

**SPECIAL COUNCIL MEETING/STUDY SESSION MINUTES
March 31, 2011**

At the properly noticed Study Session of the Ontario City council, the Council elected to move the Nadine Drive Annexation from "Discussion" to "Old Business". Following are the minutes from that meeting.

Members present were Norm Crume, Joe Dominick, Jack Fox, Charlotte Fugate, Dan Jones, David Sullivan and Ron Verini.

Members of staff present were Henry Lawrence, Larry Sullivan, Chuck Mickelson, Al Higinbotham, Mark Alexander, Bob Walker, Suzanne Skerjanec, Dawn Eden, David Richey, and Alan Daniels.

Also present: Sean Maloney, Malheur County, and Don Fine, ODOT.

OLD BUSINESS

Nadine Drive Annexation

Mayor Dominick stated the Council held a long meeting earlier on this issue, and a lot of new ideas were bounced around. Five members of the Council told city residents two or three meetings back, that they would not be required to install curb, gutters or sidewalks, based on the interpretation of the code. It was his understanding that new information was provided by the Public Works Committee wherein there was an interpretation of the code different by different people. Though the City's Attorney and the Public Works Department, there was the diverse ownership area discussion. The code section being referred to was 8-12-2(b) that allowed the Council to move forward with an annexation without requiring additional improvements. Five of the Councilors were at those meetings, two or three different times, telling them they didn't have to put them in. The interpretation of the code of the diverse ownership area said they could move forward and set the public hearing to continue with the project as stated to the public, without curbs, gutters, and sidewalks.

Councilor Fox disagreed. He wanted Mr. Sullivan to weigh in it because the 8-12-3 code read *"...sewer line costs, as a condition of annexation of either a diverse ownership area or a development area, the entire cost of constructing and installing sanitary trunk sewer lines, lateral sewer lines, storm sewers, and all necessary appurtenances, serving the area annexed to the City, shall be paid for the property benefited by said improvements and the cost thereof shall be assessed against said property"*. That was law. It said annexation or a diverse ownership, it didn't care which. He asked to be straightened out if he was incorrect. This specifically stated storm sewers and all necessary appurtenances. Appurtenances were everything to make it work, how to make a storm sewer work. It took a curb to direct it to a catch basin, it took a catch basin, it took the whole deal. That was why he was so vocal on this project. To him, it was absurd to think that they only used water and sewer assessments for annexations. Those were just definitions to him. At one point, it did say specifically a development area. Later, in 8-12-3, he believed, that showed intent in the law to do all that. The absurd part to him was to think that anyone would do an ordinance requiring water and sewer, but no streets to service it. Everyone of the street specifications, he had not found one yet, that didn't show some type of curb protection along the side. There was one that was not using storm drain catch basins, but it was using the swell method, what they allowed to be used at Crest Way and Horning Way.

Mr. Sullivan stated if the City did do a sewer and water extension without developing curbs, gutters and sidewalks at that time, then it was possible to do an extension of those things. If the question was whether they couldn't have a sewer and water extension or a storm sewer extension without curb, gutter and sidewalk, if the answer was yes, that things were absolutely required, and were required here as necessary appurtenances, to the installation

of water, sewer, and storm sewer, then under those circumstances the City would be justified in saying those had to be installed under the code. If it was an engineering matter, and they could put in those things on Nadine Drive without requiring curbs, gutters, and sidewalks, than it was not an appurtenance. It was really an engineering decision. If the plan was to install those things without curbs, gutters, and sidewalks, then obviously it was not an appurtenance, because you could do it without installing those things. It was a question of whether it was necessary as part of the operation of the extension of the water and sewer.

Councilor Fox asked who was pushing this. There had been a public meeting last Monday, and he didn't see anyone except the County health person speak about it. Where the failure happened, where was that person? The rest were saying, "*See ya later*". They didn't care. Where was the person with the failure, saying, "*Wait a minute guys*". The Council was offering a great deal, but they wanted the City of Ontario to pay for the street, pay for everything.

