

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, FEBRUARY 7, 2001**

A. ROLL CALL

The Regular City Council meeting of February 7, 2001 was called to order by Mayor Pro Tempore Pennino at 7:00 p.m.

Present: Council Members – Hitchcock, Howard, Land, and Pennino

Absent: Council Members – Mayor Nakanishi

Also Present: City Manager Flynn, Deputy City Attorney Schwabauer, and City Clerk Blackston

NOTE: Mayor Nakanishi was absent from the meeting due to City business while attending the American Public Power Association (APPA) Legislative Rally in Washington D.C.

B. INVOCATION

The invocation was given by Reverend Wayne Kildall, Ebenezer Congregational Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Pro Tempore Pennino.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 (a) Mayor Pro Tempore Pennino presented the Community Improvement Award to Bruce and Pamela Castro, property owners of 405 E. Elm Street for their contribution to the improvement of Lodi.

D-2 (a) Mayor Pro Tempore Pennino presented a proclamation to Ken Owen, with Christian Community Concerns, and Dr. David Eckman, with Kesed Seminars, inviting all families of this community to attend a free, two-part seminar entitled, "Creating A Healthy Family". The seminar, which will be held at Hutchins Street Square from 5:00 – 8:00 p.m., will focus on areas regarding family relationships in the following two parts:

- March 4, 2001 – "Life Skills"
- April 1, 2001 – "Repacking The Family Luggage"

D-2 (b) Mayor Pro Tempore Pennino presented a proclamation to Patricia Sherman, President with Animal Friends Connection, proclaiming the month of February 2001 as "Prevent A Litter Month" and February 27, 2001 as "Spay Day USA" in the City of Lodi.

D-3 (a) Library Services Director Martinez introduced the newly appointed Literacy Project Coordinator, Stephanie Allen.

D-3 (b) Laura Heinitz, member of the Arts Commission, updated the City Council on the activities and accomplishments of the Lodi Arts Commission.

Council Member Hitchcock asked if the Lodi Arts Commission had reviewed the Art in Public Places policy.

City Manager Flynn replied that the policy has not yet been submitted to the commission.

D-3 (c) Mayor Pro Tempore Pennino presented the San Joaquin County Mayors Committee Employer of the Month Award to Management Analyst Janet Hamilton in recognition of the City promoting persons with disabilities and supporting disabled persons programs.

D-3 (d) Mayor Pro Tempore Pennino presented a Certificate of Recognition to Community Development Director Bartlam on behalf of Leonard Bull, who had retired as a member of the Site Plan and Architectural Review Committee (SPARC)

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Land, Howard second, approved the following items hereinafter set forth except those otherwise noted. The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino

Noes: Council Members – None

Absent: Council Members – Mayor Nakanishi

- E-1 Claims were approved in the amount of \$4,957,589.36.
- E-2 The minutes of December 20, 2000 (Regular Meeting), January 16, 2001 (Shirtsleeve Session), January 16, 2001 (Special Meeting), January 30, 2001 (Shirtsleeve Session), January 30, 2001 (Special Meeting) and January 31, 2001 (Special Meeting) were approved as written.
- E-3 Accepted the quarterly report of the City of Lodi pooled money investment account as required by SB564.
- E-4 Approved the plans and specifications for Well 26 Pump and Motor, 1020 Bridgetowne Drive (Katzakian Park) and authorized advertising for bids.
- E-5 Approved the specifications for 2001 Handicap Ramp Retrofit Project and authorized advertising for bids.
- E-6 Approve the specifications for forty post-top (globe) luminaires and authorized advertising for bids.
- E-7 Approved the specifications for four 100-25 watt base station/transmitters for the Fire Department and authorized advertising for bids.
- E-8 Adopted Resolution No. 2001-15 authorizing the City to purchase office supplies under terms of the contract between Sacramento County and its office supplies contractor, Corporate Express Office Products of Sacramento.
- E-9 “Adopt resolution awarding the contract for Eastside Lighting Project, Phase 3, to Clayborn Contracting Group (\$199,860); and appropriate \$220,000 for the project” was **removed from the Consent Calendar and discussed and acted upon under the Regular Calendar.**
- E-10 Adopted Resolution No. 2001-16 awarding the contract for North School Street Sycamore Tree Trimming to Berndt Tree Service, of Lodi, in the amount of \$8,888 and appropriated \$9,890 for the project.
- E-11 Adopted Resolution No. 2001-17 awarding the contract for 2001 Sidewalk Repair Program and Miscellaneous Concrete Work to Popuch Concrete Contracting, of Lodi, in the amount of \$183,580, and appropriated \$200,000 for the project.
- E-12 Adopted Resolution No. 2001-18 accepting the Beckman Road Canal/Pipeline improvements.
- E-13 Received information regarding the Lodi Lake Bicycle/Pedestrian Corridor Project – Phase 1 Contract Change Order.
- E-14 “Adopt resolution approving a rental agreement between the City of Lodi and Sherry Beltz and Emily Wolfe, dba Jazzercise Fitness Center, for use of 111 N. Stockton Street, Unit B, Lodi” was **removed from the Consent Calendar and discussed and acted upon under the Regular Calendar.**

