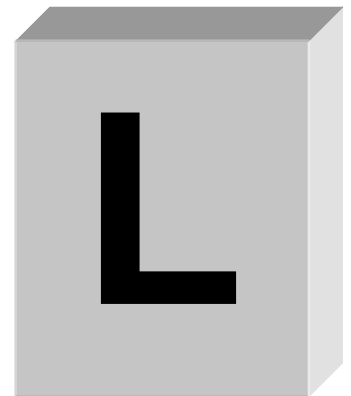




COMMITTEE MINUTES

**** Informational ****

Minutes from Council Standing Committees held prior to this Council Meeting



Councilmember Watson inquired whether a property at the corner of Main Street and Church Road was included not only for needed right-of-way on the Main Street project, but also for a strip of right-of-way necessary for a future Church Road project the city is planning.

Public Works Director Janice Marlega confirmed it was included as well.

Councilmember Mutchler wondered if the city had certain monetary restrictions in the offers it could make based on assessments of comparable properties.

Director Marlega explained that the city is limited in what it can offer, unless a property own has documented, justified reasons for a change in price that city agrees is supportable based on that evidence.

Councilmember Hansen wondered if it was accurate that the price for each property doesn't necessarily change significantly.

Radder noted that there can be significant variation based on the square footage, zoning, improvements and comparable sales to a property.

Director Marlega said that all property owners identified in the ordinance had been notified the council will consider the proposal at their regular meeting, and it may be that they attend the meeting and speak to the council on the topic.

Councilmember Hansen moved, and Councilmember Watson seconded, to recommend approval of the ordinance. Motion carried unanimously.

Recent Snow Report

Public Works Supervisor Bo Westford shared the recent management of snow removal throughout the city from the major snow storm. He indicated it was not as bad as previous years, but there were costs associated with overtime.

Westford explained that while snow removal was occurring, the city also had to deal with vandalism of fire hydrants that were opened and causing major water shortages at the city's reservoir as well as a sewer pump that had gone down and needed to be repaired.

The supervisor said that approximately 99 hours of overtime was used from Saturday, Jan. 14 until Wednesday, January 18. About \$4,711 was spent on fuel, salt, sand and deicer as well.

Council members wondered if the city had budgeted in snow removal.

Finance Director Mark Peterson confirmed the city does have a budget for snow removal efforts, though it's limited.

Thornton Road (Discussion Only)

Supervisor Westford provided commentary on a slideshow that illustrated damage to Thornton Road after the snow storm and cold temperatures caused a freeze/thaw issue.

At one area, he and Director Marlega explained, the damage was so extensive that even a patched portion of road still oozed mud from beneath the asphalt. Because of the damage, the speed limit on that section of road was reduced to 10 miles per hour and cones were placed in the road way to make vehicles not travel on or next to the damaged area to prevent further damage and seepage from beneath the roadway.

Westford shared that, after those measures were taken, Public Works is still working on ways to keep the road open. That may include paving a section of public right-of-way on the shoulder to move cars on and get them off the damaged section of road. More details are not available as it's still being considered, he explained.

Councilmember Hansen wondered, taking into consideration the damage to Thornton, if Main Street would be staying open during the next phase of that roadway's improvements.

Project Manager Radder said that it may be necessary to close the road during the replacement of a culvert.

Director Marlega said that is still being considered and that the roadway could be left open to one lane, but it could lengthen the timeline of the project and add additional costs.

Mayor Jensen asked that it be noted for the record that it was not a political decision to shut down the road, and he hoped that the council understood, based on the images of the damage, that it was clear the decision was one of public safety made by the Public Works Department, not him directly.

TBD Ballot Measure Support Resolution

Councilmember Goodrich wondered why the council would pass a resolution in support, when it was the council that initially placed the measure on the ballot in the first place.

Councilmember Hansen said he believed it was necessary due to concerns over press coverage not providing a full perspective on the amount of council support on the topic. He noted that only one council member opposes the ballot measure.

