

**LODI CITY COUNCIL  
REGULAR CITY COUNCIL MEETING  
CARNEGIE FORUM, 305 WEST PINE STREET  
WEDNESDAY, DECEMBER 18, 2013**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of December 18, 2013, was called to order by Mayor Katzakian at 6:35 p.m.

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

Absent: Council Member Nakanishi

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 6:35 p.m., Mayor Katzakian adjourned the meeting to a Closed Session to discuss the above matter. The Closed Session adjourned at 6:55 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Mayor Katzakian 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 December 18, 2013, was called to order by Mayor Katzakian at 7:00 p.m.

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

Absent: Council Member Nakanishi

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

B. Presentations

- B-1 Presentation of Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting (CM)

Mayor Katzakian presented the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting to Ruby Paiste, Financial Services Manager,

and Wendy Corder-Dowhower, Supervising Accountant.

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

Miranda O'Mahony and Daniel Anaforian, members of the Greater Lodi Area Youth Commission, gave a presentation regarding the Commissions activities and accomplishments.

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

Council Member Mounce made a motion, second by Council Member Johnson, to approve the following items hereinafter set forth in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Nakanishi

C-1 Receive Register of Claims in the Amount of \$1,864,714.95 (FIN)

Claims were approved in the amount of \$1,864,714.95.

C-2 Approve Minutes (CLK)

The minutes of November 20, 2013 (Regular Meeting), November 26, 2013 (Shirtsleeve Session), December 3, 2013 (Shirtsleeve Session), December 3, 2013 (Special Meeting), December 4, 2013 (Regular Meeting), and December 10, 2013 (Shirtsleeve Session) were approved as written.

C-3 Approve Plans and Specifications and Authorize Advertisement for Bids for Water Meter Program Phase 4 (PW)

Approved the plans and specifications and authorized advertisement for bids for Water Meter Program Phase 4.

C-4 Approve Plans and Specifications and Authorize Advertisement for Bids for Water Meter Program - Non-Residential Phase (PW)

Approved the plans and specifications and authorized advertisement for bids for Water Meter Program - Non-Residential Phase.

C-5 Approve Plans and Specifications and Authorize Advertisement for Bids for Wastewater Main Rehabilitation Program (Project No. 6) (PW)

Approved the plans and specifications and authorized advertisement for bids for Wastewater Main Rehabilitation Program (Project No. 6).

C-6 Approve Specifications and Authorize Advertisement for Bids to Procure Padmount Transformers (EU)

Approved the specifications and authorized advertisement for bids to procure padmount transformers.

C-7 Approve Specifications and Authorize Advertisement for Bids for Directional Boring, Excavation, and Conduit Installation (EU)

Approved the specifications and authorized advertisement for bids for directional boring, excavation, and conduit installation.

C-8 Adopt Resolution Authorizing the Lodi Police Department to Accept a 1994 Ford Econoline E350 Diesel Van (PD)

Adopted Resolution No. 2013-214 authorizing the Lodi Police Department to accept a 1994 Ford Econoline E350 diesel van and authorizing the City Manager to execute a Transfer of Surplus Property and Hold Harmless Agreement.

C-9 Adopt Resolution Approving the Purchase of Transit Fare Collection Vault Equipment from Sole Source GFI GenFare, of Elk Grove Village, IL (\$41,083.41) (PW)

Adopted Resolution No. 2013-215 approving the purchase of transit fare collection vault equipment from sole source GFI GenFare, of Elk Grove Village, IL, in the amount of \$41,083.41.

C-10 Adopt Resolution Accepting Improvements Under Contract for Grape Bowl Phase 3 Improvements Project and Appropriating Funds (\$110,000) (PW)

Adopted Resolution No. 2013-216 accepting improvements under contract for Grape Bowl Phase 3 Improvements Project and appropriating funds in the amount of \$110,000.

C-11 Adopt Resolution Accepting Improvements Under Contract for Water Meter Program Phase 3 and Appropriating Funds (\$750,000) (PW)

Adopted Resolution No. 2013-217 accepting improvements under contract for Water Meter Program Phase 3 and appropriating funds in the amount of \$750,000.

C-12 Accept Improvements Under Contract for Kofu Park Parking Lot Improvements, 1145 South Ham Lane (PW)

Accepted the improvements under contract for Kofu Park Parking Lot Improvements, 1145 South Ham Lane.

C-13 Adopt Resolution Authorizing the City Manager to Execute Contract Amendment with Atlas Copco Compressors, LLC, to Include Repairs to Compressed Natural Gas Fueling Station (\$25,000) (PW)

Adopted Resolution No. 2013-218 authorizing the City Manager to execute contract amendment with Atlas Copco Compressors, LLC, to include repairs to compressed natural gas fueling station in the amount of \$25,000.