- E-15 "Adopt resolution approving a rental agreement between the City of Lodi and Richard Mojica, dba Mojica's Batting Cages, for use of 125 E. Elm Street, Lodi, Unit D, Lodi" was **removed from the Consent Calendar and discussed and acted upon under the Regular Calendar.**
- E-16 Adopted Resolution No. 2001-19 authorizing the City Manager to execute a professional engineering services contract with Mark Thomas & Company, Inc., and appropriated \$319,540 for design work for the Lower Sacramento Road Widening Project, between Harney Lane and Kettleman Lane.
- E-17 Adopted Resolution No. 2001-20 authorizing the City Manager to execute a professional services agreement with Y&C Transportation Consultants, Inc. for the design of traffic signals and street lighting systems for (1) Harney Lane and Stockton Street, (2) Century Boulevard and Ham Lane, (3) Lodi Avenue and Mills Avenue, and (4) Signal Interconnect System on Lodi Avenue; and appropriate \$106,000 for the design work.
- E-18 Adopted Resolution No. 2001-21 authorizing the City Manager to execute a work order for design work for the Kettleman Lane Widening Project to Mark Thomas & Company, Inc. and appropriate \$152,650 for the design work.
- E-19 Adopted Resolution No. 2001-22 authorizing the City Manager to file the claim for 2000/01 Transportation Development Act (TDA) funds in the amount of \$1,782,114.
- E-20 Adopted Resolution No. 2001-23 authorizing the City Manager to sign a consulting service agreement for professional services with Navigant Consulting, Inc., up to a maximum of \$88,000.
- E-21 "Authorize the Treasurer and Deputy Treasurer to enter into agreements with the Farmers and Merchants Bank of Central California for the issuance of a City credit card for Fire Chief Michael E. Pretz" was **removed from the Consent Calendar and acted upon following the approval of the Consent Calendar.**
- E-22 "Introduction of ordinance amending Title 2 – Administration and Personnel, Chapter 2.04 by repealing and reenacting Section 2.04.010 'Regular Meetings – Day and Time,' and Section 2.04.100 'Order of Business – Assembly of Officers' of the Lodi Municipal Code Relating to City Council meetings; and adopt resolution establishing agenda order" was **removed from the Consent Calendar and discussed and acted upon under the Regular Calendar.**
- E-23 "Adopt resolution certifying the Environmental Assessment and the Negative Declaration for the Lodi Station Parking Structure" was **removed from the Consent Calendar and discussed and acted upon under the Regular Calendar.**

ACTION ON ITEM REMOVED FROM THE CONSENT CALENDAR

- E-21 "Authorize the Treasurer and Deputy Treasurer to enter into agreements with the Farmers and Merchants Bank of Central California for the issuance of a City credit card for Fire Chief Michael E. Pretz"

NOTE: This item was removed from the Consent Calendar in order for Council Member Land to abstain from discussion and voting on this matter.

