Call to Order: 6:00 p.m.
Pledge of Allegiance - Council Member Hamilton
Invocation - Mayor Pedro Martinez
Roll Call: Hamilton, Stadtherr, Martinez
Absent: West, Irish

PROCLAMATION

The Mayor presented the “Adult Literacy Day” proclamation for April 3, 2004. He then presented the proclamation to Tony Ariano, Literacy Coordinator.

ORAL COMMUNICATIONS
None

SCHEDULED MATTER

1. DEVELOPER IMPACT FEES

The City Manager presented the item and the Deputy City Manager gave the staff report and presented the Developer Impact Fee summaries for 202/2003 for Water Acreage Fees, Sewer Acreage Fees, Storm Drain Fees, Transportation Impact Fees and Park Impact Fees, and the Developer Fee-funded projects for 2002/2003. The Deputy City Manager also presented the developer fee rate structure, and a comparison of the impact fees collected against single family residential development for Porterville, Tulare, Delano, Madera and Hanford.

Council Member Stadtherr questioned the difference in cost for Police Facilities between Madera and Tulare. It was stated that depending on the age of the master plan, or how soon the next facility was scheduled to be built would have a major impact on fees. Step one, find out how to pay for the facility, and step two, figure out how to pay to operate the facility to the next how many years.

Council Member Hamilton clarified that the transfer to the General Fund was specific to pay back the debt of the C.O.Ps. He asked to hear from those present representing the developers.

Bob Keenan handed out copies of the 2000 Planning and Zoning Law that dealt with impact fees and he explained how the law worked. Mr. Keenan suggested that the City stay with the Engineering News Record, and it be done every year, and requiring the impact fees at the time of the building permits. Mr. Keenan stated that those fees had to go to public hearing every year, and although they didn’t oppose the fees, they liked to see the process followed. He spoke about sharing costs with new development when the benefits were shared. Mr. Keenan stated that the BIA supported infrastructure.
Jim Winton stated that the City also had a Wastewater Treatment Plant fee payable at the building permit stage, and he questioned whether that fee was separate and not included in the other cities. He stated that they appeared to be disproportionate.

Deputy City Manager Pyle stated that he would have to look into that.

Mr. Winton stated that there was a per unit fee for the Wastewater Treatment Plant at the building permit stage and an acreage fee for new development, but they didn’t have the Wastewater Treatment Plant fee on the sheet and he wondered if they were included in some of the other cities.

Deputy City Manager Pyle stated that they had changed the format of their report in 1998 to fall more in line with the format of the City of Tulare, and he believed that at that time the inclusion of the Wastewater Treatment Plant Fee was determined to not be that type of fee.

Mr. Keenan spoke of the effect of higher fees on development within a city.

Mayor Martinez stated that he would like to get a copy of the answer from Mr. Pyle for Mr. Winton’s question.

Greg Woodard spoke about the community as a whole paying for new infrastructure when everyone benefits. He stated that the lower they could keep the fees the better off they were. He stated that looking at all the fees in perspective, not just building impact fees, and being fair and equitable, as a building community they were not opposed to increasing a fee, if there was a need.

Council Member Hamilton and the other Council members requested a comparison page be added for multi-family fees in addition to the single family residential development fees.

Jim Winton spoke about the majority of master plan facilities, outside of wells, being installed by the developers up to this point. He stated that the facilities were installed when the developers were reimbursed by the City.

The City Manager spoke about master plan facilities and development for specific areas.

Deputy City Manager Pyle stated that during budget development and the budget study session, he proposed that when they reviewed the capital improvements, they would highlight those specific improvements that were master plan improvements underway for the 2004/2005 Fiscal Year. That would show those improvement funded by developer impact fees, previously collected or to be collected during the fiscal year.

The City Manager stated that he understood the direction from the Council to be:
- define the per unit fee and acreage fee and how it compares with other communities.
- define what the multi-family fees
- define what all the Master Plan projects are that will be reimbursed

Mr. Keenan clarified that new development could not be charged for deficiencies within the system.
2. WATER SYSTEM - WATER 101

The Public Works Director stated that the City Engineer, the Field Services Manager, and their support staff, would make the water system presentation, including the water conservation portion.

Mike Reed, City Engineer, started with an overview of the existing water system, including maps and infrastructure. He reviewed the pressure zones, wells and reservoir tanks. The City Engineer also reviewed the small water systems purchased by the City.

Richard Bartlett, Water Utilities Superintendent, reviewed the SCADA System which controls the City wells, pumps, lift stations and reservoirs and the operation of the water system.

 Wyndi Branum, Water System Specialist, gave a brief overview of the amount of water quality reporting required by the Department of Health Services. She reviewed the amount of testing, types of tests, the timing of the tests, and the testing done in the City lab.

