

CITY COUNCIL CITY OF LODI  
 COUNCIL CHAMBERS, CITY HALL  
 OCTOBER 22, 1952

Pursuant to the adjournment taken from its regular meeting of October 15, 1952, the City Council of the City of Lodi met at 8:00 p.m. of Wednesday, October 22, 1952; Councilmen Preszler, Richey, Rinn, Robinson and Haskell (Mayor) were present; none absent.

Minutes of the previous meeting of October 8, 1952, were approved as written and mailed.

COMMUNICATIONS

EAGLES COMMEND COUNCIL ON SELECTION OF POLICE CHIEF	From Lodi Aerie No. 838 of the Fraternal Order of Eagles commending the City Council on the selection of Police Chief Hunt and urging that consideration be given to the suggestions concerning a traffic squad and the distinctive marking of Police Department vehicles made by Chief Hunt. City Manager Weller stated that he had already discussed this matter with Chief Hunt and that he intended to cooperate with the Chief in establishing any improvements which appear desirable and practical.
PETITION REQUESTING ALLEY IMPROVEMENT	A petition from residents in the vicinity of Rush, Central and Washington streets requesting a new alley or resurfacing of the old alley between Central and Washington. City Manager Weller stated that a check with the City Engineer revealed that this alley would be considered along with the other alleys in this area in the resurfacing program. He stated that he doubted that this alley would be included in the program this year; however, it would receive attention as far as patching and maintenance are concerned.
TRANS-SIERRA HIGHWAY	Letter from the Placerville Chamber of Commerce relative to a trans-Sierra all-weather highway. This letter duplicated a letter received from the City of Auburn. The City Manager was asked to reply that the Council had already adopted a resolution on this subject.
LETTER FROM C. E. RIDLEY	From Clarence E. Ridley, Executive Director of the International City Managers' Association, expressing his opposition to Proposition No. 10.
LODI LAKE PARK	From State Division of Parks and Beaches reporting that the State Park Commission authorized the appraisal of Lodi Lake Park at its meeting of October 10.
STATE-WIDE SALES TAX	A resolution from the City Council of the City of Richmond expressing opposition to the proposal of the County Supervisors Association for a State-wide city and county sales tax. On the motion of Councilman Rinn the matter was tabled.

PUBLIC HEARINGS

Albert McDonald, Chairman of the Citizens Committee Against Mass Fluoridation of Lodi City Water Supply, read a resolution of this group calling for a display of a can of sodium fluoride along with a medical description of the material in the City Hall lobby along with the City's unlabeled water display. Councilman Robinson stated that he did not believe that

PROTEST  
WATER  
DISPLAY

the display should be of just any can of sodium fluoride, but that he would recommend a display of the substance which will be used to fluoridate the Lodi water. Mayor Haskell expressed his disappointment in the attitude of the McDonald group in opposing the action of the Council in setting up this display of unlabeled bottles of water, one containing one part per million of fluoride. This action, he said, was taken in the best of faith, believing that people wishing to make an unbiased comparison of the two samples of water should be given the opportunity. He pointed out that one need not taste the water if he did not so desire. Councilman Richey defended the Council's display as an excellent opportunity for the individual to sample and reach his own decision. Councilman Robinson moved, Preszler second, that the City Manager be authorized to display a sample of the fluoride material with an analysis thereof for the benefit of those who are interested. The motion was defeated by the following vote:

AYES: Councilmen Robinson and Preszler  
NOES: Councilmen Rinn, Richey and Haskell  
Continuance of the present display was then approved by a unanimous vote.

PETITION  
REQUESTS  
REPAIR OF  
LOMA DRIVE

The Council was presented with a petition signed by residents of Loma Drive calling the attention of the members of the Council to poor condition of pavement on Loma Drive and asking that necessary action be taken to effect the necessary repairs. Mayor Haskell accepted the petition and asked for time for consultation with the City Manager and City Engineer.

APPROVE  
TAXI CAB  
STAND

At the order of Mayor Haskell a public hearing was then held on the application of Thomas C. Gholson, operator of the Veteran Cab Co., for an additional taxi cab stand in front of his place of business at 33 North Sacramento Street. No objections were voiced. After determining that there were no objections presented in the report of the Chief of Police, Councilman Rinn moved, Preszler second, that the request be granted. The motion passed.

