



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

AGENDA – REGULAR MEETING

Date: January 5, 2011

Time: Closed Session 6:30 p.m.
Regular Meeting 7:00 p.m.

For information regarding this Agenda please contact:

Randi Johl, City Clerk
Telephone: (209) 333-6702

6:55 p.m. Invocation/Call to Civic Responsibility. Invocations may be offered by any of the various religious and non-religious organizations within and around the City of Lodi. Invocations are voluntary offerings of private citizens, to and for the benefit of the Council. The views or beliefs expressed by the Invocation Speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the beliefs or views of any speaker.

***NOTE:** All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.*

C-1 Call to Order / Roll Call

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

C-3 Adjourn to Closed Session

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action

A. Call to Order / Roll call

B. Presentations

- B-1 Presentation of Lodi Fire Department Commendation Certificate to Ernesto Ochoa (FD)

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

- C-1 Receive Register of Claims in the Amount of \$3,423,571.19 (FIN)

C-2 Approve Minutes (CLK)

- a) December 13, 2010 (Special Joint Meeting)
- b) December 14, 2010 (Shirtsleeve Session)
- c) December 15, 2010 (Regular Meeting)
- d) December 21, 2010 (Shirtsleeve Session)
- e) December 28, 2010 (Shirtsleeve Session)

- C-3 Approve Specifications and Authorize Advertisement for Bids for Two Replacement of Standby Generators at Northeast and Peterson Park Sanitary Lift Stations (PW)

- C-4 Approve Plans and Specifications and Authorize Advertisement for Bids for Water Meter Program Phase No. 1 (PW)

- Res. C-5 Adopt Resolution Approving the Purchase of Encoder Receiver Transmitter Equipped ITRON Solid-State Meters from General Pacific, of Portland, OR, and Appropriating Funds (\$47,000) (EUD)
- Res. C-6 Adopt Resolution Approving the Purchase of a Replacement Bucket Truck from Altec Industries, Inc., of Dixon, CA (\$91,892) (EUD)
- C-7 Accept Improvements Under Contracts for Grape Bowl All-Weather Surface Project (PW)
- Res. C-8 Adopt Resolution Authorizing the City Manager to Execute Purchase Order with Shape, Inc., of Stockton, for Purchase of Flygt Submersible Tailwater Pump (\$24,412) (PW)
- Res. C-9 Adopt Resolution Establishing the Cost Recovery Fee Schedule for the Annual Permits to Operate with Regard to Fire and Life Safety Inspection Services Established by City Ordinance No. 1808 (FD)
- C-10 Authorize the City Manager to Execute a Rental Agreement Between the City of Lodi and P & K Fitness for Use of 125 North Stockton Street (CM)

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.

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

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

G. Public Hearings – None

H. Communications

- H-1 Appointments to the Lodi Animal Advisory Commission, Recreation Commission, San Joaquin Council of Governments Citizens Advisory Commission, and Post for Remaining Vacancies on Various Boards and Commissions (CLK)
- H-2 Appointments of City Council Members to Fill Vacancies on Various Boards, Commissions, and Committees

I. Regular Calendar

- Res. I-1 Adopt Resolution Approving the Joint Use Agreement Between the Lodi Unified School District and the City of Lodi for Reciprocal Use of Facilities for the Term of July 1, 2010 Through June 30, 2020 (PR)
- Res. I-2 Adopt Resolution Approving Revised City of Lodi Energy Risk Management Policies and Further Appointing Council Member Phil Katzakian as a Member of the Risk Oversight Committee (CA)
- I-3 Designation of Two Council Members to Participate in the Selection Process for a New Police Chief (CM)

J. Ordinances – None

K. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl, City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Present Lodi Fire Department Commendation Certificate to Ernesto Ochoa (FD)

MEETING DATE: January 5, 2011

PREPARED BY: Division Chief Aimee Murry

RECOMMENDED ACTION: Presentation

BACKGROUND INFORMATION: Chief Donnelly will present a certificate of commendation and smoke detector to Ernesto Ochoa. Mr. Ochoa was awakened by the sound of a fire in his home at 845 South Cherokee Lane #38 at 3 a.m. on October 24, 2010. He woke his family and they were all able to exit the home safely.

FISCAL IMPACT: None

FUNDING AVAILABLE: None Required

Kevin D. Donnelly
Fire Chief

KDD/lh

APPROVED: _____
Konradt Bartlam, City Manager



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Register of Claims through December 9, 2010 in the Total Amount of \$3,423,571.19

MEETING DATE: January 5, 2011

PREPARED BY: Financial Services Manager

RECOMMENDED ACTION: Receive the attached Register of Claims for \$3,423,571.19.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$3,423,571.19 through 12/9/10. Also attached is Payroll in the amount of \$1,156,813.51.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: As per attached report.

Ruby R. Paiste, Financial Services Manager

RRP/rp

Attachments

APPROVED: _____
Konradt Bartlam, City Manager

Accounts Payable
Council Report

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Date - 12/15/10

As of Thursday	Fund	Name	Amount
12/09/10	00100	General Fund	1,392,017.21
	00120	Vehicle Replacement Fund	110.00
	00160	Electric Utility Fund	41,381.08
	00161	Utility Outlay Reserve Fund	22,404.42
	00164	Public Benefits Fund	38,852.67
	00166	Solar Surcharge Fund	34,276.88
	00170	Waste Water Utility Fund	84,169.02
	00171	Waste Wtr Util-Capital Outlay	48,227.40
	00172	Waste Water Capital Reserve	1,264.92
	00180	Water Utility Fund	50,964.18
	00181	Water Utility-Capital Outlay	275,794.44
	00182	IMF Water Facilities	79,574.92
	00210	Library Fund	9,817.26
	00211	Library Capital Account	45,664.45
	00234	Local Law Enforce Block Grant	181.62
	00235	LPD-Public Safety Prog AB 1913	8,021.29
	00260	Internal Service/Equip Maint	38,663.16
	00270	Employee Benefits	443,050.33
	00300	General Liabilities	6,929.80
	00310	Worker's Comp Insurance	53,054.70
	00321	Gas Tax	26,680.58
	00325	Measure K Funds	23,925.45
	00326	IMF Storm Facilities	112,096.07
	00329	TDA - Streets	580.00
	00331	Federal - Streets	4,156.51
	00337	Traffic Congestion Relf-AB2928	508.49
	00338	IMF-Regional Transportation	25,128.05
	00339	Prop.1B-Local Streets & Roads	25,200.00
	00340	Comm Dev Special Rev Fund	816.63
	00345	Community Center	21,739.53
	00346	Recreation Fund	7,873.93
	00447	First Time Homebuyers-FTHB	24,324.00
	00459	H U D	1,972.35
	00502	L&L Dist Z1-Almond Estates	899.08
	00503	L&L Dist Z2-Century Meadows I	567.84
	00506	L&L Dist Z5-Legacy I,II,Kirst	1,514.24
	00507	L&L Dist Z6-The Villas	1,277.64
	00509	L&L Dist Z8-Vintage Oaks	473.20
	01211	Capital Outlay/General Fund	19,021.71
	01217	IMF Parks & Rec Facilities	230,367.46
	01218	IMF General Facilities-Adm	8,450.14
	01250	Dial-a-Ride/Transportation	169,148.73
	01410	Expendable Trust	31,136.76

