



Minutes of the Joint Meeting of the Winters City Council and the Board of
Directors of the Winters Public Finance Authority
Held on August 21, 2018

Mayor Bill Biasi called to order the meeting of the City Council at 6:30 p.m.

Present: Council Members Harold Anderson, Wade Cowan, Jesse Loren, Pierre Neu, and Mayor Bill Biasi
Absent: None
Staff: City Manager John W. Donlevy, Jr., City Attorney Ethan Walsh, Director of Financial Management Shelly Gunby, Police Chief John Miller, Fire Chief Matt Schechla, Environmental Services Manager Carol Scianna, and City Clerk Tracy Jensen.

Mayor Pro Tem Wade Cowan called to order the meeting of the Board of Directors of the Winters Public Finance Authority Board at 6:30 p.m.

Present: Board Members Harold Anderson, Bill Biasi, Jesse Loren, Pierre Neu, and Board Chairman Wade Cowan
Absent: None
Staff: City Manager John W. Donlevy, Jr., City Attorney Ethan Walsh, Director of Financial Management Shelly Gunby, Police Chief John Miller, Fire Chief Matt Schechla, Environmental Services Manager Carol Scianna, and City Clerk Tracy Jensen.

City Manager John W. Donlevy Jr. led the Pledge of Allegiance.

Approval of Agenda: City Manager Donlevy requested that Consent Items C & J be removed from the agenda. Motion by Council Member Neu, second by Council Member Loren to approve the agenda with the noted changes. Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: None

COUNCIL/STAFF COMMENTS

PUBLIC COMMENTS: None

CONSENT CALENDAR

- A. Minutes of the Regular Meeting of the Winters City Council Held on Tuesday, August 7, 2018
- B. Sacramento Yolo Mosquito Vector Control District Appointment
- C. American Tower Lease Extension **(Item Removed from Agenda)**
- D. Volunteer Fire Assistance (VFA) 50/50 Grant
- E. Wastewater Treatment Facility Monitoring Services with Luhdorff & Scalmanini
- F. Carter Ranch Pump Station- Control Panel Upgrades
- G. Approval of Amplified Sound Permit Application for the Carnitas Festival de la Comunidad
- H. Waste Water Treatment Facility (WWTF) South Spray Field Repairs
- I. Resolution 2018-47, a Resolution of the City Council of the City of Winters Approving Agreement Extensions with HBT of Winters Highlands LLC for the Winters Highlands Phase 1 Subdivision
- J. Street Closure Request and Amplified Sound Permit for the Porchfest Winters Music Stroll **(Item Removed from Agenda)**

City Manager Donlevy gave an overview and reiterated that Items C and J were being removed from the agenda. Council Member Anderson recused himself from Item G due to a possible conflict of interest due to the location of his property in relation to the location of this event. Council Member Loren also recused herself from Item G, as she is currently a Festival de la Comunidad committee member. Mayor Biasi said if a resident within the Winters City limits is interested in serving on the board of the Sacramento Yolo Mosquito Vector Control District, please contact City staff.

Motion by Council Member Neu, second by Council Member Cowan to approve Consent Items A, B, D, E, F, H and I. Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: None

Motion by Council Member Neu, second by Council Member Cowan to approve Consent Item G. Motion carried with the following vote:

AYES: Council Members Cowan, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: Council Members Anderson and Loren

PRESENTATIONS

Police Chief John Miller gave a sobering presentation entitled "Police Use of Force", which remains the most controversial subject in all of police work. Police force shocks the public's conscience and the public has unreasonable expectations and often lacks understanding in this area. Chief Miller shared video clips that showed how a different camera angle could alter your decision about whether reasonable force was justified. Chief Miller also spoke of the extensive training that is required of police officers, the civil liability that police officers are faced with, and the ramifications of the passage of AB-931, which is currently on the Senate floor, which would "require peace officers to attempt to control an incident by using time, distance, communications, and available resources in an effort to deescalate a situation whenever it is safe and reasonable to do so." Police officers have to make life and death decisions in the time it takes you to finish reading this sentence. Council thanked Chief Miller for the presentation.

DISCUSSION ITEMS

1. Public Hearing and Consideration of the Amended Tentative Subdivision Map for the 40-Lot Creekside Estates Subdivision

Contract Planner Dave Dowswell gave a brief power point presentation and said some residents were concerned with the lot configurations, adding that setbacks are set by ordinance and encroachments may be permitted. The Planning Commission heard this item at their July 24th meeting and recommended approval.

Regarding future change in the setback, Council Member Anderson asked if the creek bank was protected. Dave said it would be evaluated on a case-by-case basis. The depth and slope of the creek differs and the set back from the top of the bank varies. The City Engineer could determine if the creek would be impacted. Dave also confirmed that the maps and the text contained in the conditions of approval will be corrected to the City of Winters before becoming final.

