

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, DECEMBER 21, 2011**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of December 20, 2011, was called to order by Mayor Mounce at 5:30 p.m.

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

Absent: None

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

C-2 Announcement of Closed Session

- a) Conference with Stephen Schwabauer, City Attorney, and Dean Gualco, Human Resources Manager (Labor Negotiators), Regarding Unrepresented Executive Management, Lodi City Mid-Management Association, Unrepresented Confidential Employees, AFSCME General Services and Maintenance & Operators, International Brotherhood of Electrical Workers, Fire Mid-Managers, and Lodi Professional Firefighters Pursuant to Government Code §54957.6
- b) Conference with Stephen Schwabauer, City Attorney (Labor Negotiator), Regarding Police Mid-Managers, Lodi Police Officers Association, and Lodi Police Dispatchers Association Pursuant to Government Code §54957.6
- c) Conference with Legal Counsel - Anticipated Litigation - Significant Exposure to Litigation Pursuant to Subdivision (b) of Government Code §54956.9; Two Cases; Pursuant to Government Code §54956.9(b)(3)(A) Facts, Due to Not Being Known to Potential Plaintiffs, Shall Not Be Disclosed

C-3 Adjourn to Closed Session

At 5:30 p.m., Mayor Mounce adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:45 p.m.

C-4 Return to Open Session / Disclosure of Action

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

Items C-2 (a), C-2 (b), and C-2 (c) were discussion and direction only with no reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of December 20, 2011, was called to order by Mayor Mounce at 7:00 p.m.

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

Absent: Council Member Johnson

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

B. Presentations

B-1 Presentation of Certificate of Recognition to Lodi Lake Nature Area Docents - 25 Years On The Trail (PRCS)

Mayor Mounce presented a certificate of recognition to Park Superintendent Steve Dutra and Lodi Lake Nature Area Docents in recognition of 25 years of service.

B-2 Quarterly Update by the Greater Lodi Area Youth Commission (PRCS)

Carson Kautz and Allison Schatz, representatives of the Greater Lodi Area Youth Commission, gave Council an update on the activities and accomplishments of the Commission.

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

Council Member Katzakian made a motion, second by Council Member Hansen, 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, Mayor Pro Tempore Nakanishi, and Mayor Mounce

Noes: None

Absent: Council Member Johnson

C-1 Receive Register of Claims in the Amount of \$9,579,246.19 (FIN)

Claims were approved in the amount of \$9,579,246.19.

C-2 Approve Minutes (CLK)

The minutes of December 6, 2011 (Shirtsleeve Session), December 7, 2011 (Special Meeting), December 7, 2011 (Regular Meeting), and December 13, 2011 (Shirtsleeve Session) were approved as written.

C-3 Approve Plans and Specifications and Authorize Advertisement for Bids for Water Meter Program Phase 2 (PW)

Approved the plans and specifications and authorized advertisement for bids for Water Meter Program Phase 2.

C-4 Approve Plans and Specifications and Authorize Advertisement for Bids for Roget Park Improvements, 2229 Tienda Drive (PW)

Approved the plans and specifications and authorized advertisement for bids for Roget Park Improvements, 2229 Tienda Drive.

C-5 Approve and Authorize Advertisement for Bids to Sell Surplus Electric Supplies, Conduits, and Related Accessories (EUD)

This item was pulled for further discussion by Mayor Mounce.

In response to Mayor Mounce, Electric Utility Director Elizabeth Kirkley stated the surplus items were purchased in anticipation of additional development, which has not occurred. Ms. Kirkley stated it is better to sell the surplus items for some value to offset their continued deterioration.

Mayor Mounce made a motion, second by Council Member Hansen, to approve and authorize advertisement for bids to sell surplus electric supplies, conduits, and related accessories.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

C-6 Adopt Resolution Awarding Contract for the Development Code Update to Raney Planning and Management, Inc., of Sacramento, and Appropriating Funds (\$52,000) (CD)

Adopted Resolution No. 2011-188 awarding contract for the Development Code update to Raney Planning and Management, Inc., of Sacramento, and appropriating funds in the amount of \$52,000.

