

City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: Dylan Feik, City Manager
DATE: January 16, 2018
SUBJECT: Update to City Council Regarding Mayor's Community Forum Discussion and Follow-up Items from January 2nd Public Hearing

APPROVAL FOR FORWARDING:



Dylan Feik, City Manager

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- 1 **ISSUE:** To provide an update to the full City Council regarding the Mayor's Community
 2 Forum Discussion regarding water and wastewater utility rates, hear an update from
 3 staff regarding follow-up items from the public hearing on January 2nd, 2018, and
 4 provide direction to City staff.
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- 6 **RECOMMENDATION:** There is no reportable action on this item.
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- 8 **BACKGROUND:** Following the Public Hearing on January 2, 2018, City staff has been
 9 working diligently to review potential options for Council consideration which would
 10 impact the proposed water and wastewater rate increases. Many of these options are
 11 being reviewed by city staff and Bartle Wells Associates (water & wastewater
 12 consultant) including –
- 13 • Identifying estimated interest rates for refinanced municipal debt
 - 14 • Identifying interest rates for new/future debt issuances
 - 15 • Providing “rebates” to ratepayers once savings are achieved
 - 16 • Modifying, if possible, capital project schedules which do not negatively affect
 - 17 mandated obligations such as the Cease & Desist Order
 - 18 • Reviewing all enterprise fund expenditures
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- 20 In addition, Mayor Canning and Council Member Kraus, who was also a member on the
 21 Water & Wastewater Rate Study Ad hoc Subcommittee, participated in the Mayor's
 22 Community Forum on Wednesday, January 10th at the Community Center.

23 Approximately 45 people attended the meeting to ask questions, share ideas and offer
24 feedback/input. Many questions were raised including the following –

- 25 • What is the City doing to save money and/or minimize the impact of rate
26 increases?
- 27 • Could the City use U.S. Housing & Urban Development (HUD) guidelines to
28 determine the low-income discount program rather than PG&E Care program?
- 29 • Could the City read residential meters bimonthly but issue monthly invoices to
30 ease the household budgetary process for many residents?
- 31 • Could the City adjust/modify the proposed Fixed/Variable rate structure?
- 32 • Should the City modify wastewater meter reading for residential customers and
33 use volume charges rather than fixed rates?

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35 In response to feedback, staff is reviewing many questions and will provide an
36 additional update to City Council on Tuesday, February 6th at its next regular meeting.
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38 **DISCUSSION:** Council discussion followed by direction provided to City staff for its
39 next meeting on February 6th.
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41 **Attachments:**
42 None