Council and staff briefly discussed mixing water before introduction to the water system, and the use of potable water.

The City Engineer then reviewed some of the planned system improvements and expansions including the design and construction of two tanks in the Rocky Hill Pressure Zone No. 1 for $1.5 million, the design and construction of the P.E. Well Head Treatment facility for $1.4 million, the design and construction of a surface water treatment facility for $1.15 million, the design and construction of Martin Hill Tank in the Central Pressure Zone for $3.2 million, and the design and construction of one tank in the Rocky Hill Pressure Zone No. 2 for $1.3 million. All of these projects are estimated for completion by 2007 at $8.55 million, and they were in the process of seeking funding. The City Engineer reviewed the pressure zones and elevations of wells, tanks and pressure lines. He also spoke about the necessity of drilling test holes.

Bryan Styles, Field Services Manager, then reviewed water conservation, and the revised water conservation plan which would be going to Council on April 6, 2004. He reviewed the three phases of the water conservation plan. Mr. Styles explained the 20% rate increase for residential and landscape accounts to encourage conservation and recover lost revenue from water conservation.

Council Member Stadtherr questioned the distribution of information to users, and the lag time on notification to users in their utility bills. He questioned who would be monitoring water wasting and where they would get the staffing. He stated that he had an idea that he would like to present.

Council Member Hamilton stated that perhaps they could use Pauline Flowers, Graffiti Action Coordinator, for this. He stated that on graffiti, they should look at Gang Sues.

Mayor Martinez stated that perhaps the City could work with some of the surrounding communities on a conservation media campaign to help offset some of the costs. He stated that it would benefit them all.
Council Member Stadtherr explained his concept of tiered rates. Take three months such as January, February, March, or October, November, December, where the house uses 10,000 gallons per month, that’s the base rate for Tier #1. Then when you go up to 15,000 gallons per month its Tier Rate #2, then to Tier Rate #3 with each tier costing more. This would assign the incremental costs to that which was driving the incremental costs—the summer usage. He stated that he would rather do the tiered costs so that the higher users would pay the increase.

Council Member Hamilton stated that he would agree if it was only during those times they were under producing. But if they had a tiered rate, then they would be charging the people all the time whether there was a water shortage or not.

Council Member Stadtherr stated that the tiers would go down during winter usage.

Council Member Hamilton stated that ultimately it would make people look at their bills and bring their consumption down.

Council Member Stadtherr stated that people would be self-managing, and the winter rates would set their base usage. He stated that it would set priorities on using water, from drinking water to washing cars. He stated that the high users were pushing the demand for more wells.

The Parks and Leisure Services Director stated that there had never been found any better method of achieving water conservation, and making people aware of water, than tiered rate structures.

Mr. Styles stated that they looked at a single rate increase that would affect all of the residential users, not just the high end user. He stated that most were at the medium usage of 35 units or so, and by asking all users to decrease their use by 20% instead of the few at the higher usage end, it would have a greater impact on reducing demand.

Council Member Stadtherr stated that they could set their tiers accordingly.

The Field Services Director stated that there was also the complexity of instituting a base rate and the impact on Finance of setting that up into the system, whereas the 20% increase would be easier to implement and after the three-month period it could be dropped.

The Public Works Director stated that it would require quite a bit more study to determine was the base lines should be.

Council Member Hamilton stated that what they wanted was to reduce the consumption of the water.

Mayor Martinez asked that staff work with Councilman Stadtherr as he would like to see something on paper with Councilman Stadtherr’s concept and ideas.

Jim Winton stated that he was involved with a mutual water company, and several years ago they experienced a shortage of water and they set a base rate then doubled the rate, and then doubled
the rate when the user exceeded the base amount. He stated that it took a summer to bring the water usage down.

The Public Works Director stated that Councilman Stadtherr had some good ideas, but he didn’t believe they could go to a tiered rate by June 1 without a proper baseline. People that were already wasting water would have higher base lines than people already conserving water.

Council Member Stadtherr stated it might be for 2005.

City Manager Longley clarified with Council that they would proceed with this item on Tuesday as it is, and staff would provide the tiered rate analysis on the June 1 agenda.

Council Member Hamilton stated that hopefully June 1 was enough time to conceptualize Council Member Stadtherr’s plan, but they may not be able to act on it until 2005. Staff agreed that this would take some careful planning.

3. CLOSED SESSION PURSUANT TO GOVERNMENT CODE § 54956.9(A) - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION: CITY OF PORTERVILLE V. TULARE VALLEY RAIL ROAD

The City Attorney stated that the closed session would not be necessary that evening.

ADJOURNMENT
The Council adjourned at 8:23 p.m. until April 6, 2004 at 6:00 p.m.

Georgia Hawley, Deputy City Clerk

SEAL

Pedro R. Martinez, Mayor