Mayor Dominick disagreed. They were willing to pay their assessment.

Councilor Fox asked if they had all signed a Deferred Agreement about bringing this to current City codes.

Mayor Dominick stated no, they stated they would not do that.

Councilor Fox asked where the City code was that says they could just put paving down with no protection for the sides. He wanted to see it.

Mayor Dominick stated he couldn't answer that.

Councilor Fox stated it was because the City didn't have one.

Mayor Dominick stated that some of the information that had come out of those meetings and the information from the Public Works Committee, showed them that the code and what the Council wanted as a policy, was not clear. All the information received from the Public Works Committee, and learned from Councilor Fox's research, was that the Council needed to address the Code situation, and state what the policies were. But, because they had the issue in front of them now, that was being handled prior to any code changes, they had told those citizens they would be moving forward. The City had their signatures on Agreements, they had been told how it would be addressed to make the deal work for them; each one was willing to put \$15K forward, and that's where they were currently at. He believed the Council was at a point where they needed to honor what had been said before, and then seriously address the policies of the code.

Councilor Sullivan stated at the time the vote was taken on the issue, he had no idea about the risks associated with putting a road down without curb and gutter. What concerned him was that it hadn't been brought to his attention by the Public Works Committee. That indicates that these residents would also be liable for the \$28K extension to the pipe coming off of 16th.

Councilor Fox stated that was correct. It was a trunk line, and it specifically stated that.

Councilor Sullivan stated all these issues should have been brought to the Council through the Public Works Committee, or at least represented that the Public Works Committee had not weighed in on it. He agreed that they had all agreed to move forward with this, but the Council was not given the proper information. Without proper information, the Council put the City at a difficult position. As he had driven up some of the other areas that had to meet the changes, such as Crest Way and Horning Way, but had not driven out to Russ Hursh's property, but if the Council were to move forward with this action without those provisions, what would stop those folks from suing the City?

Councilor Fox stated the citizens on Horning Way and Crest Way had valid points. That was exactly the same circumstance.

Mr. Sullivan stated they never annexed in. That was one issue.

Councilor Fox stated they did pay their money for curbs, gutters, and sidewalks, which the City required.

Mr. Sullivan stated they received the benefit of it. The theory was that when you put those in, it equitably improved the value of the property. So, they wouldn't have any damages. Plus, they never annexed in. It might be a different story if they'd annexed in.

Councilor Fox stated the deal was in place, as soon as a few criteria was met. He didn't see the current issue worded that way. He didn't think they should approve an annexation without the criteria being met.

Councilor Sullivan stated if they put the curb in to protect the asphalt, and had storm drainage, he was okay with waiting on the sidewalk, just like they had done all over town. He would even allow them to incorporate under the same provisions that they didn't have to put the sidewalk in until they changed the footprint, which was also allowed under the code. The Council even gave them the opportunity to pay for the road repairs themselves, and they didn't even want to take that. He was at the point of that he was sorry if the Council had to go back on what they had talked about in previous meetings, but they were simply not given the proper information. For the Council to move forward when they hadn't had that information was not fair to the citizens of Ontario, who had followed the ordinances and rules.

Councilor Fox asked again who was pushing this issue. Following the meeting, the county health official said yes, there were above ground septic systems, and people with failure could put those in.

Chuck Mickelson, Public Works Director, stated (pointing to map) that property was a duplex. They had trouble out there, the one with orange bins in their front yard. Half of it was vacant. The owner had died about two months ago, and her daughter resided in the Ti-Cities. That was why she had not been at the meeting last week. She had wanted to attend, so she could discuss the problem there. It was a real problem and it was in the City's urban growth area, and that was why the City got involved. The county and the neighbors approached the City, and asked for sewer.

Councilor Fox stated it was property #5 that was failing.

Councilor Verini stated, because it was a health issue, that could not only contaminate the rest of that area, but could contaminate into the city area. Because it was importation, the Council needed to move forward.