REPORTS OF THE CITY MANAGER

SPECIFICATIONS  
CONCRETE PIPE

The City Manager presented specifications for the purchase of concrete pipe to be used in the sanitary sewer construction in Century Manor and Lowe Village. The estimated cost of the pipe is \$7572. On the motion of Councilman Rinn, Preszler second, the specifications were adopted.

UTILITY  
EXTENSION  
POLICY

The draft copy of the contract to implement the policy relative to the extension of utility facilities to subdivisions as discussed at the previous meeting was presented. Mayor Haskell briefed the other members of the Council and the audience on the background of the problem and the tentative policy that had been discussed up to this point. After getting a general agreement of the policy up to the point of establishing the amount of refund and the rate of depreciation to be charged, the Council then discussed these matters. Councilman Robinson stated that he felt that a refund of approximately 50% would be more reasonable than the suggested 60%, or specifically, \$3.50 refund per connection rather than \$4.20. After a short discussion it was agreed

AUTHORIZE  
CONTRACT

to refund at the rate of \$3.50 per connection. On the motion of Councilman Robinson a depreciation rate of 10% was established; such depreciation charge to commence at the termination of a base period which is arrived at by determining the costs of installation per lot in the subdivision and then calculating the minimum time required to refund said amount at \$3.50 per month. This shall be expressed at the next higher year. It was unanimously agreed that the refunds should be in the form of quarterly payments. Mayor Haskell pointed out that the contract contained provisions which enabled the City to repay the subdivider earlier than specified if it is the desire of the City to do so. The contract authorized is essentially as follows:

A G R E E M E N T

THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, between the CITY OF LODI, a municipal corporation of the State of California, hereinafter called First Party, and \_\_\_\_\_ of \_\_\_\_\_, California, hereinafter called Second Party,

W I T N E S S E T H:

WHEREAS, Second Party contemplates the subdivision and improvement of a certain tract of land known as "\_\_\_\_\_"; and

WHEREAS, Second Party is desirous of having First Party lay and install the necessary water, electricity, and sanitary sewer utilities to and within said subdivision; and

WHEREAS, the parties hereto are mutually desirous of providing for the manner and method of paying the cost of installing said utilities;

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties hereto do hereby mutually covenant and agree as follows:

I

First Party covenants and agrees to bring to and install within Second Party's subdivision the necessary water, electricity, and sanitary sewer lines, the installation within said subdivision to be within the easements provided for utilities as shown upon said subdivision map. It is expressly understood and agreed that this agreement does not contemplate nor cover the connections from these utility services to the improvements to be erected within said subdivision, but only covers the main lines and laterals to the subdivision and within said subdivision easements.

II

Second Party does hereby pay to First Party the sum of \$\_\_\_\_\_ to cover the estimated cost, as computed by First Party, of installing said utilities. In the event that the actual cost of installing said utilities exceeds the amount of this deposit, then and in that event, Second Party covenants and agrees to pay to First Party within sixty days after receipt of a written demand, a sum sufficient to pay the difference between the amount deposited and the actual cost of the installations. In the event that the actual cost of the installation of the utilities is less than the amount deposited herewith, then and in that event, First Party covenants and agrees to refund the difference to the Second Party within sixty days after the date the utilities have been installed.

III

First Party agrees to refund to Second Party the amount of money deposited with First Party at the rate of \$3.50 per month, payable quarterly, for each connection made to all the utilities within the subdivision. For the purposes of computation, the number of connections in place and in use as of the end of each quarter shall be the basis upon which the refund for that quarter shall be made. Said payments shall continue until the entire amount of deposit paid by Second Party to First Party has been refunded to Second Party, subject, however, to the conditions hereinafter contained in paragraph IV. It is expressly understood and agreed that the obligation of First Party to repay Second Party shall not include the payment of any interest whatsoever.

For the reason that First Party is making payments to Second Party from revenue derived solely from the use of the utilities installed in Second Party's subdivision, it is mutually understood and agreed that First Party shall be under no obligation to commence payments to Second Party unless and until the utilities are not only connected to the improvement in the subdivision but also that the improvement is used and occupied.

