

## Supervisors take first vote on Southeast Regional sewer rate increase; final vote set for Oct. 26

Written by Elizabeth Larson

Wednesday, 20 October 2010

LAKEPORT, Calif. – On Tuesday the Board of Supervisors took the first vote needed to implement a 39-percent increase for ratepayers in the county's Southeast Regional Wastewater Collection System.

The unanimous vote advanced the ordinance authorizing the rate hike to the board's Oct. 26 meeting, when a final vote is expected.

On Sept. 7 the board had first discussed implementing the increases, which would raise the base charge for single family dwellings from \$11.13 per month to \$26.08, with staggered charges for light-, medium- and high-strength commercial, as Lake County News has reported.

The \$11.13 increase includes \$3.37 per month for operations, \$3.60 for the capital improvement program and \$4.16 for debt service, according to Lake County Special Districts officials.

The increase is meant to assist with funding Lake County Special Districts' proposed \$5.4 million upgrade that would include a new pump station and a new four-mile pipeline for the system, which stretches from Lower Lake to Clear Lake. The project is estimated to add around 3,000 connections to the system, which has suffered spills due to capacity issues.

The board held off on a vote on Sept. 7 in order to see if it could rekindle discussion with the city of Clearlake, which earlier this year had withdrawn an offer to devote \$2.5 million in redevelopment funds to assist with the upgrade effort.

On Oct. 7, Board Chair Anthony Farrington and County Administrative Officer Kelly Cox met with Clearlake City Administrator Dale Neiman and Mayor Judy Thein. While the city initially seemed interested in exploring an agreement, Neiman later withdrew the option, Cox and Farrington said.

Neiman, who is now on a part-time schedule, did not return a Tuesday call from Lake County News seeking comment.

At Tuesday's meeting Supervisor Denise Rushing said she thought the board was going to hold a meeting in Clearlake to discuss the sewer system needs with the community.

"I don't want it to hold this up," she said, adding that she had requested a discussion of crafting low income programs.

Farrington, who wanted his fellow board members to know what took place at the Oct. 7 meeting with city officials, said, "It was a long discussion. I thought it was productive."

He said he had wanted greater clarity on the city's vision and plans for its redevelopment money and the Pearce Field airport property – designated to be the site of a regional shopping center anchored by a Lowe's home improvement center – and why at one time they had moved forward with an agreement with the county, only to pull the agreement.

Farrington said he also wanted to know if there were politics at play and if the Board of Supervisors had taken action that derailed the matter, leading to the withdrawal of the city's offer.

"Did the city decide that or did Dale Neiman decide that?" Rushing asked.

Farrington said he understood that the entire council decided to withdraw from the discussions.

The council did, in fact, vote on April 8 to drop the negotiations with the county after Neiman suggested the action, stating that, with the Sierra Club suing the city over the Lowe's project, they didn't know if they would have a project going forward.

He also stated at that time that he believed two of the supervisors – Rushing and Rob Brown, who he didn't name directly, only referencing their known opposition – would try to block the project's connection to the sewer system through their official capacities in the Lake County Sanitation District leadership.

Farrington said when he and Cox recently sat down with Neiman and Thein, they seemed interested in making a contribution, with Neiman bringing with him a proposal including deal points.

The proposal Neiman offered – a copy of which Cox shared with Lake County News – suggested a \$2.5 million contribution that he suggested would reduce the rate increase by \$4.16, but Dellinger's calculations showed only a \$1.66 reduction.

Neiman's proposal also sought a developer impact fee consistent with the mitigation fee act, a small annual payment from the reduction in debt service fee and a long-term lease to locate the city's public works corporation yard to the sanitation district's treatment plant.

He also wanted an amendment to an agreement with the county that capped tax increment at a certain amount. Any tax increment that came in beyond that cap would have been loaned to the city from the county's general fund.

Farrington said that after the meeting he asked Cox to follow up with Neiman and the deal was off the table.

"I'm somewhat concerned about that decision making process internally," Farrington said.

Cox said when he contacted Neiman to explore some of the particular points of the deal, the response he got was that the city had changed its mind and it had better uses for its redevelopment funds. Cox later told Lake County News that the deal was dropped within about a week of the Oct. 7 meeting.

Farrington said he'd never encountered such a situation where a deal was offered and then retracted so suddenly. "If that's how we're doing business then that's how we're doing business," he said, noting that it was "unfortunate."

He added that city officials "indicated they don't want a joint meeting" about the rate hike.

Cox said the discussion with the city also included information about Clearlake's financial concerns, which led Cox himself to question if the city should use redevelopment funds for the sewer project. Farrington said there is certainty that if they participated the money would go into actual infrastructure improvements, noting that the city has had mismanagement of redevelopment monies in the past.