Councilor Crume stated when the issue was brought before the Council, they knew, for whatever reasons, curbs, gutters, and sidewalks were not being considered. They couldn't afford it, didn't want to do it, whatever, and the Council moved forward anyway. When new information was presented, they had to listen to it and weigh it out. If they didn't, they weren't doing their job. But the other part was, the Council had agreed to move forward with things they way they were. He knew that they had all heard the horror stories of someone pulling a permit to do something, being told to do "x, y, z", so a person did those things, came back and was told to do more. That didn't make anybody happy. He didn't know if it was something that had to be done when new information was presented, or to just let it go. That was something that everyone had to determine on their own. It was very uncomfortable to be in this position, but he was also glad it happened because it brought to light that there were problems that needed to be addressed in the code. However, every time someone said something on this issue, everyone had a legitimate right to say it, and everything made sense, but they were still at an impasse on what to do. While it was not right to have people pay their fair share, and he agreed with that, the problem was that the Public Works Director, who had been in this business for years, said the code said it didn't have to be enforced, and the City's attorney said the same thing. On the other side, the Public Works Committee's interpretation was that it better be collected. One thing that stood out to him, in listening to the arguments on the issue, PWC member Bernie Babcock said all they PWC was asking the Council to do was follow the code. Obviously, that wasn't going to be easy to do. Many of them agreed the code was not correct, and it had many holes and problems, creating the very conditions they

were dealing with now. He didn't see any way to force these people to do something they obviously didn't want to do. It was going to create a headache; they were going to be paying for asphalt to be new, and it had been there for 50 years, with maybe some patchwork. It was going to last a fair amount of time before it broke down. Obviously, the tax payers would have to take care of it. They couldn't fix everything today, but maybe most things tomorrow. He recommended was to let the action occur as presented and recommended earlier to have done, and tomorrow line out what needed to be fixed in the code, get it to the City Attorney, or the Public Works Director, along with the wants and comments of the Council, so this didn't happen again. If the Council said no on this project, they were going to be the bad guys in the community. It was going to be the same way, if they DID the action. If they fixed it tomorrow to make sure it didn't happen again, he could live with that. He didn't like it, it should have never happened, but he didn't want to go back on what had been agreed on already.

Councilor Sullivan asked if there was a pending situation similar to this on Hunter Lane. That maybe they were in the process of trying to establish rules and regulations as to how that was being handled?

Mr. Mickelson replied that people had brought that up to him, but he had not heard any specifics. They did just have Mr. Brown on Hunter Lane, a single-family lot, have a failed drain field. They had a DIA approved with him, and the annexation was proceeding. He had not heard anything about a development occurring.

Councilor Sullivan asked what Mr. Brown had been asked to do.

Mr. Mickelson stated the sewer was down at the bottom of the hill, and Mr. Brown extended a 4-inch service line up the middle of Hunter Lane, to his home, connected it, signed a DIA that read that when that street developed he would pay his share of all the improvements that went with it, along with the sewer and water line.

Councilor Sullivan stated given that, how could the Council justify not requiring the Nadine Drive folks to sign a DIA.

Mayor Dominick stated in OMC 8-12-1, it talked about the definitions of a Diverse Ownership in a development area, and on the Diverse Ownership Area, it read *"any general area of land considered for annexation which title was not less than 50%"*. Then, going into OMC 8-12-2(b) that read *"diverse ownership area shall be considered for annexation regardless of the existing improvements"*. So, where they also saying that they had to lay OMC 8-12-3 on top of that?

Councilor Fox stated absolutely!

Mr. Sullivan stated he didn't think there was any conflict between those two provisions. There was a question, raised by Councilor Fox at the Monday meeting, which had to do with the \$28K expense for the truck line. That was a very close question as to whether or not the City could take on that cost without requiring that to be borne by the people in the Nadine Drive area. What was read was *"the entire cost of constructing and installing sanitary trunk sewer lines...serving the area to annex to the City"*. The question was if one extension was going to serve anyone else except the people in the Nadine Drive area. In other words, that portion that was going to be extended up to the boundary of the LID, was that going to serve others, potentially?