C-7 Adopt Resolution Authorizing the City Manager to Execute Contract for 2011 GrapeLine Bus Stop Improvements with A. M. Stephens Construction Company, Inc., of Lodi (\$53,059), and Appropriating Funds (\$25,000) (PW)

This item was pulled for further discussion by Mayor Mounce.

In response to Mayor Mounce, Public Works Director Wally Sandelin reviewed the specific bus stop improvement locations throughout the City, stating the average cost of a single bus stop is between \$11,000 to \$15,000. Mr. Sandelin stated the plans for the bus stop near Coco's Restaurant are complete and are being implemented.

Mayor Mounce made a motion, second by Council Member Katzakian, to adopt Resolution No. 2011-196 authorizing the City Manager to execute contract for 2011 GrapeLine Bus Stop Improvements with A. M. Stephens Construction Company, Inc., of Lodi, in the amount of \$53,059, and appropriating funds in the amount of \$25,000.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

C-8 Adopt Resolution Authorizing the City Manager to Execute Contract for Wastewater Main Rehabilitation Program, Project No. 5, with Michels Pipeline Construction, of Salem, Oregon (\$859,428.25) (PW)

Adopted Resolution No. 2011-189 authorizing the City Manager to execute contract for Wastewater Main Rehabilitation Program, Project No. 5, with Michels Pipeline Construction, of Salem, Oregon, in the amount of \$859,428.25.

C-9 Adopt Resolution Authorizing the City Manager to Execute Contract with Berndt Tree

Service, of Lodi, for Removal of 41 Modesto Ash Trees (\$22,000) and Appropriating Funds (\$15,000) (PW)

This item was pulled for further discussion by Mayor Mounce.

In response to Mayor Mounce, City Manager Bartlam and Public Works Director Wally Sandelin provided a brief overview of the history of the Modesto Ash trees including their overall health issues, stating the trees are located primarily in the central part of the City.

Mayor Mounce made a motion, second by Council Member Hansen, to adopt Resolution No. 2011-197 authorizing the City Manager to execute contract with Berndt Tree Service, of Lodi, for removal of 41 Modesto Ash trees in the amount of \$22,000 and appropriating funds in the amount of \$15,000.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

C-10 Accept Improvements Under Contract for Water Meter Program Phase 1 and Adopt Resolution Authorizing the City Manager to Execute Amendment No. 1 to Task Order No. 2 with RMC Water and Environment (\$61,855) (PW)

Accepted improvements under contract for Water Meter Program Phase 1 and adopted Resolution No. 2011-190 authorizing the City Manager to execute Amendment No. 1 to Task Order No. 2 with RMC Water and Environment in the amount of \$61,855.

C-11 Accept Improvements Under Contract for Elm Street Asphalt Concrete Overlay Project, Hutchins Street to Church Street (PW)

Accepted improvements under contract for Elm Street Asphalt Concrete Overlay Project, Hutchins Street to Church Street.

C-12 Adopt Resolution Approving Amended Joint Powers Agreement Forming the California Transit Systems Joint Powers Authority and Authorizing the City Manager to Execute Amended Agreement (PW)

Adopted Resolution No. 2011-191 approving amended Joint Powers Agreement forming the California Transit Systems Joint Powers Authority and authorizing the City Manager to execute amended agreement.

C-13 Adopt Resolution Authorizing the City Manager to Negotiate and Execute Cooperative Agreement with San Joaquin Council of Governments for GrapeLine Operating Services (Fiscal Year 2011/12 through 2013/14) (PW)

This item was pulled for further discussion by Mayor Pro Tempore Nakanishi.

In response to Mayor Pro Tempore Nakanishi, City Manager Bartlam and Public Works Director Wally Sandelin confirmed that there are no General Fund monies being expended on the project and all project funding is provided by transportation related dollars.

In response to Council Member Hansen, Mr. Sandelin stated the small buses will be arriving in

one year.

Mayor Pro Tempore Nakanishi made a motion, second by Council Member Hansen, to adopt Resolution No. 2011-198 authorizing the City Manager to negotiate and execute Cooperative Agreement with San Joaquin Council of Governments for GrapeLine operating services (Fiscal Year 2011/12 through 2013/14).