The City Council, on motion of Council Member Hitchcock, Howard second, authorized the Treasurer and Deputy Treasurer to enter into agreements with Farmers and Merchants Bank of Central California for the issuance of a City credit card for Fire Chief Michael E. Pretz. The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard and Pennino
Noes: Council Members – None
Absent: Council Members – Mayor Nakanishi
Abstain: Council Members – Land

F. PUBLIC HEARINGS

- F-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Pro Tempore Pennino called for the Public Hearing to consider the Planning Commission's recommendation that the City Council adopt a General Plan Amendment to change from PR, Planned Residential to NCC, Neighborhood Community Commercial; and 2) a rezoning from AU-20, Agriculture Urban Reserve to CS, Commercial Shopping, for a 15.5 acre portion for the property located at 302 State Route Highway 12, APN No. 058-030-01 and to initiate annexation of the property into the City of Lodi.

It was announced that this item was being *pulled from the agenda* pursuant to the request of the proponent.

- F-2 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Pro Tempore Pennino called for the Public Hearing to consider the Planning Commission's recommendation that the City Council approve the rezoning of parcels 015-170-10 and 015-230-07 from San Joaquin County P-F, Public Facilities to PUB, Public for property located at 18500 N. Lilac Street, Woodbridge (Woodbridge Middle School) and to initiate annexation of the properties into the City of Lodi.

Community Development Director Bartlam reported that Lodi Unified School District (LUSD) has requested that Woodbridge Middle School be annexed into the City of Lodi for the purpose of gaining City services. In December, the Planning Commission conducted a public hearing for the rezoning of the property. A few years ago the school's wells were deemed to be unsuitable for consumption of water. Since that time they have been paying a 50% surcharge to receive City water outside the City limits. The school's septic system has failed and they have been receiving temporary sewer service from the Woodbridge Sanitation District. In addition to water and wastewater services, annexation to the City would also allow the school to take advantage of the Police Department's Resource Officer program. The Woodbridge Municipal Advisory Committee opposes the annexation. They feel that this action would signal encroachment into their community and they prefer to keep Woodbridge as an identifiable county territory. Mr. Bartlam commented that, historically, there has not been a desire on the part of the City to continue an annexation program into Woodbridge, nor did he foresee it in the future. The Planning Commission found that the annexation and the rezoning request were a logical expansion and recommend that the Council approve the rezoning and initiate the annexation.

In response to Council Member Hitchcock, Mr. Bartlam stated that there is no real financial gain for the City in regard to this annexation, as schools do not pay property tax. He noted that the majority of Woodbridge Middle School students are City of Lodi residents.

Hearing Opened to the Public

- a) Sidney Darcy, 595 Riverside Drive, Woodbridge, as a parent of a student at Woodbridge Middle School, spoke in support of the annexation. She stated that any action that aids in schools moving off Concept 6 and into a modified traditional calendar, should be encouraged. She expressed surprise that the Woodbridge Municipal Advisory Committee would oppose the annexation.
- b) Patty Radotic, 1025 Lakehome Drive, Lodi, announced that she taught at Woodbridge Middle School for 20 years. She spoke in support of the annexation, noting that the water and wastewater factors have become a safety issue for the 800 students. She recalled that LUSD approved additional expenditures to replace the school's Spanish tile roof, in an effort to retain the school's

uniqueness, and stated that residents should not fear the school losing its identity because of the annexation.

- c) Mamie Starr, LUSD Assistant Superintendent Facilities and Planning, 1305 E. Vine Street, Lodi, urged the Council to approve the annexation. She reported that 82.4% of the current enrollment at Woodbridge Middle School are students who live within the existing incorporated area of the City of Lodi.

In reply to Council Member Land, Ms. Starr stated that LUSD is aware that they will have to put in curb, gutter, and sidewalk if the annexation is approved and she assured him that these improvements have been budgeted.

