

MINUTES
Ferndale City Council Meeting
Held Monday, March 20, 2006
City Hall Annex – Council Chambers
7 p.m.

ROLL CALL:

Councilmember Steve Oliver	Councilmember Mel Hansen
Councilmember Mike Reilly	Councilmember Ken Downey
Councilmember Marianne Elgart	Councilmember Gary Jensen
Councilmember Keith Olson	

STAFF:

City Administrator Greg Young	City Clerk Linda Knutson
City Treasurer Mark Peterson	Planning Director Tom Black
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 6:30 p.m., then adjourned to executive session to consider labor contracts. The Council reconvened to regular session at 7 p.m.

OATH OF OFFICE – COUNCILMEMBER KEN DOWNEY

Mayor Landcastle welcomed Ken Downey, who had been stationed in Afghanistan in the months since his election, to the Council. City Clerk Linda Knutson administered the Oath of Office to Councilmember Downey.

OATH OF OFFICE – POLICE OFFICER KELLY LONG

Police Chief Michael Knapp introduced Ferndale's newest police officer, Kelly Long, to the Council and assembled. City Clerk Knutson administered the Oath of Officer to Police Officer Long.

CONSENT AGENDA

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

1. Approval of Minutes of 03/06/06 Council Meeting
2. Approval of Payroll of 03/17/06; Automatic Deposit
Amount: \$110,726.16; Checks #22932 - #22943 Amount:
\$40,938.45; Total Payroll:\$151,664.61
3. Approval of Claims Run Of 03/20/06; Checks #45254 -
#45353; Total Claims: \$199,598.54 (VOID Checks #45184,
45296, 45251, 45252, 45253)

Motion passed unanimously.

PUBLIC COMMENT

Steve Malpezzi, Ferndale, asked if he would have an opportunity to speak to the appointment to the Planning Commission. He was told he could when that item came up for discussion.

PRESENTATION – ST. JOSEPH HOSPITAL EXPANSION PLANS

Representatives of St. Joseph Hospital were present to discuss how their facility plans to deal with projected growth in Whatcom County over the next twenty years.

PROPOSED LABOR CONTRACT

It was moved by Councilmember Hansen and seconded by Councilmember Reilly to accept staff's recommendation to reject the proposed Machinists Union contract for the Technical Employees Unit. Motion passed unanimously.

ECONOMIC DEVELOPMENT - PROCESS UPDATE

City Consultant Paul Koch updated the Council on the progress of the formations of the two Committees who will be driving the public information campaign for involvement and input in revitalization projects. The Mayor will be appointing interested persons for the committees, with the hope of eventually enlisting over one hundred citizens and stakeholders in the process. Mr. Koch continues to meet with community leaders and business owners.

PRELIMINARY PLAT – PIONEER TERRACE

Planning Director Black gave an overview of Pioneer Terrace, a ten-lot residential subdivision, with one open space and one detention tract, on approximately 3.1 acres of land located in the RS 6.5 zone (Single-Family Residential, minimum lot size 6,500 sq. ft), in conjunction with a request for a Conditional Use Permit to allow duplex development on the site, located on the south side of Seamount Drive, approximately 400 feet west of Vista Drive.

The Hearings Examiner held a public meeting on February 16, 2006 to consider the Preliminary Plat and Conditional Use Permit. After considering the applications, the report submitted by staff, and public testimony the Hearings Examiner APPROVED the Conditional Use Permit for duplex development, and recommended APPROVAL of the Preliminary Plat Application, based on the Findings of Fact and Conclusions of Law contained in the Hearings Examiner Decision, and subject to the Conditions of Approval contained in the Staff Report dated February 16, 2006.

Director Black stated that the City Council's responsibility was to make a final decision to APPROVE or DENY the Preliminary Plat. If the Council voted to deny the Preliminary Plat, such decision would have to be based on Findings of Fact and Conclusions of Law developed by the Council. If the Council votes to approve the Preliminary Plat, such decision should be based on the Findings of Fact and Conclusions of Law in the Hearings Examiner's decision, and subject to the Conditions of Approval contained in the Staff Report.

Council had several questions, including specifics regarding on and off-site street improvements.

Several Councilmembers had strong concerns about the connectivity between a neighboring parcel which is scheduled for development.

Councilmember Elgart felt that the detention pond should have a fence requirement.

Motion

It was moved by Councilmember Reilly and seconded by Councilmember Downey to deny the recommendation of the Hearings Examiner, based upon connectivity issues, and the possibility of land-locking neighboring parcels.

