

**Single Purpose Committee to Review
The City of Lompoc Enterprise Reimbursement Study**

MINUTES

**Lompoc City Hall - City Council Chamber
100 Civic Center Plaza, Lompoc, CA
Friday, June 17, 2016 9:00 A.M.**

CALL TO ORDER:

Chairman Jack Rodenhi called the meeting to order.

Secretary Stacey Haddon called roll and all members below were present.

Chairman – City of Lompoc Planning Commissioner Jack Rodenhi

Vice Chairman - City of Lompoc Mayor Bob Lingl

Committee Member - Santa Barbara County Taxpayer's Association Representative Ron Fink

Committee Member - City of Lompoc Council Member James Mosby

Committee Member – City of Lompoc Management Services Director Brad Wilkie

ORAL COMMUNICATIONS:

1. Tim Smith stated he feels the City of Lompoc Reimbursement Study needs some revisions, and this could be an opportunity for the City to develop of policy of how it wants to fund public safety.

CONSENT CALENDAR:

ACTION – Motion/Second: Lingl/Fink. By a 5-0 vote, the Committee:

1. Approved the Minutes from June 9, 2016 Regular Single Purpose Committee Meeting.

UNFINISHED BUSINESS:

The Committee began discussions of the best way to review and complete each Unfinished Business item and invited City of Lompoc City Manager Patrick Wiemiller to the podium to speak about the City's current method of the General Fund receiving payment from the City's Enterprise Funds for General Fund services rendered to the Enterprise Funds.

City Manager Patrick Wiemiller thanked the Committee for their time and effort on this matter and stated the City uses several methods of calculating costs to Enterprise Funds for General Fund services rendered as well as calculating costs to the General Fund for Enterprise Fund services rendered.

The Committee continued discussion regarding the processes and information used by the consultant for Enterprise Reimbursement Study, as well as possibly requesting independent legal analysis of the City of Lompoc Enterprise Reimbursement Study vs. the City of Fullerton Water Fund to General Fund Transfer Study, and receiving legal opinions of the City of Lompoc Study from legal firms representing other municipalities and citizens' groups.

UNFINISHED BUSINESS: (cont'd)

Committee Member Fink motioned to send a recommendation forward to the City Council to retain services of a qualified legal firm to review the legality of the approaches used in the City of Lompoc Reimbursement Study vs. the City of Fullerton Water Fund to General Fund Transfer Study. The Committee discussed this motion at great length. Chairman Rodenhi stated he would like the Committee to review published studies from other California municipalities regarding right-of-way road maintenance costs and fees for possibly adopting those methods to be used in the City of Lompoc Reimbursement Study before any legal opinions are sought regarding the approaches used in the City of Lompoc Reimbursement Study. Committee Member Fink agreed with Chairman Rodenhi, and withdrew his motion.

After substantial discussion of how the City should possibly charge costs of right-of-way road maintenance costs and fees continued at great length, Chairman Rodenhi made the following motion:

The Committee read and examine the 1997 Federal Highway Cost Allocation Study, the studies from the City of Los Angeles and the City of San Francisco regarding rates for pavement subsidence charges and adopt those methodologies to the City of Lompoc for charges and fees of right-of-way road maintenance costs.

The motion was seconded by Committee Member Fink and passed by a 4-1 vote (Committee Member Wilkie voted No)

Following discussion regarding the information provided by the City of Lompoc to the consultant HF&H Consultants, LLC, the company that produced the City of Lompoc Enterprise Reimbursement Study, Committee Member Fink made the following motion:

Request City Manager Patrick Wiemiller direct Staff to request all available information provided by the City of Lompoc and used by HF&H Consultants, LLC to produce the City of Lompoc Enterprise Reimbursement Study, be delivered to the Committee for review.

City Manager Patrick Wiemiller stated he has no issue with giving Staff this direction and appreciates the Committee's request for the background information regarding the published Enterprise Reimbursement Study.

The motion was seconded by Chairman Rodenhi and passed by a 5-0 vote.

With a general consensus, the Committee agreed to leave all Unfinished Business Items on the future agenda.

2. A comparison/analysis of the Lompoc and Fullerton fee transfer studies.
3. A discussion of the intent and language and court interpretations of Propositions 26 and 218 as it relates to percentage/proportional fee transfers.
4. A definition of what constitutes "reasonable" and "defensible" in the minds of this committee.
5. A discussion of any relevant litigation such as the Redding and Pasadena, CA cases as they relate to using a percentage/proportional methodology to determine the amount of fees to be transferred.
6. A review of the Lompoc Muni-code:
 - a. Section 3.20.110 Transfer and Loan of Money Between Funds and Sections
 - b. Section 3.20.010 General Fund
 - c. Section 3.20.050 to 3.20.080 Water, Electric, Sewer and Refuse Utility Fund's
 - d. The absence of any mention of the Broadband or Communication Funds

UNFINISHED BUSINESS: (cont'd)

7. A review of any internal administrative policies relating to the transfer of fees from the Enterprise Funds to the General Fund.
8. A discussion of the Cost Allocation Plan as it relates to the methodology used to establish any transfer of utility fund fees to the General Fund.
9. A comparison of the Cost Allocation Plan to the reimbursement fee plan to assure that there are no duplicate fee amounts being transferred.
10. Discuss the concept of appointing a citizen oversight committee to monitor progress on any recommendations developed by the ad hoc committee.
11. A consensus of recommendations for actions to be considered by the City Council.
12. Language for a report of our findings to the City Council.

COMMITTEE COMMENTS and REQUESTS: None

ADJOURNMENT: At 10:42 A.M. Committee Member Fink motioned to adjourn the Committee to a Regular Meeting on Friday, June 17, 2016 at 9:15 A.M., in the City Council Chamber at Lompoc City Hall, the motion was seconded by Committee Member Lingl and approved by a unanimous vote of the entire Committee.

Approved by Committee action on July 19, 2016

/Stacey Haddon/
Stacey Haddon, Secretary