In response to Council Member Hitchcock, Ms. Starr explained that there is no direct relationship between the annexation of the school and changing to a modified traditional calendar. Further, she stated that there are a number of challenges that would need to be overcome to make the calendar adjustment from Concept 6.

Council Member Land asked what effect the annexation would have on the Woodbridge Sanitary District.

- d) Dwight Langhoff, Fawn Drive, Woodbridge, stated that he is the newest member of the Woodbridge Sanitary District Board of Directors. He reported that they are under a mandate from the Regional Water Quality Control Board to expand their sewer treatment facility. The annexation of Woodbridge Middle School to the City of Lodi would not make a significant financial impact on the Woodbridge Sanitary District. The school contributes to their lack of capacity and it would be a benefit not to have the effluent from the school.

Public Portion of Hearing Closed

MOTION:

The City Council, on motion of Council Member Land, Hitchcock second, took the following actions:

- Introduced Ordinance No. 1698 entitled, "An Ordinance Of The Lodi City Council Amending The Official District Map Of The City Of Lodi And Thereby Rezoning Parcels Located At 18500 N. Lilac Street, Woodbridge (Woodbridge Middle School) (APN's #015-170-10 And 015-230-07) From San Joaquin County P-F, Public Facilities To PUB, Public"; and
- Adopted Resolution No. 2001-24 entitled, "A Resolution Of The Lodi City Council For Application To The San Joaquin County Local Agency Formation Commission In The Matter Of The Woodbridge Middle School Annexation/Reorganization, Including The Detachment Of Certain Territory Within The Area Proposed For Annexation To The City Of Lodi".

The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino

Noes: Council Members – None

Absent: Council Members – Mayor Nakanishi

- F-3 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Pro Tempore Pennino called for the Public Hearing to adopt resolution authorizing the issuance of tax-exempt Industrial Revenue Bonds (IRB) for Lustre-Cal Nameplate Corporation or an affiliate (not to exceed \$5 million).

Economic Development Coordinator Goehring, outlined the resulting benefits to the community in authorizing the issuance of tax-exempt Industrial Revenue Bonds (IRB) for Lustre-Cal Nameplate Corporation. Lustre-Cal's expansion will funnel up to \$5 million of new company capital investment and will create 77 new jobs within two years of completion, resulting in an increased annual payroll of \$2.5 million. It will provide significant additional and indirect employment and revenue benefits to the City in the form of additional property taxes, and to contractors and laborers who work on the construction project. Mr. Goehring stated that there are no legal or financial risks to the City in this action, as the City is merely serving as conduit through the public hearing process, which is required for IRB issuance.

Rob Braulik of the California Statewide Communities Development Authority reported that they will be issuing the bonds on behalf of Lustre-Cal. The bonds are sold publicly in the public capital markets. They are bought by institutional investors, such as mutual fund insurance companies and other sophisticated investors. The bonds are backed by an irrevocable direct pay letter of credit. In the event of a default the re-payment source is the direct pay letter of credit from Comerica Bank to the bondholders. Comerica Bank would secure their letter of credit through a property lien mortgage on the property and the building. The City of Lodi has no liability with these bonds for repayment, other security, or in any other way legally or financially.

In response to Council Member Land, Mr. Braulik explained that the California Statewide Communities Development Authority has to go to the State to get bond allocation. The allocation is anticipated to occur by March 28, 2001 and the bonds will be sold within 90 days of that date.

In reply to Council Member Hitchcock, Mr. Braulik reported that the following entities are eligible for tax-exempt financing: cities, counties, other public agencies, 501(C)(3) organizations, manufacturing and processing companies, solid waste and recycling companies.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

MOTION:

The City Council, on motion of Council Member Land, Hitchcock second, adopted Resolution No. 2001-25 entitled, "A Resolution Of The Lodi City Council Approving The Issuance Of Notes, Bonds Or Other Evidence Of Indebtedness By The California Statewide Communities Development Authority". The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino

Noes: Council Members – None

Absent: Council Members – Mayor Nakanishi

G. COMMUNICATIONS

G-1 On recommendation of the City's contract administrator, Insurance Consulting Associates, Inc. (ICA), and Human Resources staff, the City Council, on motion of Council Member Council Member Land, Howard second, rejected the following claims. The motion carried by the vote shown below:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino

Noes: Council Members – None

Absent: Council Members – Mayor Nakanishi

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- a) Lorraine Kildall, date of loss 6/14/00
- b) Charles Lemmon, date of loss 11/07/00
- c) Kathy Roupe, date of loss 9/25/00
- d) Sybil Alvarez, date of loss 11/08/00
- e) Ahmed Shoaib, date of loss 11/03/00
- f) Sandra McQuinn, date of loss 4/27/00
- g) Juan Duarte, date of loss 10/12/00

G-2 Alcoholic Beverage Control License Applications – None

G-3 The following report was presented to the City Council:

- a) Planning Commission reports of January 10, 2001 and January 24, 2001

G-4 The following postings/appointments were made:

- a) The City Council, on motion of Council Member Hitchcock, Land second, directed the City Clerk to post for the following vacancy. The motion carried by the vote shown below:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino

Noes: Council Members – None

Absent: Council Members – Mayor Nakanishi

Site Plan and Architectural Review Committee

Leonard Bull

Term to expire January 1, 2001

G-5 Miscellaneous – None

H. REGULAR CALENDAR

H-1 “Report to the City Council – Financial Audit for fiscal year 1999-2000”

Accounting Manager Ruby Paiste, introduced KPMG auditors Steve DeVetter, Partner, and Marvin Dozier, Senior Manager.

Mr. DeVetter reported that the financial audit went well. There were no findings or questioned costs related to the Federal funds portion of the audit. The economy did very well in fiscal year 2000, which resulted in an increase of \$1.1 million to the City's general fund balance, this was up from a \$.4 million dollar increase the previous year. The City's undesignated generated fund balance is up to 12% of the operating expenses, compared to 10% the prior year.

Mr. Dozier explained that the new reporting model is a change by the Governmental Accounting Standards Board that will drastically change the City's financial statements beginning in 2003. It will require government-wide reporting, as well as reporting of infrastructure, and accrual basis accounting for all funds. He recommended documenting procurement policies and procedures, to provide consistent guidance for staff throughout the City. The firm noted that a reconciliation has not been done between the City's internal Workers Compensation claims report and the third party administrator's report. He recommended the reconciliation as a good extra check between the two separate databases. Mr. Dozier also recommended that an independent review be done of the employee data changes on a real-time basis. This should be done by someone independent of the person inputting the changes. The Finance Department currently does not do a reconciliation before the payroll checks are issued. Mr. Dozier recommended that the review be done at the time the changes are input into the system.

In response to Council Member Hitchcock, Mr. DeVetter stated that he is not alarmed by the internal service fund deficit because it does not impact the City's cash flow. He explained that the City has cash set aside to liquidate payments as they come due and are constantly replenishing that reserve.

In reply to Council Member Howard, Mr. DeVetter explained that the new reporting model will collapse all the funds together. The internal service fund liability will be presented next to the vacation liability or other current obligations.

In response to Council Member Land, Mr. DeVetter concluded that the audit report is positive and the City is financially strong from a trend perspective and in comparison to the state of goals.

Mayor Pro Tempore Pennino suggested that staff consider paying off the obligations for IBM and West American Bank, as they have an interest rate of 7%. He thanked the Finance Department for doing an outstanding job.

NOTE: THIS ITEM WAS INFORMATIONAL ONLY

- H-2 "Approve artwork by Rowland H. Cheney to be commissioned and placed in the fountain at the Lodi Station on Sacramento Street and appropriate \$30,000 for the project"

Arts Coordinator Theresa Yvonne introduced members of the Arts Commission whom were present. She announced that local artist, Rowland Cheney, was selected for the final project at the train station fountain on Sacramento Street. His nine-foot tall bronze artwork of two cranes will be placed inside the fountain. Ms. Yvonne showed slide photo examples of Mr. Cheney's other artwork.