C-14 Adopt Resolution Authorizing the City Manager to Extend the Term of the Contract with Matt Foskett Consulting LLC for Electric Utility Rates and Resources Services (EU)

Adopted Resolution No. 2013-219 authorizing the City Manager to extend the term of the contract with Matt Foskett Consulting LLC for Electric Utility rates and resources services.

C-15 Adopt Resolution Authorizing the City Manager to Approve Contract with Comcast Enterprise Services for Internet Service Upgrade (\$25,200) (CM)

Adopted Resolution No. 2013-220 authorizing the City Manager to approve contract with Comcast Enterprise Services for internet service upgrade in the amount of \$25,200.

C-16 Adopt Resolution Approving Affordable Care Act's Look-Back Measurement Method Safe Harbor (CM)

Adopted Resolution No. 2013-221 approving Affordable Care Act's Look-Back Measurement Method Safe Harbor.

C-17 Adopt Resolution Approving Transit Policy for Personal Care Attendants on the GrapeLine Fixed Route Service (PW)

Adopted Resolution No. 2013-222 approving Transit Policy for Personal Care Attendants on the GrapeLine Fixed Route Service.

C-18 Adopt Resolution Authorizing Removal of School Crosswalk and All Associated Signage and Striping on Holly Drive West of Fairmont Avenue (PW)

Adopted Resolution No. 2013-223 authorizing removal of school crosswalk and all associated signage and striping on Holly Drive west of Fairmont Avenue.

C-19 Set Public Hearing for January 15, 2014, to Consider and Approve an Amendment of the 2013/14 Action Plan to Accommodate the Reallocation of Community Development Block Grant Funds (CD)

Set public hearing for January 15, 2014, to consider and approve an amendment of the 2013/14 Action Plan to accommodate the reallocation of Community Development Block Grant funds.

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.

None.

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

Council Member Mounce asked that staff follow up on specific locations of concern regarding sidewalk repairs and code enforcement issues.

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

None.

G. Public Hearings

G-1 Public Hearing to Consider Adopting Resolution Confirming the 2014 Annual Report and Levy of Assessments Within the Lodi Tourism Business Improvement District (CM)

NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Katzakian called for the public hearing to consider adopting resolution confirming the 2014 Annual Report and levy of assessments within the Lodi Tourism Business Improvement District.

Deputy City Manager Jordan Ayers provided a brief overview of the proposed resolution confirming the 2014 annual report and levy of assessments within the Lodi Tourism Business Improvement District as set forth in the Council Communication.

Mayor Katzakian opened the hearing to receive public comment. Receiving no comments, Mayor Katzakian closed the public hearing.

Council Member Mounce made a motion, second by Mayor Pro Tempore Hansen, to adopt Resolution No. 2013-224 confirming the 2014 Annual Report and levy of assessments within the Lodi Tourism Business Improvement District.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Nakanishi

G-2 Public Hearing to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Usage-Based and Flat Water Rates for Residential, Commercial, and Industrial Customers (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 Katzakian called for the public hearing to consider adopting resolution setting pre-approved Engineering News Record adjustment index for usage-based and flat water rates for residential, commercial, and industrial customers.

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding the pre-approved Engineering News Record adjustment index for water rates. Specific topics of discussion included the history and procedure of the previous approval for adjustments, five-year summary, current and recommended rates, and local and regional rate comparisons.

In response to Council Member Mounce, Mr. Sandelin stated this item is related to an existing five-year program of approved increases through which the City Council was provided information on how to keep the program operations level through 2014. Mr. Sandelin stated the new Proposition 218 process will be approved in 2014 for implementation in 2015 through 2018.

Mayor Katzakian opened the hearing to receive public comment. Receiving no comments, Mayor Katzakian closed the public hearing.

Council Member Johnson made a motion, second by Mayor Katzakian, to adopt Resolution No. 2013-225 setting pre-approved Engineering News Record adjustment index for usage-based and flat water rates for residential, commercial, and industrial customers.

VOTE:

The above motion carried by the following vote:

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

G-3 Public Hearing to Consider Adopting Resolutions Setting Future Water, Wastewater, and Solid Waste Rate Schedules Pursuant to Proposition 218 for Residential, Commercial, and Industrial Customers (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 Katzakian called for the public hearing to consider adopting resolutions setting future water, wastewater, and solid waste rate schedules pursuant to Proposition 218 for residential, commercial, and industrial customers.

City Attorney Schwabauer provided a brief overview of the need to extend the public hearing to ensure notice is provided to all residents, including the approximately 1,300 residents that may not have received notice due to a computer error.

Council Member Johnson expressed his preference to re-do the entire Proposition 218 process from the beginning, notwithstanding the costs associated with the same, to ensure proper notice is given to all residents.