Mr. Michelson stated it would be the responsibility of the developer of the vacant ground (pointing to a map) when it developed, that would be providing service. As he had pointed out many times, the developer here (pointing) would have had to extend the water and wastewater to this boundary here (pointing) on his frontage, and enter into a latecomers agreement. So, when this person (pointing) developed over here (pointing, the first developer could recapture some of his money. To answer the question of if the proposed extension would serve that property, yes. This guy (pointing) was already hooked up off 16th.

Councilor Sullivan stated the guy on the left wasn't in the city.

Mr. Mickelson stated that was correct.

Councilor Sullivan stated that would go outside of the provision, then. It would not serve anybody except the people that were attempting to incorporate under the City. That it might serve somebody else was not tied to this.

Mayor Dominick stated that the rules read that if he wanted to hook up, he would have to annex in.

Councilor Sullivan stated they would deal with that at that time. They couldn't move on that provision based on the fact that someone outside the City might hook up later. That wasn't covered. The question was, would anybody else, anybody besides the people inside the boundary being discussed, would they benefit from it, and the answer currently was no.

Mr. Mickelson stated today, to provide service to those folks, the city had to build that piece of pipe. From a global perspective, this piece of property (pointing) was benefitting if the sewer was put in.

Councilor Sullivan stated they weren't in the City, so that was not within the Council's jurisdiction.

Councilor Fox stated it didn't say globally. It read *"The City Council of the City of Ontario SHALL ascertain the property that would directly benefit by such improvements"*. It would be hard for anyone to argue that those houses in that subdivision weren't the direct benefactor.

Mr. Sullivan stated they weren't. If there was an LID created, and there were improvements in, and were construction improvements that would benefit properties that could not be in the LID because they were not in the city limits, those properties were still benefiting. You could not assess the cost of that benefit against the properties in the LID. The portion that should be paid by the portion that was outside the city limits that was not in the LID, could not be charged to those people, as a general rule.

Councilor Sullivan asked if that property would necessitate adding a sewer line for them to develop that property.

Mr. Mickelson stated what would probably happen, they would probably come off, put a cul-de-sac in or do a loop street, bring the sewer in this way, and while he hadn't designed the system, there was probably a sewer coming off 15th. Regardless, the developer was responsible for the frontage of the utility on his abutting streets. He would be responsible for the utilities on this (pointing) street.

Councilor Sullivan if these guys didn't come in, and he developed that property up there, you would require him to build a sewer along that street?

Mr. Mickelson stated he would start out that way.

Councilor Sullivan stated that was not what they were doing with the church. The city was letting them pull in half their property.

Mr. Mickelson stated if Councilor Sullivan would remember, they started out having the Derrick property in there also.

Councilor Sullivan stated they kept cutting corners for people.

Councilor Fox stated they were saying they were not willing to cut corners for the guy up there on the left, but they were willing to cut corners for the church.

Mayor Dominick reminded the Council that Mr. Mickelson had said they were paying the entire cost from the top to the bottom (pointing), and not splitting it with Derrick's. When the Derrick's developed, they would have to pay the entire cost of the bottom half. The church was paying for the full frontage by paying for that entire piece. They were being assessed properly. Instead of pulling the pipe all the way down and only charging them for half the work, it'll be pulled half way and charge them for all of it.

Councilor Sullivan stated he thought they were on a latecomer's agreement where they paid a share of what came down from all the way.

Mr. Mickelson stated when they developed, assuming they were annexed in, they would have to develop the street along here (pointing), and extend the utilities down to here (pointing), as new development.

Councilor Fox asked what type of street the Planner recommended.

Mr. Richey in order to provide the water and sewer, they needed to abandon the idea of the city maintaining that street, and simply put back in over the excavation for the utilities, road mix and oil. That wasn't recommended, but that could be done if money was an issue.

Councilor Fox stated that Mr. Richey was saying that the property owners would continue ownership of Nadine Drive, or that the City would take ownership?

Mr. Sullivan stated they had received information from the county that Nadine Drive was a county road.

