

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MARCH 16, 2011**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of March 16, 2011, was called to order by Mayor Johnson at 5:30 p.m.

Present: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Absent: None

Also Present: City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

C-2 Announcement of Closed Session

a) Conference with Dean Gualco, Human Resources Manager (Labor Negotiator), Regarding Unrepresented Executive Management, Lodi City Mid-Management Association, Unrepresented Confidential Employees, AFSCME General Services and Maintenance & Operators, Police Mid-Managers, Lodi Police Officers Association, Lodi Police Dispatchers Association, International Brotherhood of Electrical Workers, Fire Mid-Managers, and Lodi Professional Firefighters Pursuant to Government Code §54957.6

b) Actual Litigation: Government Code §54956.9; Three Applications - Elizabeth Barney v. City of Lodi, ADJ7110885 - 7/09/09, Unassigned Cases - 11/06/09 and 09/10/10; One Application - William Broderick v. City of Lodi, ADJ7619600 - 01/23/10; One Application - Virginia Elder v. City of Lodi, ADJ895653 - 12/12/07; One Application - Bonnie Garcia v. City of Lodi, Unassigned Case - 03/21/08; One Application - Curtis Gokey v. City of Lodi, ADJ4360240 - 12/31/05; One Application - Gregory Hayden v. City of Lodi, STK214337 - 03/10/08; One Application - Kari Locaso v. City of Lodi, ADJ7194880 - 07/18/08; One Application - Shana Lopez v. City of Lodi, Unassigned Case - 07/27/04; One Application - Sherry Moroz v. City of Lodi, STK0201965 - 10/20/05; One Application - Alonzo Powell v. City of Lodi, STK0201699 - 11/22/02; Six Applications - Reba Ridino v. City of Lodi, STK0214846 - 09/01/94; STK0214844 - 08/24/98, STK0214843 - 12/20/05, STK0214853 - 03/26/06, Unassigned Case - 12/03/06, STK0214842 - 05/29/07; Seven Applications - Vicky Whetstone v. City of Lodi, STK0187121 - 06/01/00, STK0187122 - 06/18/02, STK0187125 - 03/13/03, STK0187124 - 11/20/03, STK0187123 - 12/03/03, Unassigned Case - 02/28/07, STK0210955 - 06/26/07

C-3 Adjourn to Closed Session

At 5:30 p.m., Mayor Johnson adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:50 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Mayor Johnson reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

Item C-2 (a) was discussion only, and Item C-2 (b) was not discussed.

A. Call to Order / Roll call

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Present: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Absent: None

Also Present: City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Presentations

B-1 Arbor Day Proclamation (PR)

Mayor Johnson presented a proclamation to Steve Dutra, Park Superintendent, and representatives from Tree Lodi proclaiming Saturday, April 2, 2011, as "Arbor Day" in the City of Lodi.

B-2 National Boys & Girls Club Week Proclamation

Mayor Johnson presented a proclamation to Richard Jones with the Lodi Boys and Girls Club proclaiming the week of March 20 - 26, 2011, as "National Boys and Girls Club Week" in the City of Lodi.

B-3 American Red Cross Month Proclamation

Mayor Johnson presented a proclamation to Liza Cruz, Regional Manager with the San Joaquin Capital Region Chapter of the American Red Cross, proclaiming the month of March 2011 as "American Red Cross Month" in the City of Lodi.

B-4 Greater Lodi Area Youth Commission Gift Presentation (COM)

Carson Kautz, member of the Greater Lodi Area Youth Commission, presented representatives from the Salvation Army and Lodi House each with a gift of \$750.

C. Consent Calendar (Reading; Comments by the Public; Council Action)

Mayor Pro Tempore Mounce made a motion, second by Mayor Johnson, to approve the following items hereinafter set forth, **except those otherwise noted**, in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Noes: None

Absent: None

C-1 Receive Register of Claims in the Amount of \$5,717,938.12 (FIN)

Claims were approved in the amount of \$5,717,938.12.

