

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, AUGUST 21, 2013**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of August 21, 2013, was called to order by Mayor Nakanishi at 6:30 p.m.

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

Absent: None

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

C-2 Announcement of Closed Session

- a) Conference with Stephen Schwabauer, City Attorney, and Jordan Ayers, Deputy City Manager (Labor Negotiators), Regarding Unrepresented Executive Management, Lodi City Mid-Management Association, Unrepresented Confidential Employees, AFSCME General Services and Maintenance & Operators, Fire Mid-Managers, and Lodi Professional Firefighters; Conference with Stephen Schwabauer, City Attorney, and Dean Gualco, Human Resources Manager (Labor Negotiators), Regarding International Brotherhood of Electrical Workers Pursuant to Government Code §54957.6

C-3 Adjourn to Closed Session

At 6:30 p.m., Mayor Nakanishi adjourned the meeting to a Closed Session to discuss the above matter. The Closed Session adjourned at 7:05 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:05 p.m., Mayor Nakanishi reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following action.

Item C-2 (a) was discussion and direction only with no reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of August 21, 2013, was called to order by Mayor Nakanishi at 7:05 p.m.

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

Absent: None

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

B. Presentations

- B-1 Presentation of Certificates of Appreciation to Parks, Recreation, and Cultural Services Department Fundraisers (PRCS)

Following introductory comments by Parks, Recreation, and Cultural Services Director Jeff Hood, Mayor Nakanishi presented certificates for the following PRCS fundraisers: Mark Armstrong, the

Boosters of Boys and Girls Sports, Bridgetowne Homeowners Association, Jack Fiori, the Hutchins Street Square Foundation, the Lodi Arts Foundation, and Pauline Meyer.

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

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

Noes: None

Absent: None

C-1 Receive Register of Claims in the Amount of \$6,556,715.29 (FIN)

Claims were approved in the amount of \$6,556,715.29.

C-2 Approve Minutes (CLK)

The minutes of August 6, 2013 (Shirtsleeve Session), August 7, 2013 (Regular Meeting), August 13, 2013 (Shirtsleeve Session), and August 13, 2013 (Special Meeting) were approved as written.

C-3 Approve Specifications and Authorize Advertisement for Bids to Procure Wood Poles (EUD)

Approved the specifications and authorized advertisement for bids to procure wood poles.

C-4 Approve Specifications and Authorize Advertisement for Bids to Procure 15kV Insulated Underground Cable (EUD)

Approved the specifications and authorized advertisement for bids to procure 15kV insulated underground cable.

C-5 Approve Specifications and Authorize Advertisement for Bids to Procure a Fiber Optic Trailer (EUD)

Approved the specifications and authorized advertisement for bids to procure a fiber optic trailer.

C-6 Approve Specifications and Authorize Advertisement for Bids for Replacement of Raywood Ash Trees, Phase II Project (PW)

Approved the specifications and authorized advertisement for bids for Replacement of Raywood Ash Trees, Phase II Project.

C-7 Approve Plans and Specifications and Authorize Advertisement for Bids for the Hutchins Street Square Pool Filtration System Upgrade Project (PW)

Approved the plans and specifications and authorized advertisement for bids for the Hutchins Street Square Pool Filtration System Upgrade Project.

C-8 Adopt Resolution Authorizing Purchase of Fuel Master Plus Fuel Management System

from PME Equipment Sales, of West Sacramento (\$25,993.56) (PW)

Adopted Resolution No. 2013-148 authorizing the purchase of Fuel Master Plus Fuel Management System from PME Equipment Sales, of West Sacramento, in the amount of \$25,993.56.

C-9 Adopt Resolution Authorizing Purchase of Three Traffic Signal Controllers/Cabinets from Econolite Group, Inc., of San Leandro (\$40,091.76) (PW)

Adopted Resolution No. 2013-149 authorizing the purchase of three traffic signal controllers/cabinets from Econolite Group, Inc., of San Leandro, in the amount of \$40,091.76.

C-10 Adopt Resolution Authorizing Purchase of Upgraded Email Server Hardware and Software from Dell and CDWG and Appropriating Funds (\$23,561.43) (CM)

Adopted Resolution No. 2013-150 authorizing the purchase of upgraded email server hardware and software from Dell and CDWG and appropriating funds in the amount of \$23,561.43.

C-11 Adopt Resolution Approving the Purchase of Underground Cable to Prysmian Cables and Systems USA, LLC, of Lexington, South Carolina (\$154,990.03) (EUD)

Adopted Resolution No. 2013-151 approving the purchase of underground cable to Prysmian Cables and Systems USA, LLC, of Lexington, South Carolina, in the amount of \$154,990.03.