Councilor Jones asked if the turnaround allowed enough room for fire apparatus.

Chief Higinbotham stated there was room, yes.

Councilor Fox did the code say about the distance from a fire hydrant?

Chief Higinbotham stated it was 50 foot between two.

Mr. Mickelson stated the distance between house #17 and the hydrant was over 250", so there would be new hydrants installed if the project moved forward.

Councilor Fox stated this whole thing was a train wreck. When did they go off the tracks?

Councilor Fugate replied that Councilor Fox was exaggerating. He hadn't been around for the past year and half dealing with this.

Councilor Fox asked Mr. Lawrence for a recommendation on this issue.

Mr. Lawrence stated the believed they should move forward as promised, and do what they said they were going to do. And, if they believed the policy was wrong as written in the code, they needed to change it, through the Public Works Committee, and through the formal process for doing that. But the folks on Nadine Drive were told it would move forward without curbs and gutters, and he didn't think it was a disaster to do that.

Councilor Sullivan asked if the citizens should have to pay for the upkeep of that road, when it wasn't built to city specs?

Mr. Lawrence stated it was a public road now, so it was going to come into the city as just another public road.

Councilor Sullivan stated it was a county road, and the county paid for repair work on it. The neighborhood residents had already said they weren't interested in keeping the road maintained, and they weren't interested in putting in curbs, gutters, sidewalks, or storm drainage, so who was going to pay for that road if it was annexed?

Mr. Lawrence stated it would become a city road.

Councilor Sullivan stated the city would have to pay extra for the road, because the residents of Nadine Drive didn't want to pay for the curbs and gutters that would protect the road.

Mr. Lawrence stated he didn't know if it would cost extra, but the city would maintain it.

Mayor Dominick stated when Mr. Mickelson did the assessments on the properties, roughly \$15K per property, did not include digging the hole to connect to the sewer, his assessment was relatively high, so in the bid packet could include an addendum to the bidders for the concrete strip on the side of the road. It would still drain off onto the property, but it would have that concrete on the side. In the bidding climate, it might still come in under that \$15K.

Councilor Sullivan stated he was okay with that, if there was something to protect the street, and it satisfied the storm drain requirements. But, what happened when the city wanted to develop Alameda? How did they get those folks to put curb, gutter and sidewalk along Alameda? They would be part of the agreement which read that they didn't have to sign an agreement in the future, so when Alameda was developed, how would those folks be involved?

Mr. Sullivan stated they would not be signing anything that said they didn't have to put in curbs, gutters, or sidewalks at some point in the future. They were not going to get any commitment from the city that at some point they wouldn't have to do that. If, in the future, someone proposed an LID that included the entire area and people that were opposed to the idea of installation of curbs, gutters, and sidewalks, couldn't generate enough remonstrances to prevent that from happening, because nothing with the would prevent the city from requiring the installation of curbs, gutters, and sidewalks as part of a true LID. It was much harder for a majority of landowners to defeat an LID. They were looking at front footage there, and you had to have 2/3 of the people opposing the LID to defeat it.

Councilor Sullivan stated if Derrick developed his property, which would normally trigger that entire area being done – Alameda, clear back to Frost Way – what if the other people came in and said they didn't want it?

Mr. Sullivan stated it would be if there were enough remonstrance to defeat the LID.

Mr. Mickelson stated the property way to do Alameda in the future, was an LID for the entire thing, from 18th all the way up.

Councilor Crume recommended getting this project done.

Councilor Sullivan asked about the people who had done what they were told to do by staff, like the man on Hunter, who had signed the agreement.

Mr. Sullivan stated staff had made an interpretation of the City Code that was never brought before the County, so the Council never had an opportunity to make a policy decision about that interpretation. The Council shouldn't be bound by staff's interpretation on a different piece of property. The recommendation was that they should avoid that in the future by making a clear statement of the policy in the ordinances so staff wouldn't be making those interpretations.

Councilor Sullivan confirmed that Mr. Sullivan was saying that the proposed annexation would satisfy all the requirements of OMC 8-12-3.

