michael Jones

PRELIMINARY PLAT VISTA MEADOWS

Associate Planner Michael Jones presented the Committee with the Vista Meadows Preliminary Plat and associated Plat Variance to create 34-lots on approximately 8 acres of land zoned Residential Multi-Family and Residential Single-Family. The project is located on the west side of Vista Drive, approximately 300 feet north of Washington Street, addressed as 5787 Vista Drive.

The applicant requests City approval of a land division to create 34 lots for residential development, and two for stormwater management. In addition, the applicant requests a plat variance to allow some lots to be served by a private drive and to allow a cul-de-sac that would exceed 600 feet in length and have a reduced ROW width of 50 feet.

The Hearings Examiner held a public meeting on March 16, 2006 to consider the application. After considering the materials provided, the report submitted by staff, and public testimony, the Hearings Examiner recommends APPROVAL of the Preliminary Plat and Plat Variance Application, based on the Findings of Fact and Conclusions of Law contained in the Hearings Examiner Decision, and subject to the Conditions of Preliminary Plat Approval contained in the Staff Report dated March 16, 2006.

It was noted that there is only pedestrian access to Vista, and ingress/egress is accomplished by way of Siddle to Legoe.

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

FINAL PLAT MALLOY VILLAGE PHASES 2 AND 3

Michael Jones reviewed the final plat application of Malloy Village Phases 2 and 3, which is a portion of a proposed 154-lot residential development on approximately 40 acres of land located in the RS 8.5 zone Single-Family Residential, minimum lot size 8,500 sq. ft. Phase 2 and 3 consist of 40 residential lots and two open space lots on approximately 16 acres of the 40-acre site. The location is on the east side of Malloy Avenue, approximately ¼ mile north of Thornton Road, addressed as 6250 Malloy Avenue.

Planner Jones reminded the Committee that the Preliminary Plat and Planned Unit Development for Malloy Village was approved by the City Council on December 13, 2004. Construction of the physical infrastructure for Phase 2 and 3 of the project has been underway for several months and is nearing completion. When the staff report was written, an alley and a portion of roadway were not paved, and the stormwater pond for Phase 3 was not constructed. Since the time of drafting the staff report, the applicant has made progress on the stormwater pond. It is estimated by staff to be 25-percent complete. The alley and roadway section remain unpaved. These are non-bondable items that must be completed prior to recordation of the Final Plat.

The applicant desires city approval of the Final Plat for Phase 2 and 3, which is necessary before the Plat can be recorded, lots sold, or building permits issued. A Final Plat Application was submitted, reviewed by the Plat Administrator and Public Works Director, and forwarded to the Hearings Examiner. The Hearings Examiner held a public meeting on March 16, 2006 to consider the Final Plat Application. After considering the materials provided, the report submitted by staff, and the recommendations of the Plat Administrator and the Public Works Director, the Hearings Examiner recommends APPROVAL of

the Final Plat Application, based on the Findings of Fact and Conclusions of Law contained in the Hearings Examiner Decision, and subject to the Conditions of Final Plat Approval contained in the Staff Report dated December 1, 2005.

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

ATTACHMENT B:

**MINUTES - Recreation and Finance Committee Meeting
Held Wednesday, April 12, 2006 City Hall Conference Room
9 a.m.**

PRESENT: Councilmembers Oliver, Jensen, and Downey (Councilmember Oliver left at 9:30 and Councilmember Elgart sat in)

ADMINISTRATION: Jerry Landcastle, Greg Young, Linda Knutson, Mark Peterson

BALL FIELD USE FOR YOUTH TEAM PRACTICE

Mike Pennylegion and Kenny Littrell, who both coach youth teams, had been asked by the Council at their last regular meeting to present this committee with a plan for use by their teams for practice sessions. They proposed to use the fields during unscheduled periods for practice, and then cleaning up and grooming the fields before scheduled games.

City Clerk Knutson asked if they were proposing to not pay fees for this use. Mr. Littrell replied that they were proposing to groom the fields in-lieu-of paying for fees, knowing that the City has limited manpower in their parks.

