

MINUTES OF THE REGULAR MEETING
OF THE CITY COUNCIL,
NEEDLES PUBLIC UTILITY AUTHORITY
NEEDLES, CALIFORNIA

Tuesday, March 11, 2014

Adjourned the City Council meeting and convened a joint City Council and NPUA meeting

Mayor Paget recessed the City Council meeting and convened a joint meeting with the NPUA at 6:15 p.m. Roll call previously taken.

Roll Call

Present: Mayor Edward T. Paget, M.D.; Council Members Jim Lopez, Linda Kidd, Tony Frazier, Terry Campbell, Tom Darcy and Shawn Gudmundson. Also present City Manager Rick Daniels; City Attorney John Pinkney and City Clerk Dale Jones.

Public Appearance – None

1) Public Hearing Held – Waived the reading and adopted Resolution No. 03-11-2014-NPUA approving a water rate increase effective April 1, 2014 of an additional \$3.00 (totaling \$6.00) monthly charge for an asset replacement fund for water utilities and establishing a cost of living adjustment (COLA) beginning October 1, 2014 through and including October 1, 2016 and Resolution No. 2014-12 approving a water rate increase effective April 1, 2014 of an additional \$3.00 (totaling \$6.00) monthly charge for an asset replacement fund for water utilities and establishing a cost of living adjustment (COLA) beginning October 1, 2014 through and including October 1, 2016

A public hearing was noticed to consider all evidence and testimony for or against approving an additional \$3.00 per month charge for a water asset replacement fund and establishing a cost of living adjustment beginning October 1, 2014 through and including October 1, 2016.

Legal notice as provided to the City Clerk's Office by staff had been published and posted.

Mayor Paget declared the public hearing open at 6:15 p.m.

City Manager Daniels reported referring to the staff report included in the agenda packet informing Council that the Prop 218 process was followed and the Board of Public Utilities approved this recommendation unanimously.

Public Comments

Mr. Billy Bradshaw voiced his opinion that the utility needs an asset replacement fund however instead of charging the ratepayers; he suggested finding the \$750,000 from wherever we found the money to pay Bashas. Vice Mayor Campbell responded to Mr. Bradshaw.

Mr. Michael Wright voiced his concern that there is no breakdown for the \$6.00 total increase. He also informed Council that he is restoring a house on North K Street and is only using electric; however, he has to pay for sewer and trash which he is not using. Vice Mayor Campbell suggested he bring his concerns to the Utility Board regarding a policy to split off the utilities and to contact the Board's secretary, Ms. Cheryl Sallis, to place on their agenda for discussion.

Councilmember Frazier clarified that this public hearing is for an additional \$3.00 as the ratepayers are already paying \$3.00.

Mr. Bing Lum, Colorado River Medical Center, voiced his opposition to any rate increases.

Ms. Ruth Messer-Lopez voiced her opposition to the proposed increase and gave the city clerk a written protest. She voiced her opinion that this should go to the vote of the people; our rates are too high; any increase is going to adversely affect the economical challenged that this is double billing because this was all taken care of when the city sold the utilities and requested the city manager look into it.

City Clerk Jones announced that there were two written protest filed with her office prior to the public hearing.

Considerable discussion ensued that the Utility Board debated this issue and it is their opinion that the proper process was followed; that the water wells are in desperate need of repair and we were fortunate to contract this task over a four year period; that the California Government Code requires all utilities to maintain operating and maintenance plans; that the ratepayer has to support the cost of operation including the cost for necessary improvements and every property owner and user of the water utility received a notice of public hearing and given an opportunity to protest.

There being no persons to speak further on the matter and there being no further protests filed, either written or oral, the Mayor declared the public hearing closed at 6:40 p.m.

Member Darcy moved, seconded by Member Frazier, to waive the reading and adopt Resolution No. 03-11-2014-NPUA approving a water rate increase effective April 1, 2014 of an additional \$3.00 (totaling \$6.00) monthly charge for an asset replacement fund for water utilities and establishing a cost of living adjustment (COLA) beginning October 1, 2014 through and including October 1, 2016.

Motion carried by the following roll call vote:

Ayes: Members Lopez, Kidd, Frazier, Campbell, Darcy, Gudmundson and Paget
Noes: None
Absent: None

Councilmember Lopez moved, seconded by Councilmember Darcy, to waive the reading and adopt Resolution No. 2014-12 approving a water rate increase effective April 1, 2014 of an additional \$3.00 (totaling \$6.00) monthly charge for an asset replacement fund for water utilities and establishing a cost of living adjustment (COLA) beginning October 1, 2014 through and including October 1, 2016.

Motion carried by the following roll call vote:

Ayes: Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson
Noes: None
Absent: None

5) NPUA ACTION: Approved the minutes of February 25, 2014

Member Lopez moved, seconded by Member Darcy, to approve the minutes of February 25, 2014.

Motion carried by the following roll call vote:

Ayes: Members Lopez, Kidd, Frazier, Campbell, Darcy, Gudmundson and Paget
Noes: None
Absent: None

Adjourned the joint Council / NPUA meeting and reconvened the Council meeting

Mayor Paget adjourned the joint meeting with the NPUA at 6:42 p.m. and convened the Council meeting; roll call previously taken.

ATTEST: _____
Mayor Edward T. Paget, M.D.

City Clerk Dale Jones, CMC