Sum			3,412,278.14
	00184	Water PCE-TCE-Settlements	702.40
	00190	Central Plume	10,590.65

Sum			11,293.05

Total Sum			3,423,571.19

Council Report for Payroll

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Date - 12/15/10

Payroll	Pay Per Date	Co	Name	Gross Pay
Regular	11/28/10	00100	General Fund	715,098.89
		00160	Electric Utility Fund	158,709.51
		00164	Public Benefits Fund	4,976.05
		00170	Waste Water Utility Fund	99,700.54
		00180	Water Utility Fund	326.72
		00210	Library Fund	28,624.83
		00235	LPD-Public Safety Prog AB 1913	2,077.11
		00260	Internal Service/Equip Maint	19,849.90
		00321	Gas Tax	38,664.55
		00340	Comm Dev Special Rev Fund	21,438.33
		00345	Community Center	23,801.32
		00346	Recreation Fund	37,066.50
		01250	Dial-a-Ride/Transportation	6,479.26
Pay Period Total:				
Sum				1,156,813.51



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Approve Minutes
a) December 13, 2010 (Special Joint Meeting)
b) December 14, 2010 (Shirtsleeve Session)
c) December 15, 2010 (Regular Meeting)
d) December 21, 2010 (Shirtsleeve Session)
e) December 28, 2010 (Shirtsleeve Session)

MEETING DATE: January 5, 2011

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) December 13, 2010 (Special Joint Meeting)
b) December 14, 2010 (Shirtsleeve Session)
c) December 15, 2010 (Regular Meeting)
d) December 21, 2010 (Shirtsleeve Session)
e) December 28, 2010 (Shirtsleeve Session)

BACKGROUND INFORMATION: Attached are copies of the subject minutes marked Exhibit A through E.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

Attachments

APPROVED: _____
Konradt Bartlam, City Manager

**LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
MONDAY, DECEMBER 13, 2010**

A. Roll call

The Special Joint City Council meeting with the Boards and Commissions listed below of December 13, 2010, was called to order at 6:00 p.m.

BOARDS AND COMMISSIONS: Community Separator/Greenbelt Task Force, Grape Bowl Ad Hoc Committee, Greater Lodi Area Youth Commission, Library Board of Trustees, Lodi Animal Advisory Commission, Lodi Arts Commission, Lodi Budget/Finance Committee, Lodi Improvement Committee, Lodi Senior Citizens Commission, Lodi Tourism Business Improvement District Advisory Board, Planning Commission, Recreation Commission, and Site Plan and Architectural Review Committee.

Present: Council Member Hansen, Council Member Nakanishi, and Mayor Johnson

Absent: Council Member Katzakian, and Mayor Pro Tempore Mounce

Also Present: City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Conduct AB 1234 Ethics Training for Members of the City Council and City Council-Appointed Boards and Commissions (CA)

City Attorney Schwabauer and Deputy City Attorney Magdich conducted ethics training as mandated by AB 1234, and codified in Government Code Sections 53234 and 53235, for the City Council and Boards and Commissions. Training materials used for the session were provided to participants and made part of the record. Topics covered included, but are not limited to, session objectives, ethics laws, personal financial gain issues, bribery, disqualification, conflicts of interests, penalties, contractual rules, travel, employment issues, gifts, public resources, expense reimbursement, transparency laws, open meetings, public records, financial disclosures, fundraising, fair process laws, best practices, and additional resources.

C. Adjournment

There being no further business, the meeting was adjourned at 8:00 p.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, DECEMBER 14, 2010**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, December 14, 2010, commencing at 7:00 a.m.

Present: Council Member Hansen, Council Member Nakanishi, and Mayor Johnson
Absent: Council Member Katzakian, and Mayor Pro Tempore Mounce
Also Present: City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Receive Presentation on Information Technology Policies (CM)

City Manager Bartlam provided a brief introduction to the subject matter of the proposed Information Technology (IT) policies.

Information Services Manager Steve Mann provided a PowerPoint presentation regarding the proposed IT policies. Specific topics of discussion included the policy package, reasons for new policies, response to auditor recommendations, accounting system development and maintenance, computer test environment, accounting and systems software, computer operations, unauthorized use of software, computer room, disaster preparedness and business continuity, service level agreements, web filtering, social networking, e-waste disposal, and implementation of the policies.

In response to Mayor Johnson, Mr. Mann stated administrative rights have been removed from all but two computers so that software such as Microsoft Office is not downloaded illegally without the proper licensing.

In response to Council Member Hansen, Mr. Mann stated the fail over system is an identical system to the primary system located in two different locations in the City.

In response to Mayor Johnson, Mr. Mann stated a hot fail over site is one located outside the City, relies on the Internet to host a duplicative system, and is generally expensive. Further, he stated pouring water on a computer system by way of sprinklers is not good and redundancy with a duplicative system is a better option.

In response to Myrna Wetzel, Mr. Mann stated with a fail over system when the main computer fails, information is passed over to the companion site at a different location and the user would not see the difference.

In response to Mayor Johnson, Mr. Mann stated the Police Department may need to store adult material on a computer as a part of an investigation and the City already uses Facebook for information dissemination based on departmental needs.

In response to Council Member Hansen, Deputy City Manager Jordan Ayers stated seven out of the ten auditor recommendations have been cleared and three remain.

In response to Mayor Johnson, Mr. Ayers stated the IT policies were run by the bargaining units because they could affect working conditions and feedback was desired.

In response to Mayor Johnson, Mr. Mann stated the biggest challenge facing IT is the replacement and cost of the IBM duplicative system, which several years ago was estimated to be approximately \$150,000. From a server computing standpoint the City is set for a few years with respect to cell phones and radios.

In response to Council Member Hansen, Mr. Ayers stated there are six people on IT staff and one in Finance that reports to him.

In response to Mayor Johnson, Mr. Ayers stated another big challenge is the replacement of the JDE software system, which will likely not be supported for too much longer by Oracle as it is approximately 15 years old. He further stated he is not sure what other jurisdictions are doing for software and the estimated replacement cost is \$1.5 million.

In response to Myrna Wetzel, Mr. Mann stated the older system does present some security challenges as well, although the vendor patches the system for protection.

In response to Mayor Johnson, Mr. Mann stated if IT were to lose a staff position, temporary help can be obtained although it may come at a premium.