IV

In the event that at the end of \_\_\_\_\_ years from \_\_\_\_\_ (six months from date), Second Party has not been repaid the deposit in full, then and in that event, and commencing with the \_\_\_\_\_ year and annually thereafter, First Party shall charge an annual depreciation of ten per cent on the balance of principal then remaining due and owing to Second Party, and the amount due Second Party shall be reduced accordingly by this amount of depreciation, as of the start of said \_\_\_\_\_ year and continuing annually thereafter. In other words, commencing with the said \_\_\_\_\_ year, the obligation of First Party to repay Second Party shall be reduced in an amount computed at the rate of ten per cent on the amount of principal due and owing each year commencing with the \_\_\_\_\_ year.

V

Nothing in this agreement shall be construed as preventing First Party, at its option, from repaying Second Party at a faster rate than the amount provided for herein.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first hereinabove written.

CITY OF LODI

By \_\_\_\_\_  
Mayor  
First Party

Attest:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Second Party

Councilman Rinn moved, Richey second, that the policy as implemented by the above contract be adopted to apply in all subdivisions or developments of a residential nature for the extension of utilities up to the subdivision or development and into the easements which are cleared by the developer. The motion was adopted by a unanimous vote.

CLAIMS Claims in the amount of \$88,495.51 were approved for payment on the motion of Councilman Richey, Preszler second.

- RES. #1704  
INT. TO ANNEX  
LAWRENCE  
RANCH  
ADDITION
- Councilman Rinn moved the adoption of Resolution No. 1704 declaring the intention of the City Council to annex to the City of Lodi the 104 acre tract to be known as the Lawrence Ranch Addition. The date for public hearing was set for Friday, November 21, 1952 at 12 o'clock noon in the City Council Chambers of the City Hall. The motion passed.
- RIECK  
PETITION  
PRESENTED
- The City Manager presented a petition calling for the annexation to the City of approximately 11 acres which lie north of the 40th Addition and west of Hutchins Street. The petition was referred to the City Planning Commission on the motion of Councilman Rinn, Richey second.
- AWARD  
AUDIT
- Mr. Weller presented the informal bids received for the audit of the City's accounts. Councilman Richey moved, second Robinson, to award contract to the low bidder, Lyman Straine & Company. The motion carried.
- APPROVE  
OVER-WIDTH  
DRIVEWAY
- A request from Walter Smith for overwidth driveways at the drive-in market under construction at the corner of Kettleman Lane and South Hutchins Street was presented. Councilman Preszler moved, Richey second, that the request be granted for the construction of a driveway on Kettleman Lane up to 40 feet and two driveways on Hutchins Street of widths up to 18 and 22 feet with the understanding that such widths will be cut down if possible. The motion carried.
- NEEDHAM  
SCHOOL  
TRAFFIC
- A recommendation from Police Chief Hunt relating to the traffic problem at Needham School was presented. Chief Hunt recommended as follows:
1. That the curb be painted yellow for about 150 feet south from Church Street entrance of the school
  2. That a "No Parking" area be established in front of the center and south entrances on Pleasant Avenue.
- The recommendations of the Police Chief were adopted on the motion of Councilman Richey, seconded by Councilman Robinson.
- TRAFFIC  
SIGNALS
- To a question by Mayor Haskell relative to the installation of traffic signals at the corner of School and Pine Streets and at the corner of Oak and School Streets, City Manager Weller replied that some confusion had developed in the ordering of the equipment; however, it was now straightened out and the order had been placed.
- DISCUSS  
POLICE  
ORGANIZATION
- Councilman Preszler recommended that one or two police patrolmen be put on foot in the central business district, explaining that he felt that better police coverage would be achieved in this manner. He further suggested that better coverage would be achieved by instituting one man patrols rather than the two man patrols we have at present. Councilman Robinson suggested that some steps be taken to reduce the double parking on the streets in the business district. It was agreed that these matters should be left for the Chief of Police to consider.
- REPORT ON  
PUC DECISION
- Mr. Weller then read a letter to the Council which he had prepared explaining the effects of the recent decision of the Public Utilities Commission on the City of Lodi. The letter as read appears as follows:

"To the Honorable Mayor and  
Members of the City Council

Gentlemen:

"You will recall that on July 18, 1952, the Pacific Gas & Electric Company filed an application before the State Public Utilities Commission for permission to increase electric rates by approximately \$37,650,000 per year. Subsequently, in August, the Company filed supplemental requests which raised the total increase sought to about \$45,704,000, based on estimated 1952 sales.