C-2 Approve Minutes (CLK)

The minutes of February 16, 2011 (Regular Meeting), March 1, 2011 (Shirtsleeve Session), March 2, 2011 (Regular Meeting), and March 8, 2011 (Shirtsleeve Session) were approved as

written.

C-3 Approve Specifications and Authorize Advertisement for Bids for Rental and Cleaning of Uniforms for Certain Field and Warehouse Employees (PW)

Approved the specifications and authorized advertisement for bids for rental and cleaning of uniforms for certain field and warehouse employees.

C-4 Adopt Resolution Authorizing the Purchase of Motorola Portable Radios Utilizing COPS and Justice Assistance Grant American Recovery and Reinvestment Act Grant Funding (\$82,054.49) (PD)

Adopted Resolution No. 2011-29 authorizing the purchase of Motorola portable radios utilizing COPS and Justice Assistance Grant American Recovery and Reinvestment Act Grant funding in the amount of \$82,054.49.

In regard to Council Member Hansen, Lieutenant Steve Carillo stated the deadline for the radio conversion is 2013 and staff will continue to apply for grants in order to get the mobile units converted by that deadline. He stated the portable units will allow communication with other agencies in the interim and fines will be administered to those agencies that are not compliant by 2013.

C-5 Adopt Resolution Authorizing the City Manager to Execute Agreement for Development Impact Mitigation Fee Program Update with Harris & Associates, of Tracy (\$451,190) (PW)

Adopted Resolution No. 2011-30 authorizing the City Manager to execute agreement for Development Impact Mitigation Fee Program update with Harris & Associates, of Tracy, in the amount of \$451,190.

C-6 Adopt Resolution Authorizing the City Manager to Execute Agreements with the Following Entities for the Water Meter Program Phase 1 Project, Approving Four Temporary Part-Time Field Services Intern Positions, and Appropriating Funds in the Amount of \$3,250,000 for the Total Project: a) Knife River, of Stockton, for Construction (\$1,872,285); b) RMC Water and Environment, of Walnut Creek, for Construction Administration Services (\$198,433); c) National Meter and Automation, Inc., of Santa Rosa, for Meter Assemblies and Field Documentation (\$811,065.93) (PW)

This item was pulled at the request of Council Member Nakanishi for the purpose of voting on the matter separately from the Consent Calendar.

Mayor Johnson made a motion, second by Council Member Hansen, to adopt Resolution No. 2011-34 authorizing the City Manager to execute agreements with the following entities for the Water Meter Program Phase 1 Project, approving four temporary part-time field services intern positions, and appropriating funds in the amount of \$3,250,000 for the total project: a) Knife River, of Stockton, for construction (\$1,872,285); b) RMC Water and Environment, of Walnut Creek, for construction administration services (\$198,433); and c) National Meter and Automation, Inc., of Santa Rosa, for meter assemblies and field documentation (\$811,065.93).

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Katzakian, and Mayor Johnson

Noes: Council Member Nakanishi, and Mayor Pro Tempore Mounce

Absent: None

- C-7 Adopt Resolution Approving Geothermal Agreements and Facilities Agreement Amendment to Finalize Turlock Irrigation District's Withdrawal from the Northern California Power Agency Joint Powers Agreement (EUD)

Adopted Resolution No. 2011-31 approving geothermal agreements and facilities agreement amendment to finalize Turlock Irrigation District's withdrawal from the Northern California Power Agency Joint Powers Agreement.

- C-8 Adopt Resolution Approving Payment of Wastewater Capacity Impact Mitigation Fees for Central Plume PCE/TCE Groundwater Clean-Up and Appropriating Funds (\$1,784,189) (PW)

Adopted Resolution No. 2011-32 approving payment of wastewater capacity Impact Mitigation Fees for Central Plume PCE/TCE groundwater clean-up and appropriating funds in the amount of \$1,784,189.

- C-9 Adopt Resolution Approving Water Treatment Facilities Staffing Plan (PW)

This item was pulled from the agenda and will be brought back to the City Council for consideration at a future meeting.

