

AGENDA

SPECIAL MEETING CITY COUNCIL & REDEVELOPMENT AGENCY CITY OF YUBA CITY

**AUGUST 18, 2008
7:00 P.M.
VETERANS HALL
1425 Veterans Memorial Circle**

**RORY RAMIREZ
Mayor**

**LESLIE MCBRIDE
Mayor Pro Tem**

**KASH GILL
Councilmember**

**TEJ MAAN
Councilmember**



**JOHN MILLER
Councilmember**

**STEVEN JEPSEN
City Manager**

**TIMOTHY HAYES
City Attorney**

**Wheelchair Accessible
1425 Veteran's Memorial Circle, Yuba City, CA**

If you need assistance in order to attend the City Council meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the City Council, the City is happy to assist you. Please contact City offices at 530/822-4601 at least 72 hours in advance so such aids or services can be arranged.

City Hall TDD: 530-822-4732

**AGENDA
SPECIAL MEETING OF
CITY COUNCIL & REDEVELOPMENT AGENCY
CITY OF YUBA CITY
VETERANS HALL
August 18, 2008 – 7:00 P.M.**

Materials related to an item on this Agenda submitted to the Council/Redevelopment Agency after distribution of the agenda packet are available for public inspection in the City Clerk's office at 1201 Civic Center Blvd., Yuba City, during normal business hours. Such documents are also available on the City of Yuba City's website at www.yubacity.net subject to staff's availability to post the documents before the meeting.

Call to Order

Roll Call: _____Mayor Ramirez
 _____Mayor Pro Tem McBride
 _____Councilmember Gill
 _____Councilmember Maan
 _____Councilmember Miller

Public Hearings

1. Hillcrest Water System (HWS) conversion to surface water protest hearing in accordance with Proposition 218

- Recommendation:
- a. Conduct a Public Protest Hearing accepting testimony, protests and protest withdrawals related to proposed water rate surcharge.
 - b. Close the hearing and direct the City Clerk to tabulate protests per adopted Guidelines for Submission and Tabulation of Protests.
 - c. If an immediate review of the protests received demonstrates that the number received is manifestly less than one-half of the parcels served by the City with respect to the fee which is the subject of the protest, then the City Clerk may advise the Council of the absence of a majority protest without determining the validity of all protests.
 - (1) Introduce an Ordinance amending Section 6-6.18 (o), of the Yuba City Municipal Code regarding water fees and charges, waive full reading.
 - d. If an immediate review of the protests received demonstrates that the number received requires tabulation, provide direction to the City Clerk to determine validity of the protests and set a date for a report from the City Clerk of August 26, 7:00 PM in the Council Chambers.

Upon receiving the City Clerk's report of the outcome of the ballot review process:

- (1) If no majority protest exists introduce an Ordinance amending Section 6-6.18 (o), of the Yuba City Municipal Code regarding water fees and charges, waive full reading.
- (2) If a majority protest exists, discuss and direct staff as to next steps.

Public Communication on Items on the Agenda

Members of the Public may address the Council concerning any item that has been described in the notice of the meeting.

Adjournment

**City of Yuba City
Staff Report**

Date: August 18, 2008
To: Honorable Mayor & Members of the City Council
From: Utilities Department
Presented by: William P. Lewis, Director of Utilities

Summary

Subject: Hillcrest Water System (HWS) conversion to surface water protest hearing in accordance with Proposition 218

Recommendation:

- a. Conduct a Public Protest Hearing accepting testimony, protests and protest withdrawals related to proposed water rate surcharge.
- b. Close the hearing and direct the City Clerk to tabulate protests per adopted Guidelines for Submission and Tabulation of Protests.
- c. If an immediate review of the protests received demonstrates that the number received is manifestly less than one-half of the parcels served by the City with respect to the fee which is the subject of the protest, then the City Clerk may advise the Council of the absence of a majority protest without determining the validity of all protests.
 - (1) Introduce an Ordinance amending Section 6-6.18 (o), of the Yuba City Municipal Code regarding water fees and charges, waive full reading
- d. If an immediate review of the protests received demonstrates that the number received requires tabulation, provide direction to the City Clerk to determine validity of the protests and set a date for a report from the City Clerk of August 26, 7:00 PM in the Council Chambers.

Upon receiving the City Clerk's report of the outcome of the ballot review process:

- (1) If no majority protest exists, introduce an Ordinance amending Section 6-6.18 (o), of the Yuba City Municipal Code regarding water fees and charges, waive full reading.
- (2) If a majority protest exists, discuss and direct staff as to next steps.

Fiscal Impact: If approved by the rate payers, a rate surcharge for costs associated with providing surface water to HWS customers would be added to monthly bills no sooner than one month after customers begin to receive surface water. If majority protest exists, current rates are insufficient to fund operations and maintenance and supplementing groundwater supply with surface water at the current level of service.

Background:

On July 1, 2008 the City Council took the following actions:

- (1) Conducted a Public Hearing adopting the Hillcrest Water System (HWS) Ad Hoc Committee report and all the policies and recommendations contained in the report;
- (2) Approved a Notice of a Proposition 218 protest hearing;
- (3) Approved guidelines for submission and tabulation of protests in connection with the rate hearing; and
- (4) Set the protest hearing for August 18, at 7:00pm at the Veterans Memorial Hall.

Analysis:

City Council should conduct the public hearing, receive testimony and any protests or protest withdrawals. The public hearing should then be closed and direction be provided to the City Clerk to count protests consistent with the Guidelines for Submission and Tabulation of Protests in connection with the rate hearing.

Fiscal Impact:

If approved by the rate payers, a rate surcharge for costs associated with providing surface water to HWS customers would be added to monthly bills no sooner than one month after customers begin to receive surface water. If a majority protest exists, current rates are insufficient to fund operations and maintenance and supplementing groundwater supply with surface water at the current level of service. The level of service will be cut to match current revenue. Measures could include water conservation or rationing, ceasing temporary arsenic treatment and issuing required health warnings regarding arsenic levels, return of Well 14 to service, reduced maintenance, selling the system, or other revenue enhancements.

Alternatives:

Alternatives will be discussed upon the final determination of the protest procedure on August 26, 2008.

Recommendation:

- a. Conduct a Public Protest Hearing accepting testimony, protests and protest withdrawals related to proposed water rate surcharge.
- b. Close the public hearing and direct the City Clerk to tabulate protests per adopted Guidelines for Submission and Tabulation of Protests.
- c. If an immediate review of the protests received demonstrates that the number received is manifestly less than one-half of the parcels served by the City with respect to the fee which is the subject of the protest, then the City Clerk may advise the Council of the absence of a majority protest without determining the validity of all protests.
 - (1) Introduce an Ordinance amending Section 6-6.18 (o), of the Yuba City Municipal Code regarding water fees and charges, waive full reading

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(1) If no majority protest exists introduce an Ordinance amending Section 6-6.18 (o), of the Yuba City Municipal Code regarding water fees and charges, waive full reading.

(2) If a majority protest exists, discuss and direct staff as to next steps.

Prepared By:

William P. Lewis

William P. Lewis
Utilities Director

Submitted By:

Steven R. Jepsen

Steven R. Jepsen
City Manager

Reviewed By:

Finance

MS

City Attorney