In response to Council Member Hansen, Mr. Mann stated there is no permanent way to prevent malcontented employees from changing passwords on their way out, the City would need to go through the manufacturer to overcome the situation, but the City has taken as many precautions as possible against that type of a scenario. The primary reason for the lack of cross training opportunities is that staff is too busy performing the daily existing job.

In response to Myrna Wetzel, Mr. Mann stated the Wikileaks scenario is not too much of a concern for the City because most of the information is already public.

In response to Council Member Hansen, Mr. Ayers stated some personal information like social security numbers is on the automated system for billing and payroll although FACT Act policies are in place to address that.

In response to Council Member Hansen, Mr. Mann stated if there was a breach staff could review the log-in system and determine who accessed the system at a particular time.

In response to Myrna Wetzel, Mr. Mann stated a hacker cannot access the City's system through the Internet and the firewall.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:40 a.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, DECEMBER 15, 2010**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of December 15, 2010, was called to order by Mayor Johnson at 6:15 p.m.

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

Absent: Council Member Katzakian

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

C-2 Announcement of Closed Session

- a) Prospective Lease of City-Owned Real Property; Government Code §54956.8; Former Jazzercise Building Located at 111 North Stockton Street, Suite B, Lodi, California; Negotiating Parties are Rad Bartlam, City Manager, and Jack Kautz, Manager of P & K Fitness of Lodi
- b) Actual Litigation: Government Code §54956.9(a); One Case; June Goehring v. City of Lodi, et al., San Joaquin County Superior Court, Case No. 39-2009-00232543-CU-PO-STK

C-3 Adjourn to Closed Session

At 6:15 p.m., Mayor Johnson adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:40 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.

In regard to Item C-2 (b), settlement direction was given in the amount of \$90,000.

A. Call to Order / Roll call

The Regular City Council meeting of December 15, 2010, was called to order by Mayor Johnson at 7:00 p.m.

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

Absent: Council Member Katzakian

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

B. Presentations - None

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 Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Noes: None

Absent: Council Member Katzakian

C-1 Receive Register of Claims in the Amount of \$4,057,233.71 (FIN)

Claims were approved in the amount of \$4,057,233.71.

C-2 Approve Minutes (CLK)

The minutes of November 17, 2010 (Regular Meeting), November 23, 2010 (Shirtsleeve Session), November 23, 2010 (Special Meeting), November 30, 2010 (Shirtsleeve Session), December 1, 2010 (Special Meeting), December 1, 2010 (Regular Meeting), and December 7, 2010 (Shirtsleeve Session) were approved as written.

C-3 Adopt Resolution Approving Purchase of 2010 Ford F750 Crane Truck from Coastline Equipment, of Sacramento (\$100,000) (PW)

Adopted Resolution No. 2010-210 approving purchase of 2010 Ford F750 crane truck from Coastline Equipment, of Sacramento, in the amount of \$100,000.

C-4 Accept Improvements Under Contract for Carnegie Forum Re-Roof Project (PW)

Accepted the improvements under contract for Carnegie Forum Re-Roof Project.

C-5 Adopt Resolution Accepting Improvements Under Contract for Lodi GrapeLine Bus Stop Improvements - Various Locations and Appropriating Funds (\$12,052) (PW)

This item was pulled for further discussion by Mayor Johnson.

In response to Mayor Johnson, Mr. Sandelin stated the change orders were related to unforeseen circumstances at the Hutchins Street Square location with grades and construction lamps. Mayor Johnson requested additional information be sent to him about the change orders and the reasons for the same.

In response to Council Member Hansen, Mr. Sandelin stated the funding for the bus stop construction has been fully utilized and staff is applying for additional funds.

Council Member Hansen and Mayor Pro Tempore Mounce suggested a new bus stop location be included in front of Coco's on Kettleman Lane.

In response to Council Member Hansen, Mr. Sandelin stated the stop in front of Raley's could not be covered because there is not enough room for a covered structure.

Mayor Pro Tempore Mounce requested a list of all bus stop locations and a notation indicating whether they are covered or not.

Mayor Johnson made a motion, second by Mayor Pro Tempore Mounce, to adopt Resolution No. 2010-221 accepting improvements under contract for Lodi GrapeLine Bus Stop Improvements - Various Locations and appropriating funds in the amount of \$12,052.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Katzakian

C-6 Adopt Resolution Accepting Improvements Under Contract for 2010 Street Improvements Project and Appropriating Funds (\$100,000) (PW)

Adopted Resolution No. 2010-211 accepting improvements under contract for 2010 Street Improvements Project and appropriating funds in the amount of \$100,000.

C-7 Adopt Resolution Approving Improvement Deferral Agreement for 217 East Lockeford Street (PW)

This item was pulled from the agenda pursuant to the City Manager's request.

C-8 Adopt Resolution Authorizing the City Manager to Execute Professional Services Agreement with RMC Water and Environment, of Walnut Creek, to Prepare 2010 Urban Water Management Plan Update (\$65,400) and Appropriating Funds (\$12,000) (PW)

Adopted Resolution No. 2010-212 authorizing the City Manager to execute professional services agreement with RMC Water and Environment, of Walnut Creek, to prepare 2010 Urban Water Management Plan update in the amount of \$65,400 and appropriating funds in the amount of \$12,000.

C-9 Adopt Resolution Authorizing the City Manager to Execute Contract for Security Services at Lodi Transit Station and Parking Structure to U. S. Security Associates, Inc., of Stockton (Estimated Three-Year Cost: \$223,500) and to Negotiate and Execute Two One-Year Contract Extensions (PW)

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

In response to Council Member Hansen, Mr. Sandelin stated the security cameras should be fully installed within six months, there was some delay due to staffing shortages, staff is ready to go to bid on the installation, funding has been secured, and the new security company will need to monitor the cameras as a part of its contract.

Council Member Nakanishi requested a copy of the minimum requirements set forth in the bidding documents.

Council Member Hansen made a motion, second by Mayor Johnson, to adopt Resolution No. 2010-222 authorizing the City Manager to execute contract for security services at Lodi Transit Station and Parking Structure to U. S. Security Associates, Inc., of Stockton, for the estimated three-year cost of \$223,500, and to negotiate and execute two one-year contract extensions.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Katzakian

C-10 Adopt Resolution Authorizing the City Manager to Execute Contract for Removal of Approximately 500 Tons of Biosolids from the White Slough Water Pollution Control Facility with Synagro West, LLC, of Suisun City (\$304,450) (PW)

Adopted Resolution No. 2010-213 authorizing the City Manager to execute contract for removal of approximately 500 tons of biosolids from the White Slough Water Pollution Control Facility with Synagro West, LLC, of Suisun City, in the amount of \$304,450.