- C-10 Adopt Resolution Rescinding Resolution Nos. 3312 and 3344 and Adopting and Implementing Procedures for Administration of Employer-Employee Relations (CM)

This item was pulled from the agenda and will be brought back to the City Council for consideration at a future meeting.

- C-11 Adopt Resolution to Grant Designated Period for Two Years Additional Service Credit (CM)

Adopted Resolution No. 2011-33 to grant designated period for two years additional service credit.

- D. Comments by the Public on Non-Agenda Items
THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES. The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted. Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

None.

- E. Comments by the City Council Members on Non-Agenda Items

Council Member Nakanishi reported on the State's \$27 billion deficit and the resulting difficulties for local agencies.

Council Member Hansen reported on his attendance at the American Public Power Association conference in Washington DC and discussed hydro portfolios, mitigation, and ongoing efforts regarding Highway 12.

Mayor Pro Tempore Mounce reported on her attendance at the League of California Cities division meeting and the status of the Governor's proposal regarding redevelopment in light of Proposition 22 protections.

Mayor Johnson urged the citizens to attend the next Budget Strategy meeting and commended those who put on the successful employee's annual dinner event.

F. Comments by the City Manager on Non-Agenda Items

None.

G. Public Hearings

G-1 Public Hearing to Approve the Draft 2011/12 Action Plan for the Community Development Block Grant Program (CD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider approving the Draft 2011/12 Action Plan for the Community Development Block Grant (CDBG) Program.

City Manager Rad Bartlam provided a brief introduction regarding the 2011/12 CDBG Action Plan.

Neighborhood Services Manager Joseph Wood provided a PowerPoint presentation regarding the 2011/12 CDBG Action Plan. Specific topics of discussion included the annual allocation process, proposed federal budget including reductions, application process, factors to consider during review, funding availability, scoring matrix for community based organization (CBO) funding requests and availability, public service funding, draft action plan document, final document approval, and submission to the Department of Housing and Urban Development.

In response to Council Member Nakanishi, Mr. Wood stated the proposed current allocation for the Salvation Army is \$207,500 and it did not receive an allocation last year.

In response to Council Member Hansen, Mr. Wood stated the \$207,500 is short of the \$288,000 requested amount but the three units should still be finished during the current year. Lieutenant Dan Williams of the Salvation Army stated the total project will cost approximately \$480,000 for housing and classroom space, funding is coming from the County as well as donations, additional money will be used for ramping, and similar programs have been run successfully in different Salvation Army shelters.

Mayor Johnson opened the public hearing to receive public comment.

Sandra Gram, representing the DRAIL program, thanked the City Council for supporting community based organizations, such as DRAIL, through CDBG funding.

Mayor Johnson closed the public hearing after receiving no further public comments.

Mayor Pro Tempore Mounce made a motion, second by Council Member Hansen, to adopt Resolution No. 2011-35 approving the Draft 2011/12 Action Plan for the Community Development Block Grant Program.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor

Pro Tempore Mounce, and Mayor Johnson
Noes: None
Absent: None

G-2 Public Hearing to Consider Resolution Setting Residential Meter Installation Charges (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider resolution setting residential meter installation charges.

City Manager Rad Bartlam briefly introduced the subject matter of the setting of the residential meter installation charges.

Public Works Director Wally Sandelin provided a brief PowerPoint presentation regarding the setting of the residential meter installation charges. Specific topics of discussion included residential meter installation only, \$300 per meter assembly, advanced payment option, meter payment plan, property liens, and next steps.

In response to Mayor Pro Tempore Mounce, Mr. Schwabauer stated he is not sure if there is anything in the law that prevents a continuance of tenant billing and a true-up with the property owner, although it may be difficult because multi-use buildings are not separately plumbed.

In response to Council Member Katzakian, Mr. Sandelin stated under the current rate structure a four-plex that has one meter would have one base charge.

Mayor Johnson opened the public hearing to receive public comment.

Jim Locke spoke in support of billing tenants directly for multi-use buildings instead of property owners.