Supervisor Jeff Smith, whose district includes Clearlake, said he could see better uses for the money to satisfy people in downtown Clearlake. Farrington said the city has \$7.5 million in redevelopment funds, and still would have had \$5 million to work with if officials had been willing to commit the funds.

"I don't blame them at all for not stepping up," said Smith.

Farrington said, "I think things could be more open and transparent down there."

Smith pointed out that, while concerns were raised about not holding a board meeting in Clearlake on the rate increases, Dellinger has held meetings on the increases in the affected areas. The county would have needed to receive about 3,700 protests to stop the increase from moving forward, and only got 62 protests, which Smith said is less than 2 percent.

"It's a tough deal," he said, explaining that it's the first of many such increases that the board is going to be facing around the county in the next few years.

Rushing said they needed to move ahead, because fixing the sewer system was the best thing to do both for the city of Clearlake and Clear Lake itself.

The only public comment offered was from Richard Birk, president of the local Habitat for Humanity chapter.

"It's the poorest of the poor in Lake County," he said of the area that the rate increases will impact.

Habitat for Humanity, which has built more than a dozen homes in the area, said rising costs are a concern, and they've seen the homeowners' bills. Birk wanted to make sure the increase was justified and also questioned the process' transparency.

Rushing said if the county had been upgrading systems for the last 20 years they wouldn't be seeing these problems. They also had conducted a rate study that showed the need to raise rates.

"We are where we are," she said. "We've got to upgrade this system."

Smith told Birk a meeting two years ago on the rate study was well attended. If the county can afford to, they can help pay down the rates, he said.

Comstock moved to advance the ordinance to Oct. 26, which the board voted to do 5-0.

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I guess

**written by Dwain, October 20, 2010**

I guess a new corporate big box store is more important to Mr. Neiman and the Clearlake council than clean water and sanitation.

Who needs infrastructure when there is money to be made? After all, the citizens will pay and Neiman and the Council can blame it on the big, bad County.

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**written by yellowwing, October 20, 2010**

In the event the City of Clearlake ever gets a big-box store the ratepayers of LACOSAN will win because funds to hook up will exceed what the ratepayers are having to pay now and the debt can be paid down faster.

Impressed with the BOS and Special Districts, but totally unimpressed with the leadership of the City of Clearlake.

The County

**written by CobbMt, October 20, 2010**

used redevelopment money to buy a Castle. And the liability and staging for fixing the roof will shift to the County for even more exposure. Bungee jumping would be safer than putting a \$370K roof on after it rains this weekend.

So why not have a fair discussion about how to spend money. As always the little guy loses.

Why not skip the Castle and fix infrastructure? Instant jobs. Instant help to the community.

Any meeting

**written by superstarr60, October 20, 2010**

with other public officials should have been held in public forum. Whatever deal Nieman had offered or would present to LOSAN Board would have had public input. LOSAN Board should have taken high road and insisted that Nieman & Thien agree to public joint meeting with entire City Council, instead of this closed discussion taking place. Regardless, if there wasn't anything decided by either or both official entities. It is the preception of the article that has no transparency and the public is the ones getting short-changed in this entire process or should I say the lack of process in my opinion. The City of Clearlake public officials are the ones mostly at fault here-No doubt about it! Open transparency should have prevailed with the Joint Meeting of both City & County before the public. Nieman never discussed anything like what was being proposed to LOSAN board in a public meeting down here.

This is first most are hearing about contents of any offers by Nieman & Thien which never been sanctioned by entire council at a public meeting.

I do appauld Farrington & Cox for bringing the contents of this closed discussion to the forefront.

The people have a right to be apart of any process that will affect them. Not politicians making those decisions without the people knowledge and putting unfair economic burdens on them either.

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Middlwtown

written by **Middletown**, October 20, 2010

What about middletown? Have you forgotten the rest of the county...

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Superstarr60

written by **Countylove**, October 20, 2010

great points. There could be a due process objection and a violation of procedural rights. Was there a notice and comment period? A lawyer may want to look at the Administrative Procedure Act, I think the Londoner case may apply here too

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The County Redevelopment currently going on

written by **Donna Christopher**, October 20, 2010

encompasses an area from CLO to UL. And that is the only place this area of redev can 'invest' money on. We can't us the City of Clearlakes redev money in Lucerne and viceversa. Clearlake's redev and the northshore redev are to entirely separate entities.

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As for your special districts bill ever going down - BWAHAHAHAHAHAHA. Suck it up kids, you'll still be paying less than we have been paying for years.

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