The following residents provided a protest to the proposed water, wastewater, and solid waste rates pursuant to Proposition 218:

James Born - 526 Louie Avenue  
Alan Goldberg - 912 Everett Court  
Laurie and Edward Perez - 76 Westwood Drive  
Maria Rubino - 212 Maple Street  
Martha Garcia - 241 1/2 Flora Street  
Elba Reyes, 211 Watson  
Matthew Hinton - 230 Meadowlark Way

Doug Kuehne spoke in regard to his preference for a comparison with other cities.

City Attorney Schwabauer provided an overview of the process associated with in-lieu transfers from utilities to the General Fund for cost of services provided to specific enterprises. Public Works Director Wally Sandelin provided an overview of the various water meter sizes, costs, and installation of the same.

In response to Council Member Mounce, Mr. Schwabauer stated the Proposition 218 notices were not sent out in Spanish. Council Member Mounce expressed her preference for a re-do of the entire Proposition 218 process.

In response to Mayor Katzakian, Mr. Schwabauer stated Proposition 218 does allow notices to go out with utility billing. Mr. Ayers stated it would take approximately four weeks for the utility billing cycle to be completed and there are approximately 6,000 customers who do not receive a paper bill.

In response to Council Member Hansen, Mr. Ayers stated the 6,000 customers that do not receive a paper bill receive an electronic bill at their request and a process will need to be included for noticing those customers.

Council Member Mounce made a motion, second by Council Member Johnson, to (1) conduct the Proposition 218 process again from the beginning, (2) conduct the new process through the City's

existing utility billing system, (3) include in the final count any protests received to date under the current noticing, (4) provide bilingual notices in the new process, (5) ensure the new notices are in a readable font and include a marking indicating the importance of the notice, (6) include with the notice a copy of the letter written by the Public Works Director explaining the need for the increase, (7) provide bilingual translators at future public hearings for this topic, and (8) schedule a future City Council or Shirtsleeve Session to review what alternatives are available to the community if a rate increase is not implemented.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Nakanishi

H. Communications

H-1 Monthly Protocol Account Report (CLK)

Mayor Katzakian made a motion, second by Council Member Mounce, to accept the cumulative Monthly Protocol Account Report through November 30, 2013.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Nakanishi

I. Regular Calendar

I-1 Review of City's Annual Financial Report (Fiscal Year 2012/13) by Macias, Gini & O'Connell, LLP (CM)

Deputy City Manager Jordan Ayers provided a PowerPoint presentation regarding the 2012/13 Comprehensive Annual Financial Report. Specific topics of discussion included the auditor's opinion, status of the City's financial position including budget to actual variances in the General Fund, single audit results, and a review of the Management Letter including previous year findings.

Council Member Mounce requested a future meeting to review the utility late fee amount charged for non-payment in light of the \$415,000 increase reflected in the presentation.

In response to Council Member Hansen, Mr. Ayers stated police officer hiring is subject to a time limit based on the terms of the grant. Mr. Bartlam stated there is also an ability to hire issue associated with the funding, which includes current numbers in the department and the lengthy hiring process.

In response to Council Member Hansen, Police Chief Mark Helms stated there are currently three vacancies and two officers starting in January. A brief discussion ensued amongst Council Member Hansen and Chief Helms regarding the hiring and recruiting process for police officers.

In response to Council Member Johnson, Mr. Ayers stated he does monitor reserve establishment in the industry and is comfortable with the current amount.

In response to Council Member Mounce, Mr. Ayers stated with respect to offsite back-up at White Slough, the hardware is in place but the process has not yet been started and staff will review the same in connection with the Tyler implementation.

In response to Council Member Mounce, Auditor Scott Brunner stated the City staff works very well with the auditors to ensure documentation requested is provided and the City is financially more stable this year than the previous year. Mr. Brunner stated a future item of concern for the City Council is GASB 68, which is related to reporting unfunded pension liabilities. Mr. Brunner stated the reporting itself will reduce the net position for agencies in the future and overall the City's debt to asset ratio currently is on par with other agencies.

J. Ordinances - None

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

Mayor Katzakian made a motion, second by Council Member Mounce, to adopt the following resolutions: Resolution No. LPIC2013-01 reorganizing the Lodi Public Improvement Corporation; Resolution No. IDA-36 reorganizing the Industrial Development Authority; Resolution No. LFC-23 reorganizing the Lodi Financing Corporation; and Resolution LPFA2013-01 reorganizing the Lodi Public Financing Authority.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Nakanishi

L. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:25 p.m., in memory of long-time Public Works employee, John Croce, who passed away on November 27.

ATTEST:

Randi Johl-Olson  
City Clerk