C-12 Accept Improvements Under Contract for Fire Station No. 2 Site Improvement Project (PW)

Accepted the improvements under contract for Fire Station No. 2 Site Improvement Project.

C-13 Accept Improvements Under Contract for City Hall Annex Phase 1 Demolition and Abatement Project (PW)

Accepted the improvements under contract for City Hall Annex Phase 1 Demolition and Abatement Project.

C-14 Adopt Resolution Authorizing the City Manager to Execute Change Orders No. 2 Through 7 to Contract with Knife River Construction, of Stockton, for Water Meter Program Phase 3 (\$771,215) and Appropriating Funds (\$764,811) (PW)

This item was pulled for further discussion by Council Member Johnson.

In response to Council Member Johnson, Public Works Director Wally Sandelin stated Teichert was recently awarded another City project although the division was from Davis instead of Stockton. City Attorney Schwabauer explained the process by which a determination can be made to find a bidder non-responsive and stated contention by itself is not a sufficient basis for bid rejection.

In response to Council Member Johnson, Mr. Sandelin stated the road was in need of repair prior to the Lodi Energy Center being built and the project provided an opportunity to share the costs associated with the road improvements.

In response to Council Member Johnson, City Manager Bartlam stated an engineer's estimate ensures that there is enough money budgeted for the project and that the money is available at the appropriate times because the budgeting process may occur months before project

undertaking. Mr. Bartlam stated the estimate includes previous costs for labor and materials and similar bids in the region. He stated bids come in both high and low in comparison to the estimate.

In response to Mayor Nakanishi, Mr. Sandelin provided an overview of the process used to determine the engineer's estimate including evaluation of unit prices, past experience, public cost estimating resources, and contingency factors.

Council Member Johnson made a motion, second by Mayor Pro Tempore Katzakian, to adopt Resolution No. 2013-157 authorizing the City Manager to execute Change Orders No. 2 through 7 to contract with Knife River Construction, of Stockton, for Water Meter Program Phase 3 in the amount of \$771,215 and appropriating funds in the amount of \$764,811.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-15 Adopt Resolution Authorizing the City Manager to Execute Extension of Agreement with Cintas, of Stockton, for Rental and Cleaning of Uniforms for Certain Field and Warehouse Employees (\$78,000) (PW)

Adopted Resolution No. 2013-152 authorizing the City Manager to execute extension of agreement with Cintas, of Stockton, for rental and cleaning of uniforms for certain field and warehouse employees.

C-16 Adopt Resolution Authorizing the City Manager to Execute Amendment to Lease Agreement with T-Mobile West, LLC, for Ground Space Lease at 1331 South Ham Lane (PW)

Adopted Resolution No. 2013-153 authorizing the City Manager to execute amendment to lease agreement with T-Mobile West, LLC, for ground space lease at 1331 South Ham Lane.

C-17 Adopt Resolution Authorizing the City Manager to Execute Professional Services Agreement with Baumbach & Piazza, Inc, of Lodi, for Topographic Survey Work for Harney Lane Grade Separation Project and Appropriating Funds (\$24,000) (PW)

Adopted Resolution No. 2013-154 authorizing the City Manager to execute professional services agreement with Baumbach & Piazza, Inc, of Lodi, for topographic survey work for Harney Lane Grade Separation Project and appropriating funds in the amount of \$24,000.

C-18 Adopt Resolution Authorizing the City Manager to Execute Professional Services Agreement with American Insulation to Administer the Lodi Low-Income Residential Weatherization Pilot Program (\$200,000) (EUD)

Adopted Resolution No. 2013-155 authorizing the City Manager to execute professional services agreement with American Insulation to administer the Lodi Low-Income Residential Weatherization Pilot Program in the amount of \$200,000.

C-19 Adopt Resolution Repealing and Reenacting Resolution No. 2012-136 Establishing Fees and Fines for Police, Fire, and Parks, Recreation, and Cultural Services Departments in Its Entirety (CA)

Adopted Resolution No. 2013-156 repealing and reenacting Resolution No. 2012-136 establishing fees and fines for Police, Fire, and Parks, Recreation, and Cultural Services Departments in its entirety.