C-11 Adopt Resolution Certifying Mitigated Negative Declaration; Authorizing the City Manager to Execute Contract for Construction with Cushman Contracting, Inc., of Goleta (\$3,715,000), and Task Order No. 30 with West Yost Associates, of Davis (\$478,830), for White Slough Water Pollution Control Facility Biosolids Dewatering and Storage Facilities Project; and Appropriating Funds (\$4,950,000) (PW)

Adopted Resolution No. 2010-214 certifying Mitigated Negative Declaration; authorizing the City Manager to execute contract for construction with Cushman Contracting, Inc., of Goleta, in the amount of \$3,715,000, and Task Order No. 30 with West Yost Associates, of Davis, in the amount of \$478,830, for White Slough Water Pollution Control Facility Biosolids Dewatering and Storage Facilities Project; and appropriating funds in the amount of \$4,950,000.

C-12 Adopt Resolution of Vacation of Surplus Portion of Street Easement on Lodi Avenue Adjacent to Parcel Located at 230 South Cherokee Lane (Jimboy's Tacos Building) and Authorizing the City Manager to Execute Termination Agreement (PW)

Adopted Resolution No. 2010-215 of vacation of surplus portion of street easement on Lodi Avenue adjacent to parcel located at 230 South Cherokee Lane (Jimboy's Tacos building) and authorizing the City Manager to execute termination agreement.

C-13 Adopt Resolution Authorizing the City Manager to Enter into a Letter of Agreement Between the City of Lodi and CertainTeed Corporation for the Sale of Designated Municipal Electric Distribution Facilities (\$78,842.50) (EUD)

Adopted Resolution No. 2010-216 authorizing the City Manager to enter into a letter of agreement between the City of Lodi and CertainTeed Corporation for the sale of designated municipal electric distribution facilities in the amount of \$78,842.50.

C-14 Adopt Resolution Approving the Interim Agreement for the Northern California Power Agency Geothermal Project Numbers 2 and 3 Transfers of Renewable Energy Certificates (RECs) and Authorizing Execution by the City Manager and Administration by the Electric Utility Director with Authority to Sell RECs under the Direction of the Risk Oversight Committee (EUD)

Adopted Resolution No. 2010-217 approving the interim agreement for the Northern California Power Agency Geothermal Project Numbers 2 and 3 Transfers of Renewable Energy Certificates (RECs) and authorizing execution by the City Manager and administration by the Electric Utility Director with authority to sell RECs under the direction of the Risk Oversight Committee.

C-15 Adopt Resolution Approving Contract with Lodi Unified School District to Provide After School Staff Support for a New Bridge Program at Victor Elementary School During Fiscal

Year 2010/11 and Appropriating Funds (\$20,000) (PR)

Adopted Resolution No. 2010-218 approving contract with Lodi Unified School District to provide after school staff support for a new Bridge Program at Victor Elementary School during fiscal year 2010/11 and appropriating funds in the amount of \$20,000.

C-16 Authorize the City Manager to Execute a Three-Year Agreement with Environmental Systems Research Institute, Inc. for Geographic Information System Software (\$163,125) (CM)

Authorized the City Manager to execute a three-year agreement with Environmental Systems Research Institute, Inc. for Geographic Information System software in the amount of \$163,125.

C-17 Adopt Resolution Amending the City of Lodi Drug and Alcohol Testing Policy and Procedure in Accordance with the Federal Transit Administration Drug and Alcohol Program Requirements (CM)

Adopted Resolution No. 2010-219 amending the City of Lodi Drug and Alcohol Testing Policy and Procedure in accordance with the Federal Transit Administration Drug and Alcohol Program requirements.

C-18 Adopt Resolution Approving Information Technology Policies (CM)

Adopted Resolution No. 2010-220 approving Information Technology Policies.

C-19 Adopt Resolution Revising the Order of Business for City Council Meetings (CLK)

This item was pulled by Robin Rushing, a member of the public, for further discussion.

In response to Mr. Rushing, Mayor Johnson stated the item was brought forth at his consideration to allow for the Pledge of Allegiance to be conducted immediately after the Invocation/Call to Civic Responsibility while everyone is standing and does not affect the order of business in any other manner.

Mayor Johnson made a motion, second by Mayor Pro Tempore Mounce, to adopt Resolution No. 2010-223 revising the order of business for City Council meetings.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Katzakian

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.

Jim Shoemaker invited the City Council and the public to attend the first International Film Festival to be held at Hutchins Street Square on January 21, 2011, at 5:30 p.m. In response to Council Member Hansen, Mr. Shoemaker stated he is partnering with the Chamber of Commerce and Visit Lodi to bring forth the event to Lodi, tickets are \$20, and the goal is to showcase award-winning films in Lodi while tying in the wine and tourism piece.

Robert Raingruber spoke in support of various options to save Pig's Lake in a natural state instead of letting it flood through as suggested by the State of California.

Alan MacIsaac provided a brief overview of the 2010 Mokelumne River Challenge and invited the City Council and public to attend the 2011 Mokelumne River Challenge to be held on June 25, 2011.

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

Council Member Hansen reported on his attendance at the Northern California Power Agency and San Joaquin Council of Governments Commission meetings where specific topics of discussion included the new Lodi Energy Center, budget, participant withdrawal and interest, the I-5 widening project, and lending money to the State to ensure project completion.

Council Member Nakanishi reported on his attendance at a Town Hall meeting with Governor-elect Jerry Brown where specific topics of discussion included the anticipated \$28 billion budget gap, unemployment numbers, recession projection for five years, overall decline in State revenues, and \$54 billion in bonds authorized but not yet released.

Mayor Pro Tempore Mounce reported on her attendance at League of California Cities meetings where specific topics of discussion included the passage of Proposition 22 and the League's strategic goals for the upcoming year. She also commended the Downtown Lodi Business Partnership and Keith Vargem for their efforts with the Tree Lighting and the Loel Center for their holiday events.

The City Council wished the citizens and staff a Merry Christmas and a Happy New Year.

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

City Manager Bartlam reported that in anticipation of the pending storm, which is expected to drop 3 to 5 inches of rain, staff will be closing the basin parks and additional information regarding the same can be found on the webpage.

G. Public Hearings

G-1 Public Hearing to Adopt Resolution Confirming the 2011 Annual Report and Levy of Assessments within the Lodi Tourism Business Improvement District (CM)

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 confirming the 2011 Annual Report and levy of assessments within the Lodi Tourism Business Improvement District.

City Manager Bartlam provided a brief introduction to the subject matter of the annual report and assessment levy.

Deputy City Manager Jordan Ayers provided a brief overview of the previously received 2010 Annual Report from Visit Lodi regarding the Lodi Tourism Business Improvement District and the

process associated with conducting the public hearing and levying the assessment.

City Clerk Johl stated for the record that the City Clerk's office had not received any written or verbal protests to date.

Mayor Johnson opened the public hearing, and receiving no comments, closed the public hearing.