Discussion

Councilmember Downey stated that the City was obligated to address connectivity in relation to this project. He added that the GMA discourage residential access to major arterials.

Councilmember Hansen stated that there are no laws addressing connectivity obligations of one plat to another. He felt that such a decision might be challenged. A motion to approve with an added condition to address connectivity might be a better approach, in his opinion.

Councilmember Oliver agreed, saying that the Council required such connectivity conditions many times in the past.

Vote on Motion

Motion failed four-to-three, with Councilmembers Oliver, Hansen, Elgart, and Jensen voting no.

Motion

It was moved by Councilmember Jensen and seconded by Councilmember Oliver to uphold the Hearings Examiner recommendation to approve the Preliminary Plat of Pioneer Terrace, adding condition number 28 requiring connectivity, and condition number 29 requiring the detention pond to be fully fenced.

Councilmember Reilly felt the motion needed to be specific in the connectivity to the neighboring Plat.

Amendment to Motion

It was moved by Councilmember Downey to amend the motion to specifically address street connectivity to the proposed Vista Heights plat. Seconded by Councilmember Reilly. Amendment passed unanimously.

Vote on Motion as Amended

Motion as amended passed unanimously.

AUTHORIZATION TO GO TO BID – THIRD AVENUE SEWER PROJECT

Public Works Director Bob Cecile stated that the sewer and street improvement project for Third Avenue will be ready to go to bid within a week. He outlined the City's plan for financing the project, as well as the timeline in place for completion.

It was moved by Councilmember Oliver and seconded by Councilmember Reilly to authorize the City to go to bid on the Third Avenue Sewer Project. Motion passed unanimously.

After a brief discussion between staff and Council, it was decided that an alternate bid be added to the bid specs regarding the installation of decorative streetlights, like those lining Main Street.

TEN-MINUTE RECESS

Mayor Landcastle announced a ten-minute recess, beginning at 8:50 p.m. The meeting re-convened at 9 p.m.

REVIEW OF OPTIONS FOR IT SERVICES

Administrator Young reviewed that the City had been in negotiations with the City of Blaine for the "sharing" of a full-time employee who would provide computer/system administrative duties. The City's current IT provider, NW Technology Solutions, offered an alternative proposal for services that would include weekly hours of website maintenance/upgrades, pc servicing and maintenance, and system engineer services.

The Council discussed the advantages of the NWTS vs. employee sharing. Several were supportive of having Ferndale-based company providing this service, along with the flexibility of having experts in three different areas. It was also pointed out that NWTS had "built" the City's current, much improved computer network from the ground up.

Councilmember Reilly asked either of the options required a budget amendment. Administrator Young responded that funds had already been budgeted for 2006.

It was moved by Councilmember Oliver and seconded by Councilmember Elgart to approve the IT proposal from NW Technology Solutions. Motion passed unanimously.

ORDINANCE #1386 – CREATING A CITY CENTENNIAL FUND

Administrator Young presented an Ordinance that would establish a fund for the purpose of setting aside money for a centennial project, as the City will celebrate its 100th year as a city in 2007. The amounts to be set aside will be determined during Council consideration of the first quarterly budget amendment next month.

It was moved by Councilmember Reilly and seconded by Councilmember Hansen to approve Ordinance #1386 Creating a City Centennial Fund. Motion passed unanimously.

Administrator Young asked Councilmembers to consider volunteering some time to head up a committee that would look at different options for a centennial project.

ORDINANCE #1387 – CREATING A LEOFF I RETIREMENT FUND

Administrator Young reviewed that the City currently has three former employees who retired into the LEOFF 1 System. LEOFF 1 is set up to require the entity that the employee retired from be obligated to cover all health care costs, with very few exceptions, for the life of that retiree. The State of Washington is building an actuary table that can be used to estimate what these costs might be. City Treasurer Mark Peterson added that accrued costs could possibly be substantial.

It was moved by Councilmember Reilly and seconded by Councilmember Elgart to approve Ordinance #1387 creating a LEOFF 1 Retirement Fund. Motion passed unanimously.

APPOINTMENT TO PLANNING COMMISSION

Mayor Landcastle reviewed that a vacancy had occurred on the Planning Commission do to the resignation of Kent Thomas. The City advertised for applicants over a two week period and received one application. Susan Cole submitted the required applications materials, and Mayor Landcastle was asking for Council confirmation for his appointment of Ms. Cole to the Planning Commission.

Steve Malpezzi, Ferndale, stated that had he known of the vacancy, he would have submitted an application. He felt that the vacancy notification was "buried" in the legal section of the local newspaper, where very few people would know to look for it.