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

C-14 Adopt Resolutions Approving Revised Deferred Compensation Plan Documents for Nationwide Res. Retirement Solutions and The Hartford (CM)

Adopted Resolution No. 2011-192 approving revised Deferred Compensation Plan document for Nationwide Retirement Solutions and Resolution No. 2011-193 for The Hartford.

C-15 Adopt Resolution to Grant Designated Period for Two Years Additional Service Credit (CM)

Adopted Resolution No. 2011-194 to grant designated period for two years additional service credit.

C-16 Adopt Resolution Adopting a Program for Enforcement of the Renewable Portfolio Standards Program (EUD)

Adopted Resolution No. 2011-195 adopting a program for enforcement of the Renewable Portfolio Standards Program.

C-17 Authorize the Mayor, on Behalf of the City Council, to Send a Letter in Support of H.R. 1746, the "Community Access Preservation Act" (CM)

Authorized the Mayor, on behalf of the City Council, to send a letter in support of H.R. 1746, the "Community Access Preservation Act."

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.

John Slaughterback spoke in regard to his preference to staff the new water treatment plant with City employees and his concern about uncollected debt in the City.

Brad Doell, Ron Penix, Paul Blandford, and Sherry Moroz, representing various bargaining groups within the City, spoke in regard to retaining employee concessions versus making permanent changes to labor agreements. A letter regarding the same was presented for the

record.

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

None.

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

City Manager Bartlam wished Council Member Johnson a speedy recovery, thanked Interim Fire Chief Dan Haverty for his service to the City, and wished everyone Happy Holidays.

G. Public Hearings

G-1 Continued Public Hearing to Consider Adopting Resolution Approving Harney Lane Specific Plan and Certifying Negative Declaration as Adequate Environmental Documentation for the Harney Lane Specific Plan (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 Mounce called for the continued public hearing to consider adopting a resolution approving the Harney Lane Specific Plan and certifying the Negative Declaration as adequate environmental documentation for the Harney Lane Specific Plan.

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding the Harney Lane Specific Plan. Specific topics of discussion included the purpose of the plan, history of public meetings, agreement with the Costa family, and recommendation to adopt the plan.

In response to Council Member Hansen, Mr. Sandelin stated the arrows shown on the graph are existing access points that will not be removed.

In response to Council Member Katzakian, Mr. Sandelin stated the access on the north will remain after the grade separation is constructed.

Mayor Mounce opened the public hearing to receive public comment.

Greg Costa spoke in support of the proposed agreement and thanked staff for its efforts to reach an agreement on the matters of concern to him related to his business.

Steve Herum stated he would like to reiterate for the record his previously spoken concerns regarding the proposed specific plan and how it will affect the Tsusumi family property.

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

Council Member Hansen made a motion, second by Council Member Katzakian, to adopt Resolution No. 2011-199 approving Harney Lane Specific Plan and certifying Negative Declaration as adequate environmental documentation for the Harney Lane Specific Plan.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

G-2 Public Hearing to Consider Adopting Resolution Setting Pre-Approved Engineering News

Record Adjustment Index for Usage-Based and Flat Water Rates (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 Mounce called for the public hearing to consider adopting a resolution setting pre-approved Engineering News Record adjustment index for usage-based and flat water rates.

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding the pre-approved adjustment for usage-based and flat water rates. Specific topics of discussion included water rate settings, previously approved Proposition 218 process, and recommended metered and flat water rates.

In response to Mayor Pro Tempore Nakanishi, Mr. Sandelin stated the last increase was in July 2010, the rate increase is related to inflation and the Engineering News Record index, and the next available increase could be in a year based on the last Proposition 218 approval.

In response to Council Member Hansen, Mr. Sandelin stated with respect to improvements wastewater is in its fifth phase and water is in its second.

Council Member Hansen made a motion, second by Council Member Katzakian, to adopt Resolution No. 2011-200 setting pre-approved Engineering News Record Adjustment Index for usage-based and flat water rates.