Councilmember Mutchler pointed out that the only thing the council has done so far was send the measure on to voters. He noted that Councilmember Olson, who, based on recent press coverage, doesn't support the measure, initially supported sending it to the November ballot, and seemed to indicate he supported the measure itself. Based on the current media information, Councilmember Mutchler said it appeared that wasn't the case.

The resolution, he said, is a good idea to actually show support for the measure.

Councilmember Hansen moved, and Councilmember Watson seconded, to ask the City Clerk to draft a "pro" ballot measure resolution with a recommendation of "Do Pass" from the committee. Motion carried unanimously.

Councilmember Goodrich noted he would be absent from the meeting Monday, but he would vote for it if he were there.

Fertile Meadows Update

Director Marlega provided background on the topic, and explained that it appeared the issue surrounding the small district was due to a leak in their system. Marlega noted that Ferndale Mobile Village has had no issues with their water supply, and they also access the aquifer.

Marlega pointed out that until the City of Ferndale switched to purchasing water from Whatcom County Public Utility District No. 1, Fertile Meadows had to pump water from the aquifer.

Mayor Jensen noted that he and staff have met with members of the association. He praised Gary Patterson, who has been great to work with and not adversarial. The mayor shared that during those

conversations it was pointed out by Patterson that the association for quite some time didn't charge for its water, and though they are now, they don't have a large bank account to pay for a pump for the water.

The mayor said they requested the association research the cost of a pump to continue conversations.

The committee adjourned at 9 a.m.

MINUTES
Planning & Land Use Committee Meeting
Held Wednesday, February 1, 2012
City Hall Conference Room
9:00 a.m.

COMMITTEE: **Councilmember Keith Olson (Chair)**
 Councilmember Jon Mutchler
 Councilmember Lloyd Zimmerman

ADMINISTRATION: **Mayor Gary Jensen** **City Administrator Greg Young**
 Cmty Dev. Dir. Jori Burnett **City Clerk Sam Taylor**
 Associate Planner Ryan Morrison

Landscaping Ordinance

Associate Planner Ryan Morrison explained that the landscape ordinance would be amended under this proposal to recognize new zones that have been created in the city, or to recognize that some zones may have changed. The ordinance also allows for an assignment of savings as an option instead of applying for a maintenance bond from a bank, as the recession has made it more difficult to receive those types of bonds for a very small amount of money.

Councilmember Mutchler sought clarification as to whether or not this ordinance applied to residential areas.

Morrison said it applies to commercial areas of the city or Planned Unit Developments, which have different requirements than the average single family residential project.

Councilmember Mutchler wondered if the City currently requires shrubbery to be planted around storm ponds for aesthetic reasons.

Morrison explained that there are such requirements, but again only for PUDs.

Morrison pointed out there is a public hearing on the topic at the February 6 regular meeting.

Councilmember Mutchler moved, and Councilmember Zimmerman seconded, to recommend approval.

Councilmember Olson explained that he would not be voting in favor of the motion because it included a recommendation of approval and he would prefer to wait until after the public hearing.

On the motion: Motion carried 2-1, Councilmember Olson opposed.

Community Development 2012 Work Plan Prioritization

BACKGROUND: Committee members at the January 11 meeting requested that Community Development Director Jori Burnett come to the next meeting with a list of priorities that basically “must” be done in 2012. That way the committee could then discuss any potential additional topics they’d like the department to consider.

Burnett’s intention of creating such a docket was to provide consistency for the department, and so that additional topics don’t pop up throughout the year that might tie up the department from doing other important work that was already planned.

DISCUSSION: Burnett shared with the committee the top seven priorities, including several that needed to be worked on basically immediately. That list is as follows:

Planned Action Ordinance
Park Plan Update
"Code Scrub" (Cleanup of the Ferndale Municipal Code)
Concurrency
Downtown Rezoning
Annexation Blueprint
Multifamily density/minimum densities

Burnett sought direction from the committee as to what they thought about that list and whether they were interested in other topics just as important.