It was moved by Councilmember Reilly and seconded by Councilmember Hansen to confirm the Mayor's appointment of Susan Cole to the Planning Commission.

Discussion

Councilmember Elgart stated that the City met legal requirements in the notification of the vacancy, the next vacancy could be of wider distribution.

Councilmember Downey felt that the City should re-advertise the vacancy in order to get a larger pool of applicants.

Councilmember Oliver noted that this City and others have regularly had few responses for openings on boards and commissions. He felt that modifications could be made to the process, including consideration of a more widely read newspaper of record.

Councilmember Reilly suggested that the City keep an ongoing pool of interested citizens for such openings.

Councilmember Hansen agreed that this was not the first time the City had little or no response to the filling of vacancies.

Councilmember Olson stated that while the City met minimal legal requirements, more effort was needed to advertise such openings.

Vote

Motion passed five-to-two, with Councilmembers Downey and Olson voting no.

APPOINTMENTS TO STEERING COMMITTEE AND TURN OUT TASK FORCE

The City's consultant for Economic Development, Paul Cook, presented a list of citizens and stakeholders willing to serve on either or both the Steering Committee and the Turn Out Task Force. These committees will be instrumental in the canvassing of businesses and establishing markable progress for the Economic Development Plan. Mr. Koch was also asking Council to allow Mayor Landcastle to appoint future members of these groups without Council confirmation, in order to allow for immediate participation.

It was moved by Councilmember Reilly and seconded by Councilmember Jensen to confirm the Mayor's recommended appointees listed in the staff report to the Steering Committee and the Turn Out Task Force, along with authorizing to Mayor to appoint future members without Council confirmation. Motion passed unanimously.

REQUEST FOR FLOWER BASKET FUNDING – CHAMBER OF COMMERCE

Sarah Horner, Chamber Director, had appealed to the Recreation and Finance Committee for partial funding of the Chamber's Flower Basket Project. She was asking for the City to fund one-third of the project cost, amounting to \$1,666.67.

The Council was in general agreement that this project enhances the downtown core.

It was moved by Councilmember Oliver and seconded by Councilmember Elgart to approve the Current Expense expenditure of \$1,666.67 to help fund the Chamber's 2006 Flower Basket Project. Motion passed unanimously.

Treasurer Peterson noted that while this was a modest budget amendment, the Current Expense Fund needs to be care fully monitored for unplanned expenses.

MAYOR REPORTS

Mayor Landcastle reported on the flowing:

- The Civil Service Commission held their first official meeting as a body, and was sworn in.
- There was a good turn out for the recent Short Course on Planning in Bellingham.
- Volunteers are needed to pick rocks at the soccer fields. Interested persons should report to the fields Saturdays at 9 a.m., unless it rains.

COUNCIL REPORTS

Councilmember Oliver noted that on April 1st, the new EMS add-on to the sales tax becomes effective.

Councilmember Reilly reported that the Council of Governments had approved \$750,000 for the Douglas Improvement Project (part of the Main Street Improvement Extension Project).

ADJOURNMENT

There being no further scheduled City business, the meeting was adjourned at 9:40 p.m.

ATTEST:

ATTACHMENT A:

MINUTES Planning and Judicial Committee Meeting Held Wednesday, March 15, 2006

REQUEST FOR FLOWER BASKET FUNDS

Sarah Horner from the Chamber of Commerce was present to request Council consideration of help in funding the annual flower basket project, in which large hanging flower baskets are hung from the street lights lining Main Street. This year's request totals \$1,666.67, which is one-third of the total funds needed to fund the project.

EMERALD BAY EVENTS CENTER – ADDITION TO CONCLUSIONS OF LAW

Planning Director Tom Black presented the revisions to the Conclusions of Law regarding the Council's approval of the Emerald Bay Events Center PUD at their regular meeting of March 6th. The revision was reviewed and approved as to content, and as directed by Council at that meeting. Director Black will now issue a Notice of Determination.

PIONEER TERRACE PRELIMINARY PLAT

Planning Director Black reviewed the Pioneer Terrace Project, a 10-lot residential subdivision, with one open space and one detention tract, on approximately 3.1 acres of land located in the RS 6.5 zone (Single-Family Residential, minimum lot size 6,500 sq. ft), in conjunction with a request for a Conditional Use Permit to allow duplex development on the site. Pioneer Terrace is located on the south side of Seamount Drive, approximately 400 feet west of Vista Drive, and is the site of the former Pioneer Ridge facility.