MOTION:

The City Council, on motion of Council Member Hitchcock, Howard second, approved the artwork by Rowland H. Cheney to be commissioned and placed in the fountain at the Lodi Station on Sacramento Street and appropriate \$30,000 for the project. The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino

Noes: Council Members – None

Absent: Council Members – Mayor Nakanishi

RECESS

At 8:40 p.m. Mayor Pro Tempore Pennino called for a recess and the City Council meeting reconvened at 8:50 p.m.

H. REGULAR CALENDAR (Continued)

- H-3 "Approve the joint powers agreement for the Northeastern San Joaquin County Groundwater Banking Authority, appoint a representative and two alternates to that Board, and provide policy direction regarding participation in successor entity to East San Joaquin Parties Water Authority for future surface water supplies"

Public Works Director Prima reported that the East Bay Municipal Utilities District (EBMUD) has come to an agreement with Sacramento County, City of Sacramento interests, and the Bureau of Reclamation for their entitlement to American River water. The contract has been in place since the 1970s and they have paid millions of dollars on it, but have not received any water due to environmental and other issues. The Joint Powers Agreement is one of the first major opportunities in years to bring in supplemental water to this county.

Council Member Land expressed support for the agreement and warned that Lodi is depleting their groundwater and may have to consider a treatment plant at some point in the future. He recommended that Mayor Nakanishi serve as a representative on the Northeastern San Joaquin County Groundwater Banking Authority Board, with Mr. Prima as an alternate.

In response to Council Member Howard, Mr. Prima reported that the Board will be looking at developing water supplies and will not be addressing the issue of conservation; however, the Public Works Department will be coming back to the Council for consideration of an Urban Water Management Plan within one or two months.

PUBLIC COMMENTS:

- a) Fred Weybret, 1520 Edgewood Drive, Lodi, President of the North San Joaquin Water Conservation District, urged the City to join in this endeavor. He stated that it is a planning authority and there is no financial or project commitment required. EBMUD plans to start this project at Freeport. Funds to support the project will come from Zone 2. It is hoped that local benefits will be achieved by taking wet year water for replenishment, either for groundwater injection or for surface injection. Mr. Weybret reported that Assemblyman Pescetti introduced AB93 on behalf of the North San Joaquin Water Conservation District, which if approved, would permit the District to go to the voters to ask for up to \$5 per acre, per parcel, per year to fund water replenishment activities in the north San Joaquin area.

MOTION:

The City Council, on motion of Council Member Land, Pennino second, approved the joint powers agreement for the Northeastern San Joaquin County Groundwater Banking Authority; appointed Mayor Nakanishi as the representative and Council Member Hitchcock and Public Works Director Prima as the alternates to that Board; and provided policy direction as recommended by staff regarding participation in successor entity to East San Joaquin Parties Water Authority for future surface water supplies. The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino
Noes: Council Members – None
Absent: Council Members – Mayor Nakanishi

- E-9 “Adopt resolution awarding the contract for Eastside Lighting Project, Phase 3, to Clayborn Contracting Group (\$199,860); and appropriate \$220,000 for the project”

In response to Council Member Hitchcock, Mr. Prima explained that one bid was deemed “non-responsive” because it did not include a receipt of the plan addendum. In addition, the contractor stated that they could not complete the project for the amount they bid.

MOTION / VOTE

The City Council, on motion of Council Member Hitchcock, Howard second, adopted Resolution No. 2001-26 awarding the contract for Eastside Lighting Project, Phase 3, to Clayborn Contracting Group, of Auburn, in the amount of \$199,855.00 and appropriated \$220,000 for the project. The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino
Noes: Council Members – None
Absent: Council Members – Mayor Nakanishi

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- E-14 “Adopt resolution approving a rental agreement between the City of Lodi and Sherry Beltz
E-15 and Emily Wolfe, dba Jazzercise Fitness Center, for use of 111 N. Stockton Street, Unit
B, Lodi” **and** “Adopt resolution approving a rental agreement between the City of Lodi
and Richard Mojica, dba Mojica’s Batting Cages, for use of 125 E. Elm Street, Lodi, Unit
D, Lodi”

NOTE: Agenda Items E-14 and E-15 were discussed and acted upon together.