VOTE:

The above motion carried by the following vote:

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

Noes: Mayor Mounce

Absent: Council Member Johnson

H. Communications

H-1 Monthly Protocol Account Report (CLK)

Mayor Mounce made a motion, second by Council Member Katzakian, to approve the monthly protocol account report.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

I. Regular Calendar

I-1 Adopt Resolution Supporting the Joint Resolution of Cities, County, and Other San Joaquin County Stakeholders Regarding Land Use, Water, and Other Delta Related Issues (CLK)

City Manager Bartlam provided a brief introduction to the subject matter of the joint resolution regarding Delta-related issues.

San Joaquin County Board of Supervisors Frank Ruhstaller and Ken Vogel, along with Stockton

City Attorney John Luebberke, provided an overview of Delta-related issues and the need for the coalition of stakeholders to adopt the proposed joint resolution as set forth in the staff report.

In response to Council Member Katzakian, Chairman Ruhstaller stated members are appointed by the Governor and Legislature for five-year terms to the Delta Stewardship Council, funded through the old CalFed legislation, and are not held directly accountable to the communities that they affect.

In response to Mayor Pro Tempore Nakanishi, Chairman Ruhstaller stated the adoption of the joint resolution will show strength and resolve as a unified County to address the Delta-related issues.

In response to Council Member Hansen, Chairman Ruhstaller stated the underlying issue really is about water needs and water rights between northern and southern California.

In response to Mayor Pro Tempore Nakanishi, Chairman Ruhstaller stated the concept to protect the Delta by building a diversion mechanism to protect certainty of flow is flawed because it is unclear what is necessary and what is surplus from the Delta.

In response to Mr. Bartlam, Chairman Ruhstaller confirmed that the Delta Plan will be voted upon sometime in January.

Council Member Hansen made a motion, second by Mayor Mounce, to adopt Resolution No. 2011-201 supporting the joint resolution of cities, county, and other San Joaquin County stakeholders regarding land use, water, and other Delta related issues.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

I-2 Review of City's Annual Financial Report (Fiscal Year 2010/11) by Macias, Gini & O'Connell, LLP (CM)

Deputy City Manager/Finance Director Jordan Ayers provided a PowerPoint presentation regarding the 2010/11 Comprehensive Annual Financial Report. Specific topics of discussion included the auditor's opinion, status of the City's financial position, single audit findings, and receipt of the management letter.

In response to Mayor Mounce, Mr. Ayers and City Manager Bartlam stated staff will bring back a deficit balance report for City Council review at a future meeting.

In response to Mayor Mounce, Scott Brunner, representing Macias, Gini, & O'Connell LLP, stated the City is doing a good job with respect to the audit.

In response to Mayor Pro Tempore Nakanishi, Mr. Ayers stated the \$2.9 million reference on page 96 is related to leave balances on the books, which is dependent upon time of hire.

J. Ordinances

J-1 Adopt Ordinance No. 1855 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by Adding Section 13.20.020, 'Energy

Theft Diversion/Field Services Fee Recovery Schedule" (CLK)

Mayor Mounce made a motion, second by Council Member Hansen, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1855 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by Adding Section 13.20.020, 'Energy Theft Diversion/Field Services Fee Recovery Schedule,'" which was introduced at a regular meeting of the Lodi City Council held November 16, 2011.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

- K. Reorganization of the Following Agency Meetings: 1) Lodi Public Improvement Corporation; 2) Industrial Development Authority; 3) Lodi Financing Corporation, 4) City of Lodi Redevelopment Agency; and 5) Lodi Public Financing Authority

Mayor Mounce made a motion, second by Council Member Hansen, adopt the following resolutions: Resolution No. LPIC2011-01 reorganizing the Lodi Public Improvement Corporation; Resolution No. IDA-34 reorganizing the Industrial Development Authority; Resolution No. LFC-21 reorganizing the Lodi Financing Corporation; RDA2011-01 reorganizing the City of Lodi Redevelopment Agency; and Resolution No. LPFA2011-01 reorganizing the Lodi Public Financing Authority.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Johnson

- L. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:56 p.m., in memory of Leland L. Mounce, who passed away on December 13, 2011.

ATTEST:

Randi Johl
City Clerk