Mr. Sullivan replied yes, subject to that one issue – the \$28K. That phrase in the code did say entire cost.

Councilor Sullivan asked about the drainage issue. That was included in 8-12-3. There was nothing in the plans that addressed storm drainage. Wasn't that violating the ordinance?

Mr. Sullivan stated if storm drainage was being addressed as part of the annexation, then yes. The city couldn't foot the bill for storm drainage within the area to be annexed without imposing that cost onto the adjoining land owners.

Councilor Jones stated using Horning and Crest Way as an example, how that rolled off onto the property, what would that increase the bottom dollar amount to?

Mr. Mickelson stated if they did the entire thing, all the way up Alameda, it was estimated up to \$500K.

Councilor Jones asked about Nadine Drive only. Alameda would be developed later. How could they fix Nadine Drive? In his opinion, the city was sticking its neck out. It was their money, their liability, and their responsibility to make sure the figure was right. Yes, there was going to be an LID, and yes there would be a payment over 15 years on that, but his concern was taking the \$250K, add another \$150K to that, so \$400K, the people that were at the meeting last Monday, had no desire to even negotiate with the city, or to even work things out, so it was like the city was taking the risk of borrowing the money, the liability went on the city's books, and there were only two houses that had failed systems, they had to think about the development of Alameda at a future time, so he couldn't support this project. It didn't make any sense. With the Horning Way and Crest Way situation, that made sense, in an established neighborhood to fix the streets. The water ran off, and it looked good. To him, the situation on Nadine was that the city was willing to borrow the money, the city was willing to fund it, the city was willing to install the water and sewer lines, but there were requirements for the Nadine Drive residents. If the folks on Nadine Drive didn't want to do it, then put the project on the shelf. Wait until four houses failed.

Mayor Dominick asked what would happen to Lot #10 if the project did not move forward. Could the city be sued for not addressing an emergency situation?

Mr. Sullivan stated that would fall on the county.

Councilor Fox stated he still didn't understand why no one addressed that there were other septic systems that did not inject the water back into the ground. They were more expensive, but they were an approved system.

Councilor Sullivan referred back to 8-12-3, where it required storm sewer be put in. It wasn't an option.

Mr. Sullivan stated it also addressed doing an assessment for those storm sewers, and levying that assessment against the properties, which was impossible if the storm sewer wasn't going to be installed at the time.

Councilor Sullivan stated there wasn't any provision that would allow the delay.

Mayor Dominick asked if there were any other properties, such as the Brown property, that when he put in a sewer line, did he have to have put in a storm drain?

Councilor Sullivan stated Brown did an agreement to improve the road, including curb and gutter, when the road went in, a delayed agreement. The residents of Nadine Drive were asked to sign a similar agreement, and they said no. To him, that was not working with the city.

Councilor Fugate asked about some issue between the city and the residents of Nadine Drive, back in the 90's, which resulted in mistrust of the Council. While she did not know any details, there was that history.

Councilor Sullivan stated he thought that was when the fields were being put in, they tried to tie in everyone for the project, and the people on the other side of the road said no. He wanted to help the people on Nadine Drive, but they needed to come a little more the way of the Council. The Council was supposed to protect all the citizens of Ontario, so the city wasn't paying for maintenance on a street that the Council allowed to be put in on a substandard level. They were already paying \$28K, and when he read OMC 8-12-3, he didn't believe that should happen. The Council had put together a good proposal for Nadine Drive, but they needed to understand that if

they wanted it to happen, they either had to step up and take care of Nadine Drive, or put something down that would protect the road.

Councilor Fox asked what the Planning Commission recommended.

Mr. Richey stated they recommended that the annexation proceed, and that the zone be single family residential.

Councilor Sullivan asked why they would change the zone to something that was not correct based on the homes already there.

Mr. Richey stated they tried to recommend a zone that was friendly to the neighboring areas, and it was legal to have a non-conforming area, such as a duplex in a single family zone.

