



MINUTES OF THE REGULAR MEETING OF THE SOLVANG CITY COUNCIL

Council Chambers
1644 Oak Street
Solvang, Ca. 93463

October 10, 2011
7:00 pm

CALL TO ORDER Mayor Richardson called the meeting to order at 7:00 pm

ROLL CALL

PRESENT: Mayor Richardson, Council Members Duus, Jamieson, Palmer and Wood

STAFF: Brad Vidro, City Manager; Roy Hanley, City Attorney; Matt van der Linden, Public Works Director; Lt. Julie McCammon; Mary Ellen Rio, City Clerk

PLEDGE OF ALLEGIANCE Led by Mayor Richardson.

PRESENTATION

Mayor Richardson presented a proclamation to representatives of the Santa Ynez Valley Youth Coalition recognizing October 23-30, 2011 as National Red Ribbon Week and read a proclamation which was emailed, by request to the California Association of School Health Educators, recognizing October 16-22, 2011 as National Health Education Week.

CITY MANAGERS REPORT

Informational report only.

1. **PUBLIC COMMUNICATIONS - WRITTEN OR VERBAL**

Ed Skytt

- Thanked the water department for the quick response to a water related problem he experienced

- Sign at the Veteran's Memorial Building is in need of repair
- Would like to see an item on the agenda to give the SBCAG representative input on allowing the Santa Ynez Band of Chumash Indians membership on SBCAG

2. **COUNCIL REQUESTS**

Council Member Duus inquired about a previous request made about installing reflectors on Alisal Road going south towards the river. Public Works Director responded that he did check the area and is getting some cost quotes.

3. **APPROVAL OF AGENDA AS PRESENTED**

No changes.

4. **SEPTEMBER 26, 2011 CITY COUNCIL MINUTES**

Motion was made by Council Member Wood, seconded by Council Member Duus to approve the minutes as presented. **Motion carried** with a verbal response of 4 ayes, 1 abstention with Mayor Richardson abstaining.

5. **CONSENT AGENDA**

Consent Agenda read by City Clerk.

- a. Approval of pre-issued warrants dated September 23, 28, 29, 30, 2011
- b. Approval of warrant register dated October 10, 2011
- c. Approval of revised agreement for Electric Vehicle Charging Stations
- d. Approval of Professional Services Agreement for Sewer System Inspection and Maintenance Program and authorize Mayor to execute
- e. Valley Transit Replacement Bus purchase:
 1. Approve Budget Appropriation Transfer
 2. Authorize City Manager to execute purchase documents
- f. Adopt on second reading, by title only, An ordinance of the City Council of the City of Solvang revising water and wastewater codes in regards to the procedure for setting rates

Mayor Richardson requested that **item 5c** be pulled and received consensus of Council to bring the item back on a future agenda to allow the City Manager to obtain additional information on maintenance costs and responsibilities of the City.

Motion was made by Council Member Duus, seconded by Council Member Palmer to approve Consent Agenda **items 5a, 5b and 5d through 5f**. **Motion carried** with a roll call vote of 5 ayes.

PUBLIC HEARING

6. CONSIDER AND TABULATE WRITTEN PROTEST UNDER PROPOSITION 218 FOR WATER FEES AND SEWER FEES

Staff report by City Attorney

- Several hearings have taken place on the water and sewer raters
- Published due date for the protests and public hearing is today's date
- City Clerk has tabulated the protests and will be recording those received at the meeting
- Majority number of protests needed against water increase would be 975; against sewer increase would be 976
- If enough protests are not received, Resolution can be adopted to move forward with the rate increases

Richard Christiansen

- Protesting rate increases including its formulas
- The percentage of the increase is very misleading; depending on the size of the meter, most increases will be much larger than the 5.25%
- An independent study needs to be done of the operational cost efficiencies of the water department; raising rates without looking at all the underlying causes is just not good business practices
- The increase will be used to upgrade the water system for maximum build out; why should the current user pay for future users
- The current rate study has some inconsistencies on the build out of the Master Plan, since the last rate increase, usage has actually decreased however population has increased – my conclusion is that with the increase users actually used less water due to a very effective water conservation program
- I believe the decrease in usage will continue and you will not meet your revenue expectations
- Revisit the rate increase in one year – in that time the increase can be fully understood and you will be able to see the results; appoint a committee to study the plan in detail, to suggest alternatives and allow the residents to take some ownership in this decision

At this time Mayor Richardson read a letter into the record from Nancy Orchard who was unable to attend the meeting.

