

SPECIAL MEETING MINUTES

JOINT MEETING OF THE DIXON CITY COUNCIL AND SOLANO IRRIGATION DISTRICT BOARD OF DIRECTORS

MONDAY, APRIL 26, 2010

**DIXON COUNCIL CHAMBERS
600 EAST A STREET
DIXON, CALIFORNIA
7:00 P.M.**

1. **CALL TO ORDER**

The Special Meeting of the Dixon City Council and Solano Irrigation District (SID) Board of Directors was called to order at the hour of 7:00 p.m. in the Council Chambers on April 26, 2010, by Mayor Batchelor.

2. **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mayor Batchelor.

3. **ROLL CALL FOR CITY OF DIXON**

Councilmembers Present: Councilmembers Dane Besneatte, Kay Fulfs Cayler, Michael Ceremello, Jr., Vice Mayor Rick Fuller, and Mayor Jack Batchelor, Jr.

Absent: None

4. **ROLL CALL FOR SOLANO IRRIGATION DISTRICT BOARD**

SID Board Present: Directors Guido Colla, Glen Grant, John Kluge, and President Robert Hansen

Absent: *Director Bob Bishop

5. **AUDIENCE / PUBLIC COMMENT** (NON-AGENDA ITEMS)

None

6. **ITEMS FROM THE DIXON CITY COUNCIL**

- 6.1 Councilmember Besneatte noted the additional handouts on the dais, thought it was a good idea to form a subcommittee, and to form a consensus with long-term and short-term financial planning with DSMWS.

*Director Bishop arrived at 7:05 p.m.

- 6.2 Councilmember Ceremello announced his office hours at the Veterans' Hall on April 27th.

7. **ITEMS FROM THE SOLANO IRRIGATION DISTRICT (SID) BOARD**

- 7.1 President Hansen discussed the kinds of committees they serve on, the documents received by all members, their responsibility to look out for all their customers and the service they provide, the accounting system of each agency, and felt it was unfair for one agency to subsidize another. He further discussed the proposed development of the Northeast Quadrant well, the possible grant that will need increased rates, matching funds and a Joint Powers Agreement (JPA).

- 7.2 Director Kluge felt it was important to move ahead, none of the financial documents appeared to be out of place, and he was thinking of the future of Dixon.

8. **UNFINISHED BUSINESS**

- 8.1 **Joint Resolution adopting new water rates and new water rate structures for the Dixon-Solano Municipal Water Service (DSMWS), effective May 1, 2010.**

Nancy Huston, City Manager, reported about a call received by the Economic Development Director about possibly losing the opportunity of the Economic Development Administration (EDA) grant. She stated a response regarding the EDA grant is needed by May 14th and noted this would help the Northeast Quadrant.

Jeremy Craig, Finance and Technology Director, discussed the capital asset work papers requested by Councilmember Ceremello and distributed to the rest of the Council.

Boardmember Grant discussed the rate structure operating the DSMWS water system, DSMWS reserves being low, if nothing is done to fix rates, that they will be broke, and the DSMWS water supply being put at risk. He felt citizens have not heard the reality that water is at risk, thought their misunderstanding could be corrected, and to make a strong effort to hold meetings with citizens and the Taxpayers Association.

The Council and Board deliberated for a lengthy time. Mr. Craig, Ms. Huston, and SID General Manager David Mansfield responded to Council and Board questions.

Councilmember Ceremello noted the expenditures were reduced, thought other adjustments could be made, suggested a one year increase at ten percent, and to work together or to let taxpayers vote.

Mayor Batchelor asked for the number of protests received. Michael Dean, City Attorney, reported 1075 valid protests were received.

Mayor Batchelor noted the public hearing was closed and asked for public comment.

Gary Riddle, Dixon Chapter of the Solano Taxpayers' Association, discussed the purpose of the meeting with the City Manager and Finance Director, DSMWS paying for future development, and felt cost control options should be explored and current water fees should not be used for development. They are not opposed to justified rate increases and the Taxpayers' Association will not oppose a one year rate increase.

Shirley Humphrey noted that staff usually provides 4 or 5 options, but the only option given is to raise rates and she felt the citizens should not be threatened by staff.

Jeff Kendall, Northeast Quadrant, heard concerns about rate increase, hoped a solution would be found that could work, to work through the proposed one-year increase, and hoped everyone could work together through the JPA. He has tried for years to bring jobs and revenues to Dixon, but he cannot without water, and noted the proposed grant would pay for most of the well. He hoped that if the Council/Board could agree on a rate, provide the necessary response for the grant, it would be of benefit and opportunity.

Thom Bogue noted he does not have information available, but was told about funds paying for SID's new building. He felt reductions should be made where they can and the agencies should look deeper before increasing rates.

Marshall Drack, Flying J, discussed dismantling of two agencies and creating another agency, and providing an avenue for funding. He noted the need for the grant and for Dixon's economic future.

A motion was made by Councilmember Ceremello to adopt Resolution No. 10-061, as amended, to approve a one year water rate increase with the contingency that staff continue to examine and reduce costs as necessary to make up the 2% shortfall. The motion was seconded by Councilmember Besneatte. Roll call was taken as follows for the City Council.

Ayes: Besneatte, Cayler, Ceremello, Fuller, Batchelor
Noes: None
Abstain: None
Absent: None

A motion was made by SID Director Bishop, seconded by Director Colla, to adopt SID Resolution No. 10-21, as amended, to approve a one year water rate increase. Roll call was taken as follows for SID:

Ayes: Bishop, Colla, Grant, Kluge, Hansen
Noes: None
Abstain: None
Absent: None

Mayor Batchelor felt the governance of DSMWS needs to be considered.

Mr. Dean noted the agreement relationship between the City and SID is not on the agenda. He recommended no formal action be taken, but felt, in general, the staff has heard what the Council / Board preferences are.

9. **ITEMS FROM THE DIXON CITY MANAGER**

None

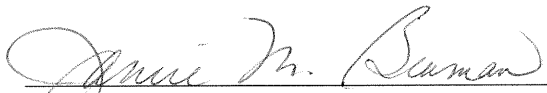
10. **ITEMS FROM THE SOLANO IRRIGATION DISTRICT GENERAL MANAGER**

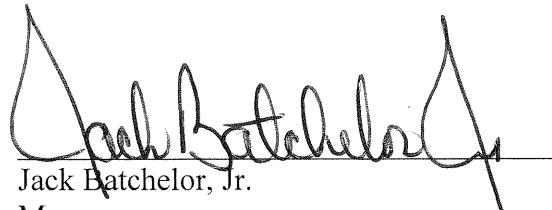
None

11. **ADJOURNMENT**

The Joint meeting of the City Council and SID Board of Directors adjourned at the hour of 9:05 p.m.

ATTEST:


Janice Beaman, CMC
City Clerk


Jack Batchelor, Jr.
Mayor