Mayor Pro Tempore Mounce made a motion, second by Council Member Hansen, to adopt Resolution No. 2010-224 confirming the 2011 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 Hansen, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Noes: None

Absent: Council Member Katzakian

H. Communications

H-1 Monthly Protocol Account Report (CLK)

Mayor Pro Tempore Mounce made a motion, second by Mayor Johnson, to approve the cumulative Monthly Protocol Account Report through November 30, 2010.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Katzakian

I. Regular Calendar

I-1 Review of City's Annual Financial Report (Fiscal Year 2009/10) by Macias, Gini & O'Connell, LLP (CM)

Deputy City Manager Jordan Ayers provided a PowerPoint presentation regarding the 2009/10 Comprehensive Annual Financial Report. Specific topics of discussion included the auditor's opinion, status of the financial position, highlights of financial records, unreserved fund balance, budget to actual variances, clean opinion, findings regarding reporting requirements, and the management letter regarding internal controls and prior year findings.

In response to Mayor Pro Tempore Mounce, Mr. Ayers stated the cardroom is still self-reporting and staff is reviewing that process and looking into obtaining the K1 document from the business as suggested.

In response to Council Member Nakanishi, Mr. Ayers stated staff is working on mid-year review and budget numbers and reviewing the State budget numbers as well for application.

In response to Council Member Hansen, Mr. Ayers stated the sales tax from the Lodi Energy Center will primarily hit in the 2010/11 year with a small amount hitting in 2011/12.

In response to Council Member Hansen, Mr. Bartlam stated the initial numbers for the Census could be released as early as December 21, population numbers drive availability of resources, and there is no threshold number other than that which is applicable for block grant purposes.

There was no action needed on this item other than to receive the report.

J. Ordinances - None

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 Pro Tempore Mounce made a motion, second by Council Member Nakanishi, to adopt the following resolutions: Resolution No. LPIC2010-02 reorganizing the Lodi Public Improvement Corporation; Resolution No. IDA-33 reorganizing the Industrial Development Authority; Resolution No. LFC-20 reorganizing the Lodi Financing Corporation; RDA2010-02 reorganizing the City of Lodi Redevelopment Agency; and Resolution No. LPFA2010-02 reorganizing the Lodi Public Financing Authority.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Katzakian

L. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:15 p.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, DECEMBER 21, 2010**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, December 21, 2010, commencing at 7:00 a.m.

Present: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, and Mayor Johnson

Absent: Mayor Pro Tempore Mounce

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

B. Topic(s)

B-1 Review and Discuss Options for Regulating Medical Marijuana in the City of Lodi (CA)

City Manager Bartlam briefly introduced the subject matter of regulating medical marijuana dispensaries.

Deputy City Attorney Magdich provided a PowerPoint presentation regarding the regulation of medical marijuana dispensaries in the City of Lodi. Specific topics of discussion included the Lodi Municipal Code, federal and state laws governing marijuana, the Federal Controlled Substance Act of 1970, Proposition 215, Senate Bill 420, Compassionate Use Act (CUP), limitations of CUP, purpose of SB 420, who is a qualified patient, who is a primary caregiver, federal and state court case application, California Attorney General's guidance on marijuana grown for medical use, what are marijuana dispensaries, dispensaries under California, considerations for operation of dispensaries, ban on dispensaries and legal basis for the same, Government Code Section 37100, allowing dispensaries based on zoning and permitting, survey results, and proposed time frame for action by the Council.

In response to Mayor Johnson, Ms. Magdich stated dispensaries do not fit into the caregiver category because a caregiver must be doing more than just providing the product.

In response to Council Member Hansen, City Attorney Schwabauer stated the U.S. Supreme Court did not strike down the California law because it does not conflict with federal law for preemption purposes as California does not legalize marijuana but rather decriminalizes marijuana for those that are qualified patients. Ms. Magdich stated there is some uncertainty that remains in the law and at some point the courts will need to weigh in and provide clarity.

In response to Mayor Johnson, Ms. Magdich stated a definition of the term collective is found on page 8 of the Attorney General's guidelines.

In response to Council Member Hansen, Ms. Magdich stated a dispensary cannot be opened under state and federal law because it is illegal under federal law but it can be opened under state law alone if it meets the requirements of caregiver and collaborative.

In response to Council Member Katzakian, Ms. Magdich stated being a qualified collectives, cooperative, or caregiver in an industrial zone is fine if they are dispensing to qualified patients. There are guidelines for collectives and cooperatives, and she stated cooperatives are more formally organized and have legal filing requirements and the Highway 99 facility was an example of a collective operation.

In response to Council Member Hansen, Mr. Schwabauer stated there are no prior restraint constitutional issues associated with medical marijuana as there are with free speech. Ms. Magdich stated there are approximately 11,000 identification cards issued statewide by counties and most people are showing recommendations from physicians to obtain the medical marijuana. She stated generally the recommendation is on a single sheet of paper indicating the patient name, reasons for the need, date, and signature of the physician.

In response to Mayor Johnson, Ms. Magdich stated the recommendation can be verbal but that will not help with possession in the event an individual is pulled over in a traffic stop. Further, she stated retail sale is outside of the cooperative and collective definitions.

In response to Council Member Hansen, Ms. Magdich stated Stockton passed a tax through a simple majority in anticipation of Proposition 26 passing. Mr. Schwabauer stated non-profit dispensaries, similar to other non-profit organizations, can make a profit in order to run the operation, pay salaries, and make improvements to facilities. He further stated cooperatives in Sacramento are taxed with a local sales tax through a public vote whereby the cooperative pays straight sales tax and in addition pays the local tax.

In response to Mayor Johnson, Interim Police Chief Benincasa stated historically when a dispensary has gone into a community the crime rates have gone up based on a totality of circumstance including the area and access.

In response to Council Member Hansen, Ms. Magdich stated some cities are silent and take the position that, because marijuana is illegal under federal law, there is nothing further they need to do. She stated she is not aware of any city that has addressed the issue of medical marijuana dispensaries through a ballot measure unless it is related to a sales tax measure.

In response to Myrna Wetzell, Robin Rushing stated recommendations have to be renewed every year.

Robin Rushing spoke in support of medical marijuana dispensaries in the City based on serving a regional need and economic benefits to the City.

Brian Wendell spoke in support of medical marijuana dispensaries in the City based on his experience with working at a dispensary in Sacramento, service to patients in the area, and economic benefits to the City.

The City Council provided general direction to ban dispensaries in the City.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:15 a.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, DECEMBER 28, 2010**

The December 28, 2010, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Specifications and Authorize Advertisement for Bids for Replacement of Standby Generators at Northeast and Peterson Park Sanitary Lift Stations

MEETING DATE: January 5, 2011

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve specifications and authorize advertisement for bids for replacement of standby generators at Northeast and Peterson Park sanitary lift stations.

BACKGROUND INFORMATION: The City's wastewater utility operates and maintains nine sanitary lift stations throughout the collection system. Lift stations pump domestic and industrial wastewater to a higher elevation so the wastewater can flow to the White Slough Water Pollution Control Facility for treatment.