The Committee discussed at length the pros and cons of such an agreement. It was noted that while the City often depends upon good working relationships with volunteer groups and civic organizations, there is a great deal of effort involved in establishing guidelines and follow-up. While they appreciated the proposal, all felt that a more "concrete" commitment needed to be established regarding scheduled volunteer work on the fields. Mr. Littrell and Mr. Pennylegion will bring back a more detailed proposal.

BUDGET AMENDMENT AND REVIEW

City Treasurer Mark Peterson reviewed with the Committee the upcoming first quarter Budget Amendment Ordinance and related activity.

Along with items approved by Council during the first quarter, several items "crossed over" from 2005 for payment in 2006. While the City works diligently to avoid this, it is normal activity for the first quarter for cities on a cash basis. Also, some expenditures related to Council approved items, such as new uniforms and offices for a new position, were incurred. It was also noted that revenues are also stronger than projected, so that the additional expenditures are not eating into cash reserves. Not included were any labor costs tied to current contract negotiations.

Treasurer Peterson also reviewed investment balances to date, and noted that the recent revisions to the Investment Policy were approved by the State Association. Administrator Young added that the City is going well beyond minimum state requirements in its approach to budget amendments, providing detailed present and anticipated revenues and expenditures.

It was moved by Councilmember Jensen and seconded by Councilmember Elgart to move this Ordinance forward to the full Council for approval. Motion passed unanimously.

ATTACHMENT C:

**MINUTES - Streets and Utilities Committee Meeting
Held Wednesday, April 12, 2006 City Hall Conference Room
7:30 a.m.**

PRESENT: Councilmembers Reilly, Hansen, and Oliver
ADMINISTRATION: Jerry Landcastle, Greg Young, Linda Knutson,
Bob Cecile, Mark Peterson

REQUEST FROM BELFERN WATER ASSOCIATION

Public Works Director Bob Cecile said that he had a request from the Belfern Water Association for connection to City water. It has been determined from the Department of Health that the Association's water is unsafe due to high nitrate levels and other problems. This is a small Association but is outside of the City's limits and urban growth area.

The Committee agreed that extending water to the Association can be accomplished once the residents contact Whatcom County to be placed inside the City's Urban Growth boundary, and the County so designates. The next step would be annexation.

Mayor Landcastle added that the City had also received a written request from Whatcom County Administration requesting that the City provide a larger water line to their facility located at Northwest and Smith Roads. The Committee stated that the ongoing policy regarding water upgrades and extensions require that the property to be served be inside the UGA, and asked staff to relay this information to the County.

UPDATE ON SOUTHWEST SEWER INTERCEPTOR

Director Cecile stated that the Interceptor project has progressed to Beacon Manor and that area will be "going live" next week. This project is on schedule and is expected to be completed by mid-May.

DISCUSSION ON STORM DRAINAGE FEES AND FORMULAS

City Administrator Young reviewed that he has been checking with several other cities to discern how they determine what to charge for storm fees. He has found several different methodologies, ranging from very simple flat fees to extremely complex formulas, including trip generation, acreage, impervious surface, meter size, number of employees, and so on.

After a lengthy discussion on various methods, the committee was in agreement that the fee determination needed to be as simple, yet equitable as possible. The most favored formula was to set a single family home as a sfu (single family unit) at a set fee. Industrial and Commercial fees would be set at multiples of the sfu, depending on size, or perhaps acreage. Multiple family units three units and higher would be set at, perhaps, fifty-percent of the established sfu.

The Committee asked if staff had arrived at a suggested hook up fee that could be dedicated to stormwater capital projects and improvements. Administrator Young replied that such a fee needs to be tied to an actual stormwater capital plan, and cannot be arbitrary, by state law.

Based on this discussion, staff will bring forward a sfu-based formula and Ordinance, along with different fees applied to that formula with the resulting projected revenues, for Council consideration.

OTHER

Councilmember Hansen inquired if the City had considered designating one 15-minute parking space in front of the Chamber of Commerce for visitor use. Staff will look into this.

The Committee also briefly discussed the need to review and revise the City's sign ordinance.