Willi Campbell

- Because I sat at the dais through the state water fiasco, I have taken much blame for the high water rates in Solvang; may I say that at the time we had a competent City Attorney, a dedicated City Manager and four smart and knowledgeable colleagues
- There is so much misinformation out there about Enterprise Funds and a General Funds I thought perhaps I could clarify some of that
- An Enterprise Fund was established when SMID was established to provide public utilities; it was not until the City was established that a General Fund was established
- An Enterprise Fund is responsible for itself only, it cannot run on credit. The funds are used for improvements and maintenance to the water and sewer system and cannot be used for anything else

Willi Campbell – continued

- You have done a great job improving the City with the use of the General Fund
- Water usage is a choice, you choose how much you use, it is a necessity of life
- This is a tough choice for Council, and unfortunately previous Councils did not step up to keep the rates in line with the expenses; you need to do the right thing

David Fleming

- Concerns are the increase amount that has been publicized; my main concern is the fixed cost
- As I see it in my case, due to my meter size, my first months bill will be increasing by 52.9% and that is without any water usage – I have a ¾ inch meter
- Inquiring about changing meter size, can I go to a 5/8 inch – I don't know if it would handle my needs
- Maybe for the majority of users with a 5/8 inch meter this would be 5.25% increase however there are a number of residents that are getting much larger increases

Valarie Stevens

- As a widow on social security, would like clarification on what the increase actually will be as I have heard so many different numbers; how high could it go

Michelle Marsh

- I have taken many measures to cut down on the usage of water and I still pay over \$100 a month for water
- I don't know the water history of Solvang however I do not feel the City is not doing enough for water conservation
- Perhaps the City should adopt some conservation measures such as blackout days where you can only water your lawn on certain days

Beverly Taylor

- Moved here about 20 years ago into an area that has a Home Owners Association
- Our needs have changed and we now want to downsize; our home has been on the market for 4 years – in these economic times people are very wise, when they look at property they want to see the utility bills. I always hesitate to show them the water bill and would not want to see any more increases as it is a detriment

Darrell Scheck

- Would have been helpful when presenting the proposed increase if some kind of history could have been provided

City Manager explained the methodology behind the increase explaining that in the past the larger capacity customers have not been paying their fair share. When the adjustments have been made in the first year this will result in an even 5.25% increase. Cannot be responsible for the increase amount which has been printed in the newspapers.

At this time a 15 minute break was taken and the additional written protests collected at the meeting were recorded.

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At this time the Public Hearing was closed and Mayor Richardson asked for the report on the protests.

The City Clerk announced that at the close of business today 80 water protests and 41 sewer protests had been received; including those with the ones received at this meeting, the final of 88 water protests and 45 sewer protests were included in the records.

City Attorney announced that a majority of protests was not received and Council could move forward with the rate increase resolution.

Council Member Duus stated that the rate increase was based on the Capital Improvement Projects which he does not see happening within the first two years and felt that an increase of 2.50% was sufficient.

Motion was made by Council Member Wood, seconded by Council Member Palmer to Adopt Resolution No. 11-_____, A Resolution of the City Council of the City of Solvang setting water and sewer usage fees after hearing pursuant to Proposition 218. **Motion carried** with a roll call vote of 4 ayes, 1 no with Council Member Duus voting no.

7. **COUNCIL MEMBER REPORTS (Oral reports: Each Council Member will give oral reports on their activities in relation to the following committee or agencies. In addition, each member may report on items that will be included on the agenda for such committee or agency and seek guidance from the Council as a whole on such items, including on what position to take on behalf of the City)**

- **Centennial Organizing Committee**

Council Member Jamieson hoped the community received the informative newspaper wrappers

- Santa Barbara County Association of Governments
- Air Pollution Control Board
- **Joint Wastewater Committee**

Mayor Richardson reported that the committee had met and the Public Works Director reported on the three Capital Improvement Projects for the Wastewater system, the proposal for sharing workforce and equipment was rejected and the next meeting will be held after the first of the year when the midyear budget has been completed.

- Finance Committee
- Water Committee

- **North Regional Planning Subcommittee Meeting**

Council Member Jamieson reported she had attended, in Mayor Richardson's absence and found it very interesting. Most of the items discussed were being brought back for further action and review. Found the Measure A ordinance amendment interesting, but it too will be brought back. Some discussion took place on the legalities of the committee meeting as there are 9 members with a super majority of SBCAG representatives. In checking with legal counsel it was determined to be legal. Also a discussion took place about holding the meetings in the County Center in Santa Maria so the meetings could be televised to provide more transparency.

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8. ADJOURNMENT Mayor Richardson adjourned the meeting at 8:30 pm


Mary Ellen Rio, City Clerk