"As a part of the proposed increase, the Company proposed that rates be raised approximately 18½% in the case of all special contract resale customers with the exception of Redding. In addition to ourselves, this portion of the application would have applied to the cities of Biggs, Gridley, Roseville, Healdsburg, Ukiah, Santa Clara, Alameda and Palo Alto, and to the Sacramento Municipal Utility District and the Plumas-Sierra Rural Electrification District. At the then-existing rate of kwh consumption, this proposal would have cost the City of Lodi approximately \$38,000 per year. In addition, the Company sought inclusion of the so-called 'fuel-oil clause' in its resale contracts. This is a kind of escalator provision related to the cost of fuel for diesel electric generation. Its effect in dollars and cents is difficult to estimate because it varies with the market price, but with fuel oil at \$2.20 - by no means an impossible figure - the clause would have cost us an additional sum of about \$22,000 per year at then-existing rates of kwh consumption. The total impact of the Company proposal to Lodi could therefore have been measured not unreasonably at about \$60,000 per year. Bearing in mind that our power bills increase at the rate of about 8% per year, it is obvious that the increase proposed would have amounted to a staggering sum by the end of the present contract period in September of 1954. Similar figures, of course, were applicable to the other public agencies in this consumer group.

"It seemed to me that the Company's application for an increase in rates for customers served under contract was arbitrary and that if it were approved by unilateral petition, it would remove all value from such contracts.

"In July, 1951, I therefore circularized the cities of Biggs, Gridley, Healdsburg, Ukiah, Roseville, Santa Clara, Alameda and Palo Alto and the Plumas-Sierra District for the purpose of suggesting a meeting to discuss the Company application. This meeting was held and it was decided to present joint opposition to the increase before the Commission.

"Considerable preliminary work was done in assembling pertinent data and we engaged Mr. David I. Wendel of the firm of Glickman, Orr & Heuring, Oakland, to advise on legal details of Commission formality and presentation. Protests on behalf of each agency were then filed with the Commission.

"The case we submitted was based in general on the following points:

1. The City of Redding was entitled to its exemption by reason of the availability of competitive electric power through the Bureau of Reclamation installation at Shasta and Keswick Dams. However, all of the protesting public agencies with the exception of Healdsburg and Ukiah were also in the area to be served by the so-called 'wheeling agreement' and were accordingly equally eligible to obtain competitive power. For this reason we contended that all protesting agencies excepting Healdsburg and Ukiah should receive treatment on an equal basis with Redding.

2. The cities of Healdsburg and Ukiah presently were paying contract rates for electric power which were approximately 15% above those paid by other agencies. Cost of service to the Company for these two customers did not appear reasonably to be any higher and we accordingly asked that the discrimination against these cities be removed in the future.

3. We contended that the proposed insertion of the fuel oil clause constituted an essential and fundamental change in our existing contracts, that it was in any case inequitable and that it should not be permitted by the Commission.

4. Each of us had signed contracts for periods of five years with the Company, under which specific rates for electricity were stipulated. These rates were a basic part of the contract and should not be modified except by mutual consent, even admitting the authority of the Commission to intervene on its own initiative.

"On February 7, 1952, the Company moved for an interim increase pending final judgment on the case. We opposed this motion, along with other protestants, and on April 8 the Commission denied it. In the light of the decision finally handed down by the Commission, I believe that our protest weighed heavily in the rejection of interim relief.

"A total of 36 days of hearings were held before the Commission between November 7, 1951, and July 25, 1952. Due to the complexities of the case, the Commission decision was not handed down until October 15, 1952.

"Under this decision, as you no doubt know, a general increase to other consumers of approximately 12% was granted. With respect to the four points raised by our group, these were the Commission rulings:

1. On our objection to special treatment for Redding: The Commission ruled that Redding in the future would be considered on an equal basis with other special contract resale customers.

2. On our objection to differential rates for Healdsburg and Ukiah: The Commission ruled that these cities would in the future be considered on an equal basis.

3. On our objection to the fuel oil clause: The Commission ruled that this clause would not be inserted.

4. On our contention that existing contracts should not be amended except by mutual consent: The Commission ruled that our present contracts would not be disturbed and that present rates would be continued.