C-20 Set Public Hearing for September 4, 2013, to Consider and Approve the 2012/13 Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report and an Amendment of the 2013/14 Action Plan to Accommodate the Allocation of Previously Unallocated Funds Received in 2013/14 and the Reallocation of Unused CDBG Funds from Previous Years (CD)

Set public hearing for September 4, 2013, to consider and approve the 2012/13 Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report and an amendment of the 2013/14 Action Plan to accommodate the allocation of previously unallocated funds received in 2013/14 and the reallocation of unused CDBG funds from previous years.

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. Public comment may only be made on matters within the Lodi City Council's jurisdiction (Government Code Section 54954.3, Lodi City Council Protocol Manual Section 6.3I). The Council cannot take action or deliberate on items that are not on this agenda unless there is an emergency and the need to take action on that emergency arose after this agenda was posted (Government Code Section 54954.2(b)(2)). All other items may only be referred for review to staff or placement on a future Council agenda.

John Slaughterback spoke in regard to his concern about how new development will affect sewer capacity and the need to recover that cost through impact fees.

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

Council Member Mounce provided comments and suggestions regarding communication with the citizenry in regard to City construction projects, east side challenges, and utility box services.

Council Member Johnson spoke in regard to a recent Stockton Record article, which discussed neighborhoods directly communicating with one another to alleviate code enforcement violations resulting in cost savings to the City of Stockton. Mr. Johnson suggested staff review options for a similar program in Lodi.

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

None.

G. Public Hearings - None

H. Communications

H-1 Appointments to the Greater Lodi Area Youth Commission ~ Student Appointees (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, to make the following appointments:

Greater Lodi Area Youth Commission ~ Student Appointees

Chrissy Dodd, term to expire May 31, 2014
Hayden Johnson, term to expire May 31, 2014
Miranda O'Mahony, term to expire May 31, 2014
Daniel Anaforian, term to expire May 31, 2015
Josh Baumbach, term to expire May 31, 2015
Simaron Dhillon, term to expire May 31, 2015
Andrew Moton, term to expire May 31, 2015

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

H-2 Monthly Protocol Account Report (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, to accept the cumulative Monthly Protocol Account Report through July 31, 2013.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I. Regular Calendar

I-1 Select Operating Model for Financial Systems and Adopt Resolution Authorizing the City Manager to Execute Agreement with Tyler Technologies, Inc. for Replacement Financial Systems (CM)

Deputy City Manager/Finance Director Jordan Ayers provided a PowerPoint presentation regarding selecting a financial system replacement. Specific topics of discussion included the current status of the project, activities to date, operating model options including locally hosted versus vendor hosted, costs, and recommended action.

In response to Council Member Hansen, Mr. Ayers stated with the locally hosted option there is sufficient hardware capacity but software will need to be replaced.

In response to Council Member Hansen, Mr. Ayers and Information Systems Division Manager Steve Mann confirmed that the AS400 system dates back to 1998 and the current box is approximately five years old. Mr. Mann stated hardware typically has a four-year optimal life and Tyler Technologies (Tyler) would likely have a similar replacement schedule.

In response to Council Member Hansen, Mr. Ayers confirmed that ISD staff currently provides a help desk, the current system is functional based on narrow usage for day-to-day operations, and any contract would include vendor availability.

In response to Council Member Johnson, Mr. Ayers stated the proposed system is significantly different than the current operating system and would require additional staff education.

In response to Council Member Hansen, Mr. Ayers confirmed that ISD staff will receive training

under either the locally or vendor hosted model over the next two-year period during implementation.

In response to Council Member Mounce, Mr. Mann stated he is confident that the ISD staff could learn and maintain the new system into the future under a locally hosted option.

In response to Council Member Johnson, Mr. Ayers and Mr. Mann confirmed that the City does not have scheduled down time like Tyler because the City has a redundant system.

In response to Mayor Nakanishi, Mr. Ayers stated Tyler would be responsible for replacement costs of software and hardware under the vendor hosted option.

In response to Council Member Hansen, Mr. Ayers confirmed under the locally hosted option Tyler and the City would each be responsible for its own hardware replacement costs.

In response to Mayor Nakanishi, Mr. Ayers confirmed that the system would not be accessible without Internet connection under the vendor hosted model because the system would be web-based. Mr. Ayers stated the user could access the system from another location that had Wifi connectivity.

In response to Council Member Hansen, Mr. Ayers confirmed that under the vendor hosted model, Tyler would be unavailable for system upgrades and back-up every day from 2:00 a.m. to 3:00 a.m.

In response to Council Member Mounce, Mr. Ayers stated the estimated total cost for the locally hosted option is \$3.3 million with the current level of three full-time staff members for seven years and system costs including annual maintenance.

