

**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  
Thursday, June 9, 2016 9:00 A.M. – 11:00 A.M.**

**CALL TO ORDER:**

City of Lompoc Mayor Bob Lingl called the meeting to order at 9:02 A.M.

City Clerk 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 expressed concern about the water/wastewater divisions needs for repair and replacement of current infrastructure and stated he does not agree with the assessment for reimbursement for public safety services for the Wastewater Treatment Plant.

**NEW BUSINESS:**

1. **Election of Committee Chair, Vice-Chair, and Secretary.**

**ACTION** – Motion/Second: Lingl/Fink. By a 5-0 vote, Jack Rodenhi was elected Committee Chairman.

**ACTION** – Motion/Second: Fink/Rodenhi. By a 5-0 vote, Mayor Bob Lingl was elected Committee Vice-Chairman and the City of Lompoc City Clerk's Office was elected Committee Secretary.

Committee Member Lingl suggested Item No. 3 be moved ahead of Item No. 2, and the suggestion was approved with a general consensus.

3. **Establishing the Date, Time, Agenda, and Location for Regular Meetings of the Single Purpose Committee.**

**ACTION** – Motion/Second: Fink/Lingl By a 5-0 vote, the Committee approved to set Regular Meetings for this Committee to every Friday morning at 9:00 A.M., inside the City Council Chamber at Lompoc City Hall through July 15, 2016 or sooner if the Committee completes its given task.

**NEW BUSINESS:** (cont'd)

2. **General discussion of the Committee's assignment and overall understanding of the timing of the assignment.**

The Committee began to discuss its understanding of the City Council's direction to the Committee regarding the review and/or analysis of the City of Lompoc Enterprise Reimbursement Study.

Committee Member Fink disclosed he and Chairman Rodenhi have had discussions regarding this Committee and the their understanding of the Committee's assignment; he distributed a handout with a list of suggestions and items he believes the Committee should read and then discuss at all upcoming Committee Meetings.

The Committee continued brief discussion of the overall understanding of the assignment which included asking City Staff to possibly provide information regarding costs of services and even a legal opinion of the City charging reimbursement costs for public safety services.

**ACTION** – Motion/Second: Fink/Lingl By a 5-0 vote, the Committee directed the Committee Secretary to provide a copy of the March 2012 City of Fullerton, CA., **Water Fund to General Fund Transfer Study** as well as a copy of a settlement summary regarding the City of Pasadena, CA and its past practice of a flat rate of transfers of water fee revenues to its general fund; requested City of Lompoc City Manager be invited to the June 17, 2016 Committee Meeting to be available for any questions the Committee may have regarding the City's processes of how, when, and/or why the City's General Fund would charge a Department/Division for services rendered; and approved the following information be placed on every upcoming Committee Meeting Agenda:

- A comparison/analysis of the Lompoc and Fullerton fee transfer studies.
- A discussion of the intent and language and court interpretations of Propositions 26 and 218 as it relates to percentage/proportional fee transfers.
- A definition of what constitutes "reasonable" and "defensible" in the minds of this committee.
- 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.
- A review of the Lompoc Muni-code:
  - Section 3.20.110 Transfer and Loan of Money Between Funds and Sections
  - Section 3.20.010 General Fund
  - Section 3.20.050 to 3.20.080 Water, Electric, Sewer and Refuse Utility Fund's
  - The absence of any mention of the Broadband or Communication Funds
- A review of any internal administrative policies relating to the transfer of fees from the Enterprise Funds to the General Fund.
- 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.
- A comparison of the Cost Allocation Plan to the reimbursement fee plan to assure that there are no duplicate fee amounts being transferred.
- Discuss the concept of appointing a citizen oversight committee to monitor progress on any recommendations developed by the ad hoc committee.
- A consensus of recommendations for actions to be considered by the City Council.
- Language for a report of our findings to the City Council.

**COMMITTEE COMMENTS and REQUESTS:**

Committee Member Lingl thanked Mr. Smith for attending and participating in this meeting.

Committee Member Mosby asked Committee Member Wilkie if he had an opinion on this review process. Committee Member Wilkie stated the current City of Lompoc Enterprise Reimbursement Study was completed with a legal review of California Propositions 26 and 218 as well as court findings and rulings regarding those Propositions.

**ORAL COMMUNICATIONS:**

1. Tim Smith requested a confirmation of Committee Member Fink's request regarding charges for public safety services is indeed regarding part 6-B5 in California Proposition 218.

Committee Member Fink answered yes to Mr. Smith.

**ADJOURNMENT:** At 9:52 A.M. Chairman Rodenhi adjourned the Committee to a Regular Meeting on Friday, June 17, 2016 at 9:00 A.M., at the City Council Chamber at Lompoc City Hall.

Approved by Committee action on June 17, 2016

/Stacey Haddon/  
Stacey Haddon, Secretary