"However, at the same time the Commission established a new filed tariff, Schedule "R", approximately 25% higher than our existing contract rates. This schedule will be the basis for future contracts. The decision reads, in part: 'It is the Commission's opinion that the present resale Schedules P-6 and P-31 (ours) would create unreasonable burdens upon other customers if continued in the future at present rate levels.... (We are) of the opinion that an opportunity should be afforded the parties to renegotiate these contracts, should (the parties) so determine.' In other words, the Commission considers our present rates too low, offers the opportunity for renegotiation between the Company and the customer, but does not compel it.

"I feel that our group has in this case won a very substantial victory. The decision establishes, at the very least, an extreme reluctance on the part of the Commission to interfere with a bilateral contract entered into for a term of

years in good faith. It eliminates the threat of the inequitable and random effect of the fuel oil clause. It removes basic inequities in the treatment of the various special contract resale customers. And, finally, it saves our rate-payers a very large sum of money. At present levels of consumption, the continuation of our contract rate would mean a saving of at least \$140,000 from November of this year through September, 1954. Our costs for legal representation and preparation of exhibits, pro-rated among the cooperating agencies on the basis of the number of electric meters in use, aggregated \$426.86. I believe that this had been money well spent.

Respectfully submitted,

H. D. WELLER  
City Manager"

CITY MANAGER  
COMMENDED

A motion expressing the appreciation of the City Council on behalf of the citizens of Lodi to City Manager Weller for his efforts in opposing the increase in the rates for electricity requested by the P. G. & E., and commending him for the notable success achieved by his efforts, was made by Councilman Rinn, Preszler second. The motion carried unanimously.

COUNTY CLERK  
THANKED

Councilman Rinn moved, Robinson second, that the City Clerk be directed to write a letter of appreciation to County Clerk R. E. Graham for the aid extended by him to the City Clerk in preparation of the fluoridation question for the consolidated election to be held November 4. The motion was passed with a unanimous vote.

RES. #1705  
ENDORSES  
COUNTY COURT  
HOUSE BONDS

On the motion of Councilman Robinson, Rinn second, Resolution 1705 endorsing the passage of the bond issues for the County Court House and Jail and proposing a joint city-county committee to study sites for the location of the Court House was adopted.

ORD. NO. 467  
ADOPTED

ORDINANCE NO. 467, "APPROVING THE ANNEXATION OF LOWE'S ADDITION TO THE CITY OF LODI AND DECLARING THAT THE SAME IS ANNEXED TO AND MADE PART OF THE CITY OF LODI", having been introduced after public hearing on October 1, 1952, was brought up for passage on motion of Councilman Richey, Rinn second, second reading omitted by unanimous consent, after reading by title, and then passed, adopted and ordered to print by the following vote:

AYES: Councilmen, Preszler, Richey, Rinn,  
Robinson and Haskell

NOES: Councilmen, None ABSENT: None  
Mayor Haskell then signed Ordinance No. 467 in approval thereof.

ORD. NO. 468  
ADOPTED

ORDINANCE NO. 468, "APPROVING THE ANNEXATION OF 45TH ADDITION, LOTS 41 THROUGH 46 OF THE GERARD TRACT, TO THE CITY OF LODI AND DECLARING THAT THE SAME IS ANNEXED TO AND MADE A PART OF THE CITY OF LODI", having been introduced after public hearing on October 1, 1952, was brought up for passage on motion of Councilman Preszler, Rinn second, second reading omitted by unanimous consent, after reading by title, and then passed, adopted and ordered to print by the following vote:

AYES: Councilmen, Preszler, Richey, Rinn,  
Robinson and Haskell

NOES: Councilmen, None ABSENT: None  
Mayor Haskell then signed Ordinance No. 468 in approval thereof.

ACCEPTANCE OF  
WATER WELL  
DISCUSSED

The Council then discussed the advisability of accepting the well in the Lowe's Addition offered by J. J. Mangusto. Councilman Robinson urged that the City either accept this well or request another more suitable site from the developer. City Manager Weller stated that the present well could not be used by the City in its present condition. Councilman Rinn stated that he felt that the City should get some sort of well site because such a site will be needed. On the suggestion of Mayor Haskell it was agreed that the City Manager be instructed to determine the needs of the City from the Superintendent of Utilities before further action is taken.

The meeting was adjourned at 10:55 o'clock p.m. on the motion of Councilman Rinn.

Attest:

*Haskell H. Glavin, Jr.*  
City Clerk