Since the pumps operate on electricity, power interruptions would cause a backup of wastewater flow upstream of the lift station location. If power is not reinstated quickly, the potential for a significant sanitary sewer overflow (SSO) exists. Standby generators are used at each site to provide electrical power to the lift stations during electrical outages, thereby minimizing the potential for SSOs.

The standby generators located at the Northeast Lift Station and Peterson Park Lift Station (Exhibits A and B) are among the oldest standby generators in the wastewater system at 31 and 27 years of age, respectively. These generator sets are unreliable and more difficult to repair as some of the replacement parts are no longer available.

On February 19, 2003, the City Council approved Olympian (supplied by Caterpillar) as the standard standby electric generator system for sanitary sewer lift stations and water wells throughout the City. The specifications reflect that Council action. Replacement of these two standby generators is in accordance with the City's Sanitary Sewer Management Plan operation and maintenance requirement.

The specifications are on file in the Public Works Department. The planned bid opening date is January 19, 2011.

FISCAL IMPACT: Replacing the existing standby generators will reduce repair costs, decrease staff time spent on repairs and lessen the City's exposure to regulatory penalties resulting from SSOs.

FUNDING AVAILABLE: Budgeted FY 2010/11 Wastewater Capital Fund (171)
Project Estimate: \$75,000

F. Wally Sandelin
Public Works Director

FWS/CES/dsg
Attachments
cc: Lance Roberts, Water/Wastewater Superintendent

APPROVED: _____
Konradt Bartlam, City Manager

Northeast Liftstation
515 North Cluff Avenue



EXHIBIT A



Petersen Park Liftstation
201 Evergreen Drive

EXHIBIT B



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for Water Meter Program Phase 1

MEETING DATE: January 5, 2011

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve plans and specifications and authorize advertisement for bids for Water Meter Program Phase 1.

BACKGROUND INFORMATION: At the May 2, 2007 City Council meeting, the Water Meter Retrofit Policy was adopted. The primary objectives of the Water Meter Retrofit Policy were to accelerate the installation of residential water meters and shorten the time period during which customers would be paying for water on flat rate versus on usage base.

Approximately 2,900 meters and electronic radio transponders (ERTs) have been installed to date at residential parcels constructed since 1992. Usage-based water billing to these customers has begun this month. There are a total of 12,924 residential parcels remaining that require installation of a water meter.

At the October 20, 2010 City Council meeting, a seven-year construction phasing was approved and the property owner meter payment was capped at \$300 per parcel. The first of seven construction projects is ready for bid and includes the installation of 3,698 meters and the replacement of 4,220 feet of water main. The project area for Phase 1 is presented in Exhibit A. The estimated construction cost of \$2.9 million (excluding the cost of the water meters and ERTs) is in line with previous estimates. Construction is expected to begin in April and conclude in October 2011.

Plans and specifications for the project are on file in the Public Works Department. The planned bid opening date is February 10, 2011.

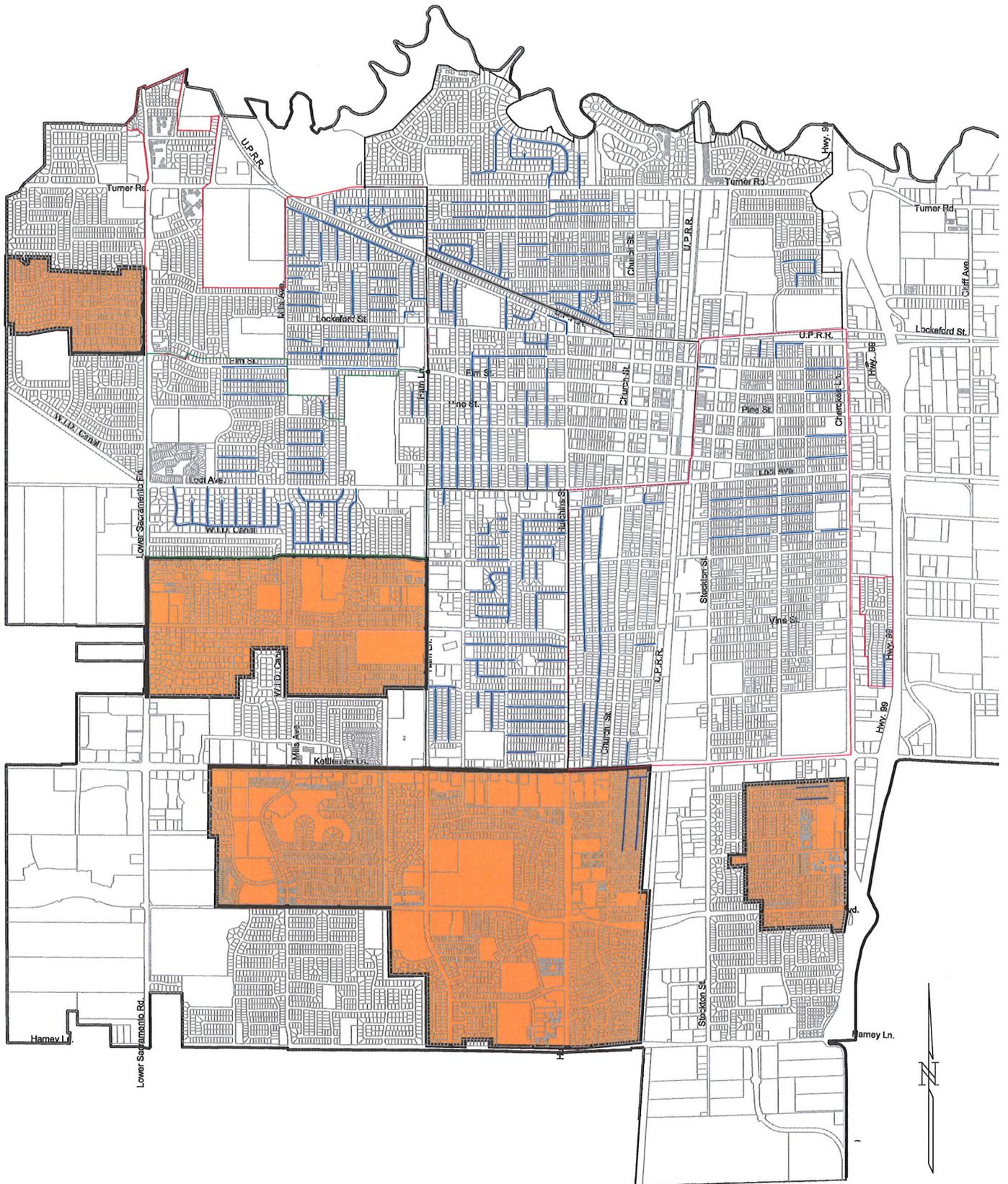
FISCAL IMPACT: Water main leak and service repairs will be reduced. No additional costs will be incurred for reading of the meters as they are automatically read concurrent with the reading of the electric meters.