In response to Mayor Nakanishi, Mr. Ayers stated the maintenance cost is expected to increase by 5% annually thereafter.

A brief discussion ensued between Council Member Hansen and Mr. Ayers regarding personnel costs, software and licensing costs, and maintenance costs under both options and the approximate difference of \$300,000 between the locally hosted and vendor hosted model.

In response to Council Member Hansen, Mr. Ayers stated the licensing cost is approximately \$106,000, City business processes were identified through the proposal process, and the system will have options for enhanced usage capability although the City will only pay for options if and when they are used.

In response to Council Member Mounce, Mr. Ayers stated the information provided regarding the elimination of two employees in the future based on automation is based on feedback received from other agency references.

In response to Council Member Hansen, Mr. Ayers stated he does not have preference for locally hosted or vendor hosted but is in favor of replacing the current system as soon as possible.

In response to Council Member Hansen, Mr. Ayers confirmed that hardware costs are paid independently under the locally hosted option and jointly with other users under the vendor hosted option.

In response to Council Member Mounce, Mr. Ayers confirmed that patches and similar activities are provided under both options.

In response to Council Member Johnson, City Attorney Schwabauer stated the contract includes attainment goals for Tyler primarily driven by response times to the City's needs and complete system failure would not fall under those attainment goals.

In response to Ed Miller, Mr. Ayers stated the \$42,000 figure is for adding additional memory and the remainder is for replacing local servers and the overall costs for the project will be attributed to replacement of the City's entire financial system.

Kevin Bell spoke in favor of the locally hosted option based on current employee capability and availability. In response to Council Member Johnson, Mr. Bell stated the largest data piece that will need to be used in conjunction with the new financial system is the fixed network.

In response to Mayor Nakanishi, Mr. Mann provided the years of experience with the City of the current ISD staff.

Kyle Snowdon of Tyler Technologies provided a brief overview of the company and specifically discussed client retention rates, maintenance and licensing costs for the vendor hosted option, and annual maintenance costs for seven years under proposed terms.

In response to Mayor Nakanishi, Mr. Snowdon stated the annual maintenance cost is projected to increase about 5% over the seven-year period.

In response to Mayor Pro Tempore Katzakian, Mr. Snowdon stated the primary benefit to the vendor hosted option is that the City does not have to worry about hardware costs and the scheduled down time is specifically set for disaster recovery and back-up.

In response to Council Member Hansen, Mr. Snowdon stated the system is web-based through the Internet and the company has not experienced any hacking problems that he is aware of during his 12 years with the company to date.

Council Member Mounce made a motion, second by Mayor Nakanishi, to select locally-hosted as the operating model for financial systems and to adopt Resolution No. 2013-158 authorizing the City Manager to execute agreement with Tyler Technologies, Inc. for replacement financial systems.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I-2 Introduce an Uncodified Ordinance Amending Lodi Municipal Code Chapter 16.24 - Improvements - by Repealing Section 16.24.040, "Streets," in Its Entirety; and Further Amending Chapter 16.40 - Reimbursements for Construction - by Repealing Sections 16.40.010, "Findings and Purpose," and 16.40.020, "Improvements to Be Reimbursed," in Their Entirety (CA)

Council Member Hansen made a motion, second by Council Member Johnson, to introduce uncodified Ordinance No. 1882 amending Lodi Municipal Code Chapter 16.24 - Improvements - by repealing Section 16.24.040, "Streets," in its entirety; and further amending Chapter 16.40 - Reimbursements for Construction - by repealing Sections 16.40.010, "Findings and Purpose," and 16.40.020, "Improvements to Be Reimbursed," in their entirety.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

- I-3 Introduce Ordinance Amending Lodi Municipal Code Title 17 - Zoning - by Repealing and Reenacting Section 17.50.030 E-3, "Reimbursement for Excess Street Width," in Its Entirety; and Further Repealing and Reenacting Sections 17.62.010, "Findings and Purpose," and 17.62.020, "Improvements to be Reimbursed," in Their Entirety (CA)

Council Member Hansen made a motion, second by Council Member Johnson, to introduce Ordinance No. 1883 amending Lodi Municipal Code Title 17 - Zoning - by repealing and reenacting Section 17.50.030 E-3, "Reimbursement for Excess Street Width," in its entirety; and further repealing and reenacting Sections 17.62.010, "Findings and Purpose," and 17.62.020, "Improvements to be Reimbursed," in their entirety.

VOTE:

The above motion carried by the following vote:

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

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 9:20 p.m.

ATTEST:

Randi Johl-Olson
City Clerk