Mayor Pro Tempore Pennino expressed concern that the City may be competing with the private industry for rental property. He stated that he did not believe that government should be subsidizing rentals to the public and asked that staff return to Council in two months with a fair market analysis of rental property downtown, and make a comparison to the these properties.

City Manager Flynn confirmed that this information will be brought back to Council for review.

Council Member Land pointed out that the downtown area is different than Stockton and Elm Street.

Council Member Howard asked that the owners of Mojica’s Batting Cages, who are on a month-to-month lease, be notified immediately of the pending fair market analysis.

In response to Council Member Hitchcock, Deputy City Attorney Schwabauer explained that when a landlord leases property, they sell their rights in that property for the term of the lease. In exchange, the tenant purchases the right to that property for a certain period of time. In the case of Jazzercise Fitness Center, for use of 111 N. Stockton Street, Unit B, it is a two year lease.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Pennino, Land second, adopted the following resolutions and directed staff to conduct a fair market analysis of the rental property at 125 E. Elm Street, Unit D, Lodi, and to report back to Council within two months:

- Resolution No. 2001-27 approving a rental agreement between the City of Lodi and Sherry Beltz and Emily Wolfe, dba Jazzercise Fitness Center, for use of 111 N. Stockton Street, Unit B, Lodi; and
- Resolution No. 2001-28 approving a rental agreement between the City of Lodi and Richard Mojica, dba Mojica’s Batting Cages, for use of 125 E. Elm Street, Lodi, Unit D, Lodi.

The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino

Noes: Council Members – None

Absent: Council Members – Mayor Nakanishi

- E-22 “Introduction of ordinance amending Title 2 – Administration and Personnel, Chapter 2.04 by repealing and reenacting Section 2.04.010 ‘Regular Meetings – Day and Time,’ and Section 2.04.100 ‘Order of Business – Assembly of Officers’ of the Lodi Municipal Code Relating to City Council meetings; and adopt resolution establishing agenda order”

At the request of Council Member Hitchcock, City Clerk Blackston reported that at the January 9, 2001 Shirtsleeve Session, the Council came to general consensus regarding certain changes to the order of business of City Council meetings. She identified the changes as follows:

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- Items C-1 to C-4 were added to allow for Closed Sessions to take place before regular Council meetings.
- Disclosure of Closed Session action will take place at the beginning of the 7:00 p.m. regular meetings.
- Addition of subtitle D-3 "Presentations".
- Item F "Comments by the Public on Non-Agenda Items" was moved to immediately follow the Consent Calendar.
- "Alcoholic Beverage Control License Applications" was deleted, as Council receives this information from Planning Commission reports.
- Addition of subtitle H-4 "Miscellaneous".
- Addition of Item L "Comments by the City Manager on Non-Agenda Items".

Ms. Blackston pointed out that the ordinance allows flexibility in the start time for Closed Sessions and ties them in to the language for regular meetings. It also allows for future changes in the order of business to be done by resolution.

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Land second, took the following actions:

- Introduced Ordinance No. 1699 entitled, "An Ordinance Of The City Council Of The City Of Lodi Amending Title 2 – Administration And Personnel, Chapter 2.04 By Repealing And Reenacting Section 2.04.010 'Regular Meetings – Day And Time,' And Section 2.04.100 'Order To Business – Assembly Of Officers' To The Lodi Municipal Code Relating To City Council Meetings"; and
- Adopted Resolution No. 2001-29 entitled, "A Resolution Of The Lodi City Council Setting Forth The Order Of Business For City Council Meetings".