FUNDING AVAILABLE: Funding for the procurement of water meters and ERTs is the Water Capital Fund (181).

F. Wally Sandelin
Public Works Director

FWS/pmf
Attachment
cc: Charles Swimley, Deputy Public Works Director
Tony Valdivia, RMC Water and Environment

APPROVED: _____
Konradt Bartlam, City Manager



LEGEND

- FUTURE WATER LINE: ————
- CITY LIMIT BOUNDARY: - - - - -

CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Approving the Purchase of Encoder Receiver Transmitter Equipped Itron Solid-State Meters from General Pacific of Portland, OR and Appropriate Funds (\$47,000)

MEETING DATE: January 5, 2011

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution approving the purchase of encoder receiver transmitter equipped Itron solid-state meters from General Pacific of Portland, OR and appropriate funds (\$47,000).

BACKGROUND INFORMATION: In Resolution No. 2005-64, dated April 6, 2005, the City Council approved the standardization of solid-state electric meters for residential and small commercial customers with Itron. General Pacific is the exclusive supplier of these meters.

The Electric Utility Department has completed installation of automated meter reading (AMR) Itron solid-state electric meters equipped with encoder receiver transmitters at approximately 22,000 residences since 2006, and have approximately 800 left to be installed. Approving these recommended actions will allow the utility to purchase and install the final 800 meters during Fiscal Year 2010/11. The City Council will need to appropriate funds for these meters.

FISCAL IMPACT: Procurement cost is \$47,000.

FUNDING: Increase appropriations in account 161000.1842. Funding source is fund balance in Fund 161.

Jordan Ayers
Deputy City Manager/Internal Services Director

Elizabeth A. Kirkley
Electric Utility Director

PREPARED BY: Kevin Bell, Utility Rate Analyst

EK/KB/lst

APPROVED: _____
Konradt Bartlam, City Manager

RESOLUTION NO. 2010 –

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE PURCHASE OF ENCODER
RECEIVER TRANSMITTER EQUIPPED ITRON SOLID-
STATE METERS FROM GENERAL PACIFIC OF
PORTLAND, OR

=====

WHEREAS, the City Council adopted Resolution No. 2005-64 on April 6, 2005, standardizing the use of solid-state meters for residential and small commercial customers with Itron; and

WHEREAS, the Electric Utility Department (EUD) has completed the installation of automated meter reading (AMR) Itron solid-state electric meters equipped with encoder receiver transmitters (ERT) at approximately 22,000 residences since 2006, and have approximately 800 left to be installed; and

WHEREAS, approving these recommended actions will allow the EUD to purchase and install the final 800 meters during Fiscal Year 2010/11.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the purchase of 800 Itron ERT-equipped solid-state meters from General Pacific of Portland, OR in an amount not to exceed \$47,000 and appropriate funds for the purchase.

Dated: January 5, 2011

=====

I hereby certify that Resolution No. 2011-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held January 5, 2011, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2011-____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving the Purchase of a Bucket Truck from Altec Industries Inc., of Dixon, CA (\$91,892) (Replacement)

MEETING DATE: January 5, 2011

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution approving the purchase of a bucket truck from Altec Industries, Inc., of Dixon, CA (\$91,892) (Replacement)

BACKGROUND INFORMATION: The new California Air Resource Board (CARB) standards require agencies with diesel vehicles to reduce NOx emissions by no later than 2011. The Electric Utility Department currently utilizes a 2000 Ford F550 diesel bucket truck (09-023) which is not in compliance with CARB standards. This vehicle is utilized daily by an Electric Troublemaker, the first responder to electrical trouble conditions and customer problems 24 hours a day.

The cost to retrofit the vehicle to comply with the new CARB standards is approximately \$20,000. This truck is near the end of its usable life per City Fleet Policy Guidelines. As of November 1, 2010 it had an odometer reading of 122,254. The EUD recommends that the truck be replaced rather than upgraded.

The purchase will be made under the California Multiple Award Schedule (CMAS). Per Lodi Municipal Code §3.20.045 and Fleet Policies and Procedures, the bidding process may be waived when it is advantageous for the City to use contracts that have been awarded by other California public agencies, provided that their award was in compliance with their formally-adopted bidding or negotiation procedures. Staff recommends purchase of the Altec Troublemaker Bucket Truck using CMAS Contract Number 4-02-23-0013A.

CMAS PRICE	TAX	SUB TOTAL	TRADE-IN	GRAND TOTAL
\$96,452	8,440	104,892	13,000	\$91,892.

FISCAL IMPACT: Procurement cost is estimated at \$91,892.

FUNDING: Included in FY2010/11 Vehicle Replacement Fund Account No. 1611201.7851

Jordan Ayers
Deputy City Manager/Internal Services Director

Elizabeth A. Kirkley
Electric Utility Director

PREPARED BY: Kevin Bell, Rate Analyst
EAK/KB/BF/lst

APPROVED: _____
Konradt Bartlam, City Manager

RESOLUTION NO. _____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE PURCHASE OF ONE (1) BUCKET
TRUCK FROM ALTEC INDUSTRIES, INC.

=====

WHEREAS, the new California Air Resource Board (CARB) standards require agencies with diesel vehicles to reduce NOx emissions by no later than 2011; and

WHEREAS, the Electric Utility Department (EUD) currently utilizes a diesel bucket truck which is not in compliance with CARB standards; and

WHEREAS, the cost to retrofit the vehicle to meet the new CARB standards is approximately \$20,000, and the vehicle is near the end of its usable life per City Fleet Policy Guidelines; and

WHEREAS, the EUD recommends that the vehicle be replaced rather than upgraded; and

WHEREAS, purchase of the bucket truck will be made under the California Multiple Award Schedule (CMAS). Per Lodi Municipal Code §3.20.045 and Fleet Policies and Procedures, the bidding process may be waived when it is advantageous for the City to use contracts that have been awarded by other California public agencies, provided that their award was in compliance with their formally-adopted bidding or negotiation procedures; and

WHEREAS, staff recommends that the City Council award the bid to Altec Industries, Inc., of Dixon, California in the amount of \$91,891.55 using CMAS Contract No. 4-02-23-0013A.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby awards the bid for the purchase of one (1) bucket truck for the Electric Utility Department to Altec Industries, Inc., of Dixon, California in the amount of \$91,891.55, utilizing CMAS Contract No. 4-02-23-0013A.

Dated: January 5, 2011

=====

I hereby certify that Resolution No. 2011-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held January 5, 2011, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2011-_____



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Accept Improvements Under Contracts for Grape Bowl All-Weather Surface Project

MEETING DATE: January 5, 2011

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Accept improvements under contracts for Grape Bowl all-weather surface project.