Mayor Biasi opened the public hearing at 7:16 p.m. Rex Alvera, 405 Dry Creek Lane, inquired about the two small lots (7a & 7b) and asked what they were. Dave said they were duets, which meets the affordable housing obligation for very low, low and moderate housing. An in-lieu may be done on this project. Mr. Alvera voiced his concerns regarding parking, the number of vehicles and the egress from the area. He requested these duets not be located at the main entry to the subdivision but distributed throughout the project. Mayor Biasi closed the public hearing at 7:18 p.m.

Council Member Neu said he was glad to see duplex lots in the plan and the inclusionary guidelines say we should include them. He added it's important to have inclusionary housing in these new subdivisions and put them all in one location. Council Member Cowan asked if there has been any discussion about reducing the number of

lots. Dave said the possibility exists, but not until we have a builder. Council will have the final say regarding any deviations from the map provided. Mayor Biasi said with the 50 foot setback along the creek, the buildable square footage is lower than the actual square footage. He would like staff to pursue moving the duplexes away from the entrance; Dave suggested they be placed back to back and these changes can be made at the administrative level. Dave confirmed there is no pass through or pedestrian access to Grant Avenue. Council Member Loren reiterated that inclusionary housing is important and stressed that it needs to be kept in the project.

Motion by Council Member Loren, second by Council Member Cowan to find per Section 15061(b)(3) of the CEQA Guidelines that the proposed amendment to the Tentative Map is not subject to CEQA due to the lack of direct or reasonably foreseeable indirect physical change to the environment which would result from the adoption of the proposed amendment to the tentative map and approve Resolution 2018-41, approving the amended tentative subdivision map for the Creekside Estates Subdivision. Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: None

2. Public Hearing and Adoption of Resolution 2018-50, a Resolution of the City Council of the City of Winters Adopting Water & Sewer Rates

Director of Financial Management Shelly Gunby gave an overview and said notices of the proposed rate increase were mailed to residents on June 29th and a public hearing notice was published in the Winters Express on August 9th. Staff is proposing changing the fixed rate portion of the bill, so increased or decreased usage would have less of an impact on the City's income. Shelly confirmed Exhibits A and B of Resolution 2018-50 will be amended to include the dates of implementation. Residents could see a \$9 or \$10 increase the first year and \$1 or \$2 increase the second year. Bond refunding will then follow and less debt service coverage will be needed.

Mayor Biasi opened the public hearing at 7:36 p.m.

Michael Derkacz, a Real Estate Portfolio Manager with Sterling Asset Management Company, an Affiliate of CHOC, said based on the average units of water used for the 78 units on Railroad and the 80 units on Baker, this would increase the bill by \$12,000 annually. Many of these residents have highly restricted rent control, so the increase can't be passed onto the residents. He asked Council to consider the effect on the large apartment community and the large amount of water used and the effect this might have on the residents.

Mayor Biasi entered into record three protest letters received from Winters residents Greg Castenada, Cassie Carter, and Claudia Horvath. Mayor Biasi then closed the public hearing at 7:40 p.m.

Shelly said all residents must be treated on an equal basis and should include the same increase for all units. Maintenance, service, and debt service are costs to the City. City Attorney Walsh clarified that the City does not have the option to subsidize any rate increases. Council Member Loren asked if the rate increase implementation dates were properly noticed and Shelly replied yes.

Mayor Biasi said he was not in favor of raising the rates, but the City must charge the amount needed to provide water and sewer services to all residents. He asked about moving money from other accounts to make up the difference and Shelly said there are no other accounts available. City Attorney Walsh said funds could only be taken out of the general fund and Shelly said transferring funds from the General Fund would not count as revenue, but would be considered a subsidy. There has been a water reduction as residents have cut back on watering their lawns and have installed drought resistant landscape. On the sewer side, staff has made many repairs.

City Manager Donlevy said there are four items on tonight's agenda that are affiliated with waste water and the breakdown of these costs total \$65/customer. It's been five years since the last rate increase and residents have cut their water use by over 30% based on conservation. On the sewer side, costs must be spread out over a pretty small base of approximately 2,000 customers. Shelly said as part of the bond refunding, staff will be doing a water and sewer rate study. Mayor Biasi said state regulated costs can't be avoided and the City must stay in compliance or pay fines.

Motion by Mayor Biasi, second by Council Member Neu to approve Resolution 2018-50 amending Resolution 2013-24 establishing fees, rates, and charges for maintenance, replacement and repair of the City's Water and Sewer system. The motion includes amendments to Exhibits A and B of Resolution 2018-50 to include the dates of implementation.