The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino

Noes: Council Members – None

Absent: Council Members – Mayor Nakanishi

E-23 "Adopt resolution certifying ~~the Environmental Assessment and the Negative Declaration~~ for the Lodi Station Parking Structure"

In response to questions by Council Member Hitchcock, Community Development Director Bartlam reported that there are two separate environmental processes involved in the Lodi Station Parking Structure. Subsequent to preparing the California Environment Quality Act (CEQA) document the Federal Transit Administration ruled that an environmental assessment was needed. The Federal agency does not recognize the State agency requirements. The Environmental Assessment portion of this item has been removed, as it requires a notice of hearing. The Environmental Quality Act requires an initial study to place as the project is developing. The initial study was completed last summer as staff developed the final plans for the structure. Two issues were found that needed further study and review: 1) transportation and circulation; and 2) cultural resources (i.e. relationship of the structure to the Lodi Arch). The Lodi Arch is a listed resource on the National Register, consequently, anything built adjacent to it falls under tighter scrutiny by the State Historic Preservation Office (SHPO). On the State document, under consideration tonight, is a finding of no significant impact, which is based upon a prior environmental assessment that took place in 1997, and the fact that SHPO not provide a response to staff's request for comment. SHPO did, however, reply to the request for comment from the Federal Transit Administration. Staff believes that differences have been resolved by shifting the structure north on the property, further away from the Arch. Mr. Bartlam stated the CEQA document meets all the requirements

of the Environmental Quality Act and recommended that the Council certify the Negative Declaration.

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Howard second, adopted Resolution No. 2001-30 certifying the Negative Declaration for the Lodi Station Parking Structure and set a Public Hearing for February 21, 2001 to consider the Environmental Assessment for the Lodi Station Parking Structure. The motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Land and Pennino
Noes: Council Members – None
Absent: Council Members – Mayor Nakanishi

I. ORDINANCES

None.

J. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Mary Jane Halstead, 105 S. Crescent Avenue, Lodi, addressed the proposal to extend the no-parking area along Ham Lane from Vine Street to Lodi Avenue for the purpose of implementing a two-way, left-turn middle lane. Ms. Halstead spoke on behalf of 31 tenants at the La Espanã apartment complex at 350 S. Ham Lane. They object to the proposal because the street in front of their apartment is the only public parking area for non-residents. Ms. Halstead asked that the needs of these tenants be taken into consideration and that other alternatives be considered.

Mayor Pro Tempore Pennino reported that staff was given direction to explore this issue and look at all options. He asked staff to be sure to communicate with these tenants and notify them of their report and final recommendations.

Council Member Land stated that he had met with Ms. Halstead previously on this subject and commented that 90% of the residents at La Espanã apartments are elderly and have special needs (e.g. caretakers, delivery of meals-on-wheels, etc.).

- Judith Halstead also spoke in opposition to the Ham Lane no-parking proposal and stated that it would negatively effect many residents in addition to those at the La Espanã apartments. She reported that a number of employees at Vienna Convalescent Hospital expressed concern about losing parking places. Ms. Halstead suggested that closer monitoring of the speed on Ham Lane would resolve the traffic issues without the need for a two-way, left-turn lane and loss of parking places.

K. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Council Member Land reported that he received a phone call from a resident questioning the non-removal of the railroad tracks on east Lodi Avenue.

City Manager Flynn explained that this issue has been a major concern of the City for 10 – 15 years.

Public Works Director Prima reported that there has been a large number of communications and meetings with railroad officials regarding the track removal. He indicated that delays may be due to competitive issues between the different railroad companies.

- Council Member Hitchcock commented that the League of California Cities will be raising their dues to provide for an increase in services.

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Council Member Pennino clarified that the increase will not take place for another 1.5 years.

Council Member Hitchcock asked when the Development Impact Fee Study will be completed and noted that the current Impact Fee Study was done 10 years ago, based on 1987 prices.

Public Works Director Prima reported that he will be meeting with a consultant tomorrow and plans to have it ready for public review at the time the proposed public hearing is held in March.

Council Member Hitchcock asked that the Council receive a copy of the Development Impact Fee Study as soon as it is available.

L. CLOSED SESSION – None

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 10:07 p.m.

ATTEST:

Susan J. Blackston
City Clerk