BACKGROUND INFORMATION: On April 7, 2010, the contract for the Grape Bowl All-Weather Surface Project was awarded to Western Engineering Contractors, Inc., of Loomis, in the amount of \$592,675, and the contract for the purchase and installation of the all-weather surface was awarded to Fieldturf USA, Inc., of Montreal, Quebec, in the amount of \$685,813. The contracts have been completed in substantial conformance with the plans and specifications approved by City Council.

The project consisted of an all-weather playing field, new steps and ramps from the field to the bleacher area, an 18-inch concrete curb, and a sidewalk path of travel along the north and south sides of the field and to the handicapped parking area. The installation of the all-weather playing field also included the construction of a storm drain retention system with a pump station and an irrigation system to cool the field.

The final contract price paid to Western Engineering Contractors was \$848,638.84. The difference between the contract amount and the final contract price was due to contract change orders which increased the scope of work. Contract Change Orders No. 1, 2 and 3 were presented to Council at its August 4, 2010 meeting and included the construction of walkways, steps and ramps compliant with the requirements of the Americans with Disabilities Act (ADA). The walkways, steps and ramps provide an ADA path of travel from the playing field to the seating areas. These three change orders also included the purchase of a field groomer, modifications to the irrigation and electrical work and additional subgrade work. The total cost of these contract change orders was \$243,902.28.

Contract Change Order No. 4 was presented to Council at its November 17 meeting and addressed changes made to the design of the steps and ramps, additional work performed to relocate the storm drain retention chambers, a premium to speed the delivery of the railings, and deducts to the contract to help offset these added costs. The total cost of Contract Change Order No. 4 was \$12,061.56.

The purchase and installation of the all-weather surface through Fieldturf USA was accomplished through the use of California Multiple Award Schedule (CMAS) Contract No. 4-06-78-0031A. The estimated cost for the all-weather surface was \$686,000 and the final purchase order total was \$685,813.

Following acceptance by the City Council, as required by law, the City Engineer will file a Notice of Completion with the County Recorder's office. The notice serves to notify vendors and subcontractors

APPROVED: _____
Konradt Bartlam, City Manager

that the project is complete and begins their 30-day period to file a stop notice requiring the City to withhold payments from the prime contractor in the event of a payment dispute.

FISCAL IMPACT: Staff estimates that the General Fund annual maintenance costs for the all-weather surface will be approximately \$30,000 less than a comparable grass field.

FUNDING AVAILABLE: Parks Impact Mitigation Fees (1217005)

F. Wally Sandelin
Public Works Director

Prepared by Wesley Fujitani, Senior Civil Engineer

FWS/WKF/pmf

cc: City Attorney
Interim Parks and Recreation Director



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Purchase Order with Shape, Inc., of Stockton, for Purchase of Flygt Submersible Tailwater Pump (\$24,412)

MEETING DATE: January 5, 2011

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute purchase order with Shape, Inc., of Stockton, for purchase of Flygt submersible tailwater pump in the amount of \$24,412.

BACKGROUND INFORMATION: The Water/Wastewater Division utilizes the current tailwater pump to return collected summer irrigation and winter storm water runoff from the fields surrounding the White Slough Water Pollution Control Facility to the storage ponds. This pump is over 15 years old and is used extensively throughout the year. It has undergone significant repairs on two occasions and has become unreliable. Failure of the tailwater pump during certain conditions would result in wastewater discharges in violation of our permit if the irrigation or storm runoff were allowed to leave the property. Once replaced, the current unit could be used for emergency backup.

Three quotes were received from vendors specializing in this type of equipment. Shape, Inc., submitted the lowest responsive bid. Staff recommends Council authorize the City Manager to execute a purchase order with Shape, Inc., for the purchase of a Flygt submersible tailwater pump in the amount of \$24,412.

FISCAL IMPACT: The newer, improved Flygt submersible tailwater pump enhances operational efficiency and reliability.

FUNDING AVAILABLE: 2010/11 Wastewater Capital Outlay (172030): \$24,412

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Del Kerlin, Wastewater Treatment Superintendent
FWS/CES/DK/dk
cc: Charles E. Swimley, Jr., Deputy Public Works Director—Utilities
Del Kerlin, Wastewater Treatment Superintendent

APPROVED: _____
Konradt Bartlam, City Manager

RESOLUTION NO. 2011-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING CITY MANAGER TO EXECUTE
PURCHASE ORDER FOR PURCHASE OF FLYGT
SUBMERSIBLE TAILWATER PUMP

=====

WHEREAS, the Water/Wastewater Division utilizes the current tailwater pump to return collected summer irrigation and winter storm water runoff from the fields surrounding the White Slough Water Pollution Control Facility to the storage ponds; and

WHEREAS, the current pump is over 15 years old, has undergone significant repairs on two occasions and has become unreliable. Failure of the tailwater pump during certain conditions could cause violations if the irrigation or storm runoff were allowed to leave the property; and

WHEREAS, three quotes were received from vendors specializing in this type of equipment, and Shape, Inc., submitted the lowest responsive bid; and

WHEREAS, staff recommends the City Manager be authorized to execute a purchase order with Shape, Inc., of Stockton, California, for the purchase of a Flygt submersible tailwater pump in the amount of \$24,412.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute a purchase order in the amount of \$24,412 with Shape, Inc., of Stockton, California, for the purchase of a Flygt submersible tailwater pump.

Dated: January 5, 2011

=====

I hereby certify that Resolution No. 2011-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held January 5, 2011, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a Resolution Establishing the Cost Recovery Fee Schedule for Annual Permits to Operate with Regards to Fire and Life Safety Inspection Services Established by City Ordinance 1808

MEETING DATE: January 5, 2011

PREPARED BY: Fire Chief Kevin Donnelly

RECOMMENDED ACTION: Adopt a resolution establishing the Cost Recovery Fee Schedule for annual permits to operate with regards to fire and life safety inspection services established by City Ordinance 1808.

BACKGROUND INFORMATION: This resolution provides for the recovery of costs associated with providing services in conjunction with issuing of Fire Operational Permits.

The City of Lodi Fire Department is responsible for enforcing applicable codes pertaining to fire and life safety and other regulations promulgated by the State Fire Marshal. As a result, the department incurs costs and expends resources conducting fire prevention services that are of a recurrent nature and the result of discretionary development. Operational Permits issued as outlined in the Fire Code are for business operations that are considered to be of a higher fire or health risk.

The City has an established policy to recover the cost of providing special services of a voluntary or limited nature, such that General Fund monies do not subsidize these activities. The Fire Department is authorized to adopt fees sufficient to pay the cost of providing these services to the general public pursuant to California Health and Safety Code and Lodi Municipal Code 15.20.040.

The fees and service charges set forth in the City of Lodi Fee Study and Master Fee Schedule provide a mechanism for ensuring fees adopted by the City do not exceed the reasonable estimated cost of providing the services. The Operational Permit Fee Schedule was developed utilizing these established hourly costs