Councilmember Mutchler suggested that zoning densities and setbacks should be considered. He noted that the city's RM 6.5 zoning requires an eight-foot side setback, but it seemed that a five-foot setback would be feasible, considering that's what is required in Planned Unit Developments.

Director Burnett noted that's a purely philosophical discussion that could be considered.

Councilmember Zimmerman said he was interested in some type of discussion on "solar view protection." He pointed out that while view protection – homeowners who don't want other homes built in front of them – isn't necessarily a right, that access to sunlight for solar projects at homes to help cut energy costs seemed like more of an inherent right of a property owner.

Councilmember Mutchler also inquired as to the value of a residential EAGLE program and whether the focus of it was simply environmental issues.

Burnett explained the discussion on that topic hasn't necessarily gotten far enough to determine whether residential EAGLE was of value to the community, but that in brief previous discussions by the Planning Commission and Council that it appeared there was more interest in focusing on environmental issues rather than social issue promotion for the program.

Councilmember Olson said he thought that Burnett had provided the right work plan for his department and that instead of a bunch of "pet projects" the council would like to consider that the full council should discuss the matter first.

Mayor Jensen agreed, and asked Burnett to bring the docket to the full council for more discussion.

The committee adjourned at 9:55a.m.

MINUTES
Finance & Administration Committee Meeting
Held Wednesday, February 2, 2011
City Hall Conference Room
10:00 a.m.

COMMITTEE: **Councilmember Paul Ingram**
 Councilmember Jon Mutchler
 Councilmember Lloyd Zimmerman

ADMINISTRATION: **Mayor Gary Jensen** **City Administrator Greg Young**
 City Clerk Sam Taylor **Finance Dir. Mark Peterson**

Claims

Committee members reviewed the city's claims for bills to be paid.

Councilmember Ingram moved, and Councilmember Mutchler seconded, to recommend approval of claims and place on the regular meeting consent agenda. Motion carried 3-0.

2011 Monthly Budget Amendment

Finance Director Peterson noted that the City was required to keep the 2011 budget open until January 20, 2012 for any bills that might come in seeking payment. Unfortunately, he said, one final bill came in literally on January 20 that must be paid. The amendment reflects the need for an additional \$2,000 beyond what Director Peterson had planned for.

Councilmember Mutchler moved, and Councilmember Ingram seconded, to recommend approval and place on the regular meeting consent agenda. Motion carried 3-0.

Regional Storm Pond Construction Interfund Loan

Director Peterson explained that the council previously approved a plan to construct a regional stormwater pond that is required for the Main Street improvement project. Under that plan, the council will be issuing bonds to pay for the project, to be paid back with stormwater fees on utility bills. The council previously approved a \$100,000 interfund loan to begin the initial work on design, engineering and right-of-way acquisition for the pond prior to the issuing of bonds in 2012. Based on the current work of that project, an additional \$60,000 is needed as part of the interfund loan for the work to continue. Peterson noted the city will issue the bonds sometime likely in June 2012.

Councilmember Mutchler moved, and Councilmember Ingram seconded, to recommend approval and place item on the regular meeting consent agenda. Motion carried 3-0.

Transportation Impact Fees – Planned Action Area (Discussion Only)

City Administrator Greg Young told the committee that over the next month or so the council was going to be discussing changes to the City's transportation impact fees as part of the Planned Action area process. The discussion is complex, he noted, and so he wanted to ensure they discussed it often.

Young noted that the mathematics of impact fees can be confusing, so he encouraged committee members to consider the overall concepts being introduced today, including the following proposal:

Young said that staff was likely to recommend a two-tiered impact fee system in the city. Where the city now has one transportation impact fee citywide, because the Planned Action area is for a specific section

of town (the four quadrants surrounding the Main Street/Axton Way-Interstate 5 interchange), another fee would be recommended for projects in that area.

Young also provided background on how the impact fees were previously calculated and why they were calculated that way:

Before the Planned Action process: In 2011, the City Council approved a transportation plan that called for projects over the next 20 years that would amount to about \$70 million. At that time, the council set an impact fee of \$2,300 per pm peak hour trip (between 4 and 6 p.m.) that a project created.