The Hearings Examiner held a public meeting on February 16, 2006 to consider the Preliminary Plat and Conditional Use Permit. After considering the applications, the report submitted by staff, and public testimony the Hearings Examiner APPROVED the Conditional Use Permit for duplex development, and recommended APPROVAL of the Preliminary Plat Application, based on the Findings of Fact and Conclusions of Law contained in the Hearings Examiner Decision, and subject to the Conditions of Approval contained in the Staff Report dated February 16, 2006.

Mayor Landcastle noted that the Council had an opportunity to require that a road be installed that would cut through a neighboring proposed subdivision to create access to and from Vista. He felt that this would reduce the impacts to Seamount, and would benefit the area in the long-term. Director Black noted that if this was a Council condition, it could be imposed as a finding of fact regarding long-term connectivity to the area.

The Committee consensus was to move this item forward to the full Council for consideration.

ATTACHMENT B:

MINUTES Recreation and Finance Committee Meeting Held Wednesday, March 15, 2006

LETTER REQUESTING MEMORIAL

Councilmember Jensen read a letter from a citizen requesting that one of the ball fields be named in honor of a prominent citizen who recently passed away.

After a general discussion on memorials in public areas, it was suggested that the Park Protocols be reviewed for guidance. Councilmember Jensen will respond to the letter writer with the Protocol and discussion from the Committee.

TWO ORDINANCE ESTABLISHING NEW FUNDS

Administrator Young presented an Ordinance that would establish a City Centennial Fund. This fund would begin to build funds for the City's Centennial observance in 2007, and would become a source of revenue for the planning and execution of a centennial project or projects. Administrator Young noted

that a citizen planning group should be assembled in the coming months that would forward recommendations to the Council on appropriate projects.

Administrator Young reviewed an Ordinance that would create a new fund for the purpose of collecting funds for the payment of LEOFF 1 employees' health and medical costs. The City currently has three retirees in the LEOFF 1 system, and is liable, under state statutes, for healthcare costs, with few exceptions, of those retirees over their lifetimes. It is important that monies be set aside and invested in anticipation of such costs, which might be substantial in the coming years. Administrator Young added that the State Actuary's Office is currently creating a formula/guideline for jurisdictions to use to compute and estimate those costs. This will aid the City in planning for adequate coverage of this expense.

It was moved by Councilmember Jensen and seconded by Councilmember Oliver to recommend approval of both ordinances to the full Council. Motion passed.

PROPOSAL FOR ONGOING IT SERVICES

The City has been in negotiations with the City of Blaine to "share" a full-time IT employee, via an Interlocal Agreement. The City's share of the IT services would be approximately \$31,000 per year.

The City's current IT service provider, NW Technology Solutions, presented a proposal that would provide three levels of service to the City for just over \$29,000. Included were a PC Technician, a website technician, and engineering services which would have dedicated hours each week for different application needs of the City.

Ryan Oord of NWTS stated that he felt this proposal provided for a good deal of flexibility within the City's computer and information structure. He added that his company had built the City's current system from the bottom up, and had intimate knowledge of all components, which he felt was a strong advantage over an outside technician.

The Committee members were in agreement that NWTS offered a stronger level of service and security to the City's information systems, while un-burdening staff with website maintenance.

It was moved by Councilmember Jensen and seconded by Councilmember Oliver to recommend to the full Council to approve the IT proposal for services by NW Technology Solutions. Motion passed unanimously.

ATTACHMENT C:

MINUTES Streets and Utilities Committee Meeting Held Wednesday, March 15, 2006

THIRD AVENUE SEWER PROJECT

City Administrator Young stated that he had been working with Treasurer Peterson for financing options for the much-needed project. The project runs from Third Avenue to Vista to Washington to Golden Eagle, and ends in the area of the music building at the High School.

The street portion of the improvements will cost approximately \$485,000 and the sewer portion approximately \$630,000. To finance the street portion it is recommended that a mix of Real Estate Excise and Traffic Mitigation funds be used. To finance the sewer improvements, interfund loans are recommended from the Water Fund and the Real Estate Excise Fund, to be paid back over a two year period.

Luis Ponce from Reichhardt and Ebe will be at the Council Meeting to answer questions and present specs on the project. Staff is asking for Council authorization to go to bid.

It was moved by Councilmember Oliver and seconded by Councilmember Jensen to recommend to the full Council that the Third Avenue Sewer Project receive authorization to go to bid. Motion passed unanimously.

UPDATE ON SCADA SYSTEM AT THE TREATMENT PLANT

Public Works Director Bob Cecile updated the Committee on the SCADA System being installed at the Treatment Plant. This System will enable the Plant to be run from remote locations.