Joe Lopez spoke in opposition to the costs associated with water meter installations in light of the economy.

Wayne King spoke in regard to costs for meter installations in light of different sized pipes. Mr. Sandelin stated regardless of the complexity of the installation, the water meter installation cost remains at \$300.

Nancy Watts spoke in regard to tenant billing versus property owner billing for multi-use buildings. Mr. Sandelin stated larger complexes will be analyzed separately and billing options will be reviewed accordingly.

Paula Grudge spoke in regard to costs for non-profits and quasi-public buildings. Mr. Sandelin stated only water usage, and not land usage, is considered for all buildings.

Wes Olehauser spoke about his concerns regarding easements across various properties for water line and pipe access. Mr. Schwabauer stated a property owner can provide or deny right of way access although that may affect the ability to receive water. He stated each situation is different and would need to be analyzed separately.

Shelly Schmidt spoke in support of billing tenants directly versus property owners.

Darryl Oakman spoke in support of billing tenants directly versus property owners.

Alex Aliferis spoke in regard to having one meter on multiple parcels. Mr. Sandelin stated one

meter is provided for one parcel although a property owner can get an additional meter at an additional cost if he/she so desires.

Kevin Heshy spoke in support of receiving a charge in the same year as the meter is installed.

Mayor Johnson closed the public hearing after receiving no further public comment.

In response to Council Member Hansen, Mr. Sandelin stated currently the tenant pays the City directly for larger complexes based on a flat rate and staff will come back to the City Council in the future for payment options on larger complexes.

City Clerk Johl reported on the results of the Proposition 218 hearing to date, stating the written protests received were not sufficient to sustain the protest and official certified results will be available in the City Clerk's office tomorrow.

Council Member Hansen made a motion, second by Council Member Katzakian, to adopt Resolution No. 2011-36 setting residential meter installation charges.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Noes: None

Absent: None

G-3 Public Hearing to Consider Resolution Approving Contractual Consumer Price Index Based Annual Adjustment to Rates for Solid Waste Collection (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider resolution approving contractual Consumer Price Index based annual adjustment to rates for solid waste collection.

Public Works Director Wally Sandelin provided a brief PowerPoint presentation regarding the contractual Consumer Price Index (CPI) annual adjustment for solid waste collection. Specific topics of discussion included contract provisions, CPI rate adjustment factor, County gate fees, and example rate changes.

In response to Council Member Nakanishi, Mr. Sandelin stated the contractual increase is based on a formula equaling 80% of the CPI.

In response to Mayor Johnson, Mr. Sandelin stated the Bay Area CPI is the closest to be applied and the 80% is the leveling factor.

Mayor Johnson opened the public hearing to receive public comment.

Tom Sanchez, representing Waste Management, stated a Proposition 218 process was completed in 2009, Lodi recycles over 58%, and the proposed increase equates to 32 cents for most users.

Roy Bitz spoke in opposition to the proposed increase based on the economy and suggested Waste Management forego the increase for one year.

Alex Aliferis spoke in opposition to the proposed increase based on the economy.

Mayor Johnson closed the public hearing after receiving no further public comment.

Mayor Johnson made a motion, second by Council Member Katzakian, to adopt Resolution No. 2011-37 approving contractual Consumer Price Index based annual adjustment to rates for solid waste collection.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Noes: None

Absent: None

H. Communications - None

I. Regular Calendar

I-1 Adopt Resolution Rescinding Resolution Nos. 2005-83 and 2010-138 and Revising the Name and Purpose of the Lodi Budget/Finance Committee (CM)

Deputy City Manager Jordan Ayers provided a brief presentation regarding the proposed name change and purpose of the Lodi Budget/Finance Committee as outlined in the staff report.

In response to Council Member Hansen, Mr. Ayers stated the committee is charged with reviewing items of referral from the City Council.

In response to Mayor Johnson, Mr. Bartlam confirmed that, while the Budget and Finance Committee may have weighed in on the SWAP issue a few years ago, the City financial advisor worked with City staff on the resolution of the situation.