It was projected in that plan that over 20 years based on the City's expected growth rate that an additional 8,022 trips would be added to city roads. Based on the \$2,300 impact fee, about \$18.5 million would be collected from developers paying impact fees, or about 23.8% of the costs of a growth-related transportation improvement project. The rest would have to be paid for by the city.

Councilmembers had approved the fee at that level after hearing concerns from the development community, specifically smaller developers concerned about the affordability of their projects.

With the Planned Action process: Based on the mid-level growth alternative approved by council for the Planned Action process, it was calculated that the city as a whole would now see a total of 12,500 additional trips added to city roads over 20 years. By taking the \$18.5 million that would have been collected under the \$2,300 impact fee and dividing it by the new estimated level of trips, if no new projects were contemplated (which can't happen as there will be new projects necessary due to increased levels of development), the impact fee would in effect actually amount to \$1,661 to collect the same amount of funding for necessary growth-related projects.

Young explained that the question is what to do about the Planned Action area and costs citywide. Because of these issues, staff would recommend the two-tiered system.

He shared that the Planned Action area development expected would create another \$39 million in needed improvement projects. The city now expects a total of \$109 million in transportation projects citywide.

Young noted that both inside and outside the Planned Action area would share costs of projects citywide. That's because trips that originate outside of the Planned Action area, say from residential areas of Ferndale, are likely to end up in the new retail area for shopping. He also stated that the Planned Action area would generate trips that end up in other areas of the city for other reasons.

Prior to sharing one potential transportation impact fee calculation with committee members, Young also pointed out there is nearly an infinite number of options for what the fee could be, whether it was very high to have development pay more costs associated with the growth and impacts it creates, or having a very low fee, whereby the City and current taxpayers would have to pay more for those projects.

One such fee calculation for the two-tiered system was this:

- Within Planned Action Area: \$3,453 (\$2,616 of the costs accounting for projects within the Planned Action area, and \$927 accounting for costs of projects in other areas of the city).
- Outside Planned Action Area: \$3,358 (\$2,233 of the costs accounting for projects outside the Planned Action area, and \$1,125 accounting for costs of projects within the Planned Action area).

Young also provided what those new fees would mean for overall revenue collected for necessary projects.

If accounting for the total \$109 million of projects citywide over 20 years, the impact fees would generate approximately \$44 million of what is needed.

If accounting for only the \$39 million needed within the Planned Action area, the fees would generate about \$22 million.

That would mean the City and current taxpayers would need to find a way to pay for a \$16.7 million shortfall needed for the projects. Young pointed out that it's always been the intention that other revenue sources would be necessary to pay for those projects, including state and federal funding and using new sales tax revenues generated by new retail in the city. It is estimated that over 20 years the Planned Action area would generate about \$15.8 million.

City Clerk Sam Taylor pointed out to the council that tapping the entire \$15.8 million to help pay for the costs of these growth-related projects would leave the City without the ability to use any of the new sales tax revenue for other necessary services the City provides, like additional police officers, and other necessary employees or programs, like a Parks Department.

Councilmember Ingram said he didn't believe the City should include the Thornton Road overcrossing in any of the planning because the City will never collect enough impact fees for such a project and voters will need to be asked to approve a property tax increase to help pay for that.

Burnett said while he understood the concern, that the City has to include all potential necessary projects in the planning process. He pointed out that the current impact fee calculation does not include the full costs of Thornton Road as the council wanted the fee lower. Only preliminary engineering and design work is included in the costs of the impact fee now, Burnett noted.

Young encouraged the committee to again try not to get bogged down in the math as of now and to consider the overall concepts of the two-tiered impact fee system. He said they'll have another study session before the February 6 regular meeting and depending on that session may have another one at a future date. The staff so far has tentatively planned for the Planned Action Ordinance, and the Impact Fee Ordinance to be brought forward for a vote on March 5.

The committee adjourned at 11:10 a.m.