

CITY COUNCIL, CITY OF LODI
CITY HALL COUNCIL CHAMBERS
JULY 14, 1965

This adjourned regular meeting of the City Council of the City of Lodi was held at 8 p.m. of Wednesday, July 14, 1965, in the City Hall Council Chambers.

ROLL CALL Present: Councilmen - BROWN, CULBERTSON, DOW,
WALTON and KIRSTEN (Mayor)

Absent: Councilmen - None

Also present: City Manager Graves, Administrative Assistant Peterson, Planning Director Schroeder, and City Attorney Mullen.

REPORTS OF THE CITY MANAGER

BOND SALE

City Manager Graves announced that he had invited representatives of the firm of Stone and Youngberg, the City's financial consultants, to the meeting to discuss the sale of the City's bonds as authorized in the June 8, 1965 municipal bond election. Mayor Kirsten introduced Mr. Don Davis, Mr. Karl Kadie and Mr. Dennis Ciocca of Stone and Youngberg.

Mr. Davis opened his presentation by saying his firm had given considerable thought and study to the sale of bonds for the City and was recommending an initial sale of \$5.5 million of the total \$7.2 million authorized. He said this would be a sufficient amount to carry the City's program through June, 1967. His reasons for this amount of sale were:

1. There is currently a very favorable reinvestment rate; that is, the City could obtain the money at approximately 3.5 to 3.6 percent, and reinvest it at as high as 4.0 percent.
2. The sale of this amount leaves \$1.7 million which is a good amount for a second sale and gives the City some flexibility in the amount of the second bond sale should the City's application for 660 Federal grant funds for sewer facilities be approved.
3. Should the bond market materially improve in the future, the City could take advantage of it with a fairly substantial sale of \$1.7 million.

He also listed as a corollary benefit the fact that the sale of \$5.5 million at this time would give the City more points in ranking for the 660 Federal grant, since one of the factors in the ranking is bonded indebtedness. Councilman Walton asked if there would be a saving in the cost of the mechanics of the sale if the bonds were disposed of in two sales rather than three. Mr. Davis answered that though it would not be a great amount, there definitely would be some saving. He told the Council the City's credit rating is high now because of no outstanding debts. City Manager Graves said it would take about two months to get on the market with this sale. Councilman Culbertson asked the cost of placing the \$5.5 million sale on the market. Mr. Davis said he could not give an accurate figure, but said the cost would include his firm's fee, the bond counsel's fee, cost of printing and publishing the official statement, cost of other printing and mailing, newspaper publication

Minutes of July 14, 1965 continued

costs, and the cost of printing the bonds. He said bonds in denominations of \$5,000 is now the trend rather than \$1,000 each which has been common. Councilman Dow said in light of the current favorable bond market, he felt the sale should be made at the earliest possible date. Councilman Dow then moved that the bond sale recommendations of Stone and Youngberg be accepted and that the City Manager be authorized to proceed with the arrangements for the sale with the financial consultants. His motion was seconded by Councilman Culbertson and carried unanimously. City Attorney Mullen told the Council that when arrangements have been completed, the matter will be presented to the Council for final approval of date and amount of sale.

City Manager Graves said the sale of bonds would be allocated thusly:

Public Safety Building	\$1,145,000
Storm Drainage	\$1,100,000
Sewers	<u>\$3,255,000</u>
	\$5,500,000

He said he had reviewed some of the mechanics of the sale with Mr. Kadie and that he recommended the best of Stone and Youngberg's recommendations be followed. For just a few dollars, the City will be able to realize the very best presentation and most effective entry to the bond market. On motion of Councilman Culbertson, Dow second, the Council unanimously voted to accept the City Manager's recommendation to proceed with the most effective presentation available. In conclusion, Mayor Kirsten asked Stone and Youngberg for a projection of the funding of the bonds for the 30-year period, allowing for the remaining bonds to be sold in July, 1967.

MOOSE LODGE
DANCE

The City Manager presented a report concerning the request of the Lodi Moose Lodge for a street dance the night of September 11, 1965. He said the Chief of Police had no objections to the dance from a traffic or safety standpoint. On motion of Councilman Walton, Dow second, the Council authorized the holding of the street dance and requested the City Manager to consult with the City Attorney to resolve whatever legal questions are involved.

1965-66 CAPITAL OUTLAY BUDGET

HAM LANE
IMPROVEMENTS

The Council was presented with copies of the proposed 1965-66 Capital Outlay Budget as prepared by the City Manager. In the discussion of Ham Lane improvements, Councilman Walton asked about the current status of Ham Lane immediately south of Lodi Avenue. The City Manager said it is not a public street in that area, but at the suggestion of Councilman Culbertson a sign will be placed at the southern entrance to the private street in question stating it is not a public right-of-way. There is currently a sign at the northern entrance.

KETTLEMAN
LANE
IMPROVEMENTS

In answer to a question from Councilman Brown, City Manager Graves said there was no money in this year's budget for an underpass at Kettleman Lane and the railroad tracks because no cost estimates have been presented by the State and this project will not likely be accomplished this fiscal year.

Minutes of July 14, 1965 continued

LODI LAKE
PARK

Councilman Walton said he was interested in improvements for the west side of Lodi Lake Park during the discussion on capital outlay projects in the recreation area. The City Manager said no funds were available this fiscal year. He added that the development of the Mokelumne River project should also be considered in future budgets when that project has been solidified.

LAWRENCE
PARK LIGHTS

Councilman Culbertson asked if some improvements could be made to the lights at the baseball field in Lawrence Park. City Manager Graves said he would instruct the Recreation and Parks Director to inspect the lighting.

ADOPT CAPITAL
OUTLAY BUDGET

On motion of Councilman Dow, Culbertson second, the Council unanimously approved the 1965-66 Capital Outlay Budget as presented by the City Manager

ADJOURNMENT

There being no further business, the City Council adjourned at 10:00 p.m. on motion of Councilman Walton, Dow second.


Attest: Thomas A. Peterson
Deputy City Clerk