Mayor Dominick stated the residents of Nadine Drive made it clear they weren't willing to do a Deferred Development Agreement. What if they were all formally sent a letter outlining that the process would move forward with that? Would that satisfy all the code problems?

Councilor Sullivan stated he didn't see any appetite for the Agreement.

Councilor Fox asked Mr. Mickelson when this process first came in, did he say they should do a street or not.

Mr. Mickelson said he didn't say they should do a street. He said this project would be recommended with no curb, gutter, or sidewalk. He did not view this as new development, but the Council was.

Councilor Fox stated the fundamental thing was to define new development.

Mr. Sullivan stated there needed to be something that flat out said that annexation required bringing in streets, curbs, gutters, and sidewalks. That needed to be stated clearly in the code, and it wasn't. The previous staff, when Crest Way was brought in, staff interpreted the new development language the same way the Council was. But there was nothing clear in that. It was open to interpretation, leading to disagreements, meaning it needed to be clarified. It shouldn't be a staff decision. There should be questions about it.

Mayor Dominick stated there was no clear policy that told staff the definition of new development.

Councilor Jones asked if Mr. Mickelson had arrived at a number for the question he asked 30 minutes ago.

Mr. Mickelson stated the city's estimate, with curbs, gutters, and sidewalks on Alameda and Nadine Drive, was \$445K. As contrasted with the number before on the piece before was \$193K or around there. This is the share of the city's cost (pointing) for that northern portion running from 16th to the boundary; this portion (pointing) was that which was in the Nadine Drive, within the residences; and the last one was the church's assessment.

Councilor Sullivan stated the Alameda piece was irrelevant. What was the Nadine portion?

Mr. Mickelson stated he had not calculated that. The \$445K was assuming curbs, gutters, and sidewalks on Alameda and the curb and sidewalk on Nadine Drive. He could guess it would be around \$350K. Square footage cost for curb was about \$20 per lineal foot, and the sidewalk was about \$5 per square foot.

Mayor Dominick asked if the \$445K included the storm drainage.

Mr. Mickelson stated it did. It included about 1200 feet of storm drain because they had to get it across some property.

Councilor Jones suggested two options for voting on. One would be what had presented; the other would be the cost of doing exactly what had been done on Crest Way. Let the water run onto the property, with an edge on the property with a street that fit within the city's standards. Vote on them, and present it to the residents.

Mayor Dominick agreed with Mr. Lawrence and Councilor Crume that they needed to move forward on the one presented to the public. So many times they spoke to the public, but then went a different direction. With all respect to Councilor Fox and Councilor Sullivan, about the code, each person in the room would have a different interpretation of the code. To move forward, the secondary piece was for the Council to define their policy, addressing what they expected from this point forward.

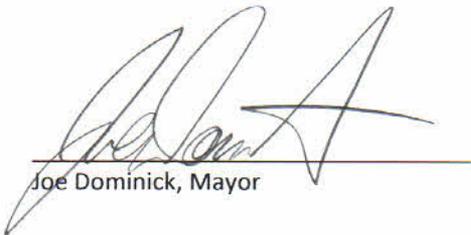
Councilor Fox stated he did not want to cost the current city residents money in the future. Some of those residents were only 12 years old, and they would be paying for it for the rest of their lives.

Joe Dominick moved, seconded by Ron Verini, to direct staff to reset the public hearing for annexation and rezone and continue on with the sewer and water project and add a concrete ribbon on Nadine Drive with a width of 4'6" if it can be accomplished without increasing the assessments to the LID property owners beyond the amounts currently budgeted. There would not be a concrete ribbon on Alameda. Roll call vote: Crume-yes; Fox-no; Fugate-yes; Jones-yes; Sullivan-yes; Verini-yes; Dominick-yes. Motion carried 6/1/0.

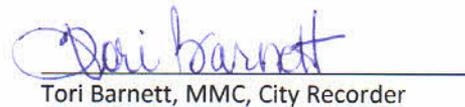
ADJOURN

Meeting adjourned.

ATTEST:



Joe Dominick, Mayor



Tori Barnett, MMC, City Recorder