3. Resolution 2018-49, a Resolution of the City Council of the City of Winters Approving a Monitoring and Reporting Contract with Wallace Kuhl & Associates (WKA) in the Amount not to Exceed \$82,300, and a Budget Adjustment for FY 2018-2019

Environmental Services Manager Carol Scianna gave an overview and said \$60,000 was budgeted for these monitoring and reporting services as required by the Central Valley Water Quality Control Board (CVRWQCB), but based on new waste discharge requirements, a waste discharge report is required and a budget adjustment in the amount of \$22,300 is needed for FY 2018/2019. Following the monitoring of the closed landfill through December, 2019, staff is hopeful that the report will show the wastewater

is not being impacted and the cap can be left as is. Wallace Kuhl & Associates has been very helpful in pleading our case before the Board.

Council Member Anderson asked if the reporting requirement is generated by the proposed use of the land. Carol said the Board has been looking at all closed landfills throughout California and Winters is at the bottom of the list, so they finally got around to Winters. Council Member Cowan asked how long it has been since it's been an active landfill? Carol said it was closed around 1980 and the monitoring began in 2000. The monitoring could go on for many years as it was never fully closed with the Board. But with the years of data, staff hopes to get it closed. Carol said the City will monitor for another 10 or 15 years and will depend on the results of the monitoring. Mayor Biasi said the cost could actually be less than \$82,300 based on the monitoring results.

Motion by Council Member Neu, second by Council Member Loren to authorize the City Manager to execute a contract with Wallace-Kuhl & Associates not to exceed \$82,300 for monitoring and reporting services as required by the CVWQCB new Waste Discharge Requirements, and the approval of Resolution 2018-49 for a budget adjustment in the amount of \$22,300 for the 2018-2019 budget cycle in fund/account 422-54419-650. Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: None

4. Resolution 2018-51 A Resolution of the City Council of the City of Winters Authorizing the issuance, Sale and Delivery of Water Revenue Refunding Bonds and Sewer Revenue Refunding Bonds, the Execution and Delivery of Indentures and Other Documents in Connection with Such Bonds and Authorizing Related Actions; and

Director of Financial Management Shelly Gunby gave an overview and said due to the successful conservation efforts of City residents and slower-than-expected population growth, the water and sewer systems are having some revenue issues.

Eric Scriven, the City's financial advisor and Bill Strauss, the City's bond counsel from Richards, Watson & Gershon, as well as Ralph Holmes from Piper Jaffrey, were present to answer any questions the Council might have.

Chairman Cowan said at the last City Council meeting on August 7th, Council chose to take this path to minimize the increase of the water and sewer rates to lessen the impact of the monthly bill. Of the three options provided, this was the option that Council directed staff to take. Board Member Biasi agreed that this option was chosen following a lengthy discussion and would cost the City more money if it were done over a longer period of time.

Chairman Cowan asked if there were any public comments pertaining to this item and there were none.

Motion by Council Member Anderson, second by Mayor Biasi to adopt Resolution 2018-51 authorizing the issuance, sale and delivery of water revenue refunding bonds and sewer revenue refunding bonds, the execution and delivery of indentures and other documents in connection with such bonds and authorizing related actions. Motion carried with the following vote:

AYES: Council Members Anderson, Cowan, Loren, Neu, Mayor Biasi
NOES: None
ABSENT: None
ABSTAIN: None

5. Resolution 2018-52 A Resolution of the Board of Directors of the Winters Public Finance Authority Approving the Refunding of 2007 Water Revenue Bonds and 2007 Sewer Revenue Bonds and Authorizing Related Actions

Motion by Public Finance Authority Board member Loren, second by Public Finance Authority Board member Biasi to adopt Resolution 2018-52, approving the refunding of the 2007 Water Revenue Bonds and 2007 Sewer Revenue Bonds and authorizing related actions. Motion carried with the following vote:

AYES: Winters Public Finance Authority Board Members Anderson, Biasi, Loren, Neu and Board Chairman Cowan
NOES: None
ABSENT: None
ABSTAIN: None

CITY OF WINTERS AS SUCCESSOR AGENCY TO THE WINTERS COMMUNITY
DEVELOPMENT AGENCY

1. None

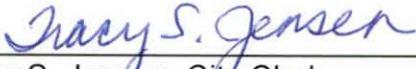
CITY MANAGER REPORT: Putting together an exceptional finance team is the goal of the City and the finance team we have has been exceptional for several years. Working throughout the entire State of California brings tremendous value. Shelly has worked exceptionally well with our team and in looking after our financial interests. The Council's consideration of these items is appreciated.

ADJOURNMENT: Mayor Biasi reminded everyone to attend the Earthquake celebration on Friday night, August 24th, in the downtown area, and adjourned the meeting at 8:18 p.m.



Bill Biasi, MAYOR

ATTEST:



Tracy S. Jensen, City Clerk