In response to Mayor Johnson, Mr. Ayers reviewed the chart illustrating that most communities in the County do not have a citizen Budget and Finance Committee, although some do have a subcommittee of the Council that serves as a Budget and Finance Committee.

Bob Takeuchi, serving as chair of the current Budget and Finance Committee, provided an overview of the committee's origination, work, and make-up over the last few years.

Samir Karufa spoke in support of continuing the Budget and Finance Committee.

Jay Patel spoke in support of continuing the Budget and Finance Committee.

In response to Council Member Hansen, Mr. Bartlam stated there would be no change to the purview of the committee, work topics would come from the City Council, the committee would not serve an audit or oversight function, and the five-member committee currently has three vacancies.

Discussion ensued amongst the City Council regarding the need for a permanent committee versus the creation of an ad hoc committee when needed for specific topics.

Mayor Johnson made a motion, second by Council Member Katzakian, to adopt Resolution No. 2011-38 disbanding the Lodi Budget/Finance Committee.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Katzakian, Mayor Pro Tempore Mounce, and Mayor Johnson

Noes: Council Member Hansen, and Council Member Nakanishi

Absent: None

I-2 Adopt Resolution Rescinding Resolution No. 2007-13 and Approving the Revised Electric Reserve Policy (EUD)

Electric Utility Director Elizabeth Kirkley provided a PowerPoint presentation regarding the revised electric reserve policy. Specific topics of discussion included background, initial target previously adopted by Council, current reserve policy, reserve status as of June 30, 2010, updating the initial target, Northern California Power Agency (NCPA) member survey, and the new reserve recommendation.

In response to Mayor Johnson, Ms. Kirkley stated the contingency amount of \$500,000 has not gone up or down so the recommendation is to keep that amount the same.

In response to Mayor Pro Tempore Mounce, Ms. Kirkley stated it took four years to get to the reserve policy goals from the last consideration.

In response to Mayor Johnson, Ms. Kirkley reviewed the current Electric Utility ratings by Standard and Poors and Fitch.

In response to Mayor Pro Tempore Mounce, Mr. Bartlam stated additional funds would be taken from NCPA and put into operating, a three-year review period is appropriate to reevaluate the goals, staff is not asking for a rate increase, the Energy Cost Adjustment (ECA) only adjusts market costs, there is no base line rate change, and the ECA is going down as a trend.

Discussion ensued between Mayor Johnson and Council Member Hansen regarding hydro portfolios and requirements for mitigation of environmental impacts of hydro dams on wildlife and erosion.

In response to Council Member Nakanishi, Ms. Kirkley stated approximately one-half of the agencies in NCPA are rated and the smaller agencies in the pool have a difficult time obtaining ratings.

Council Member Hansen made a motion, second by Council Member Katzakian, to adopt Resolution No. 2011-39 rescinding Resolution No. 2007-13 and approving the revised Electric Reserve Policy.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Noes: None

Absent: None

I-3 Adopt Resolution Authorizing Repayment of HOME Program Funds to San Joaquin County and Appropriating Funds (\$75,000) (CD)

Neighborhood Services Manager Joseph Wood provided a PowerPoint presentation regarding the repayment of the HOME program funds. Specific topics of discussion included the allocation process, acquisition of two properties, foreclosure process, options for City to assume loan or allow foreclosure, decision to allow foreclosure, opportunity to repay funds, and the proposed

\$75,000 reallocation.

In response to Mayor Pro Tempore Mounce, Mr. Wood stated the Roget project budget was always about \$555,000 and the reallocation will not affect the same.

In response to Mayor Pro Tempore Mounce, Mr. Wood stated he is in communication with the Hand-Up program administrators.

Mayor Pro Tempore Mounce made a motion, second by Mayor Johnson, to adopt Resolution No. 2011-40 authorizing repayment of HOME Program funds to San Joaquin County and appropriating funds in the amount of \$75,000.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Noes: None

Absent: None

J. Ordinances - None

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 10:13 p.m.

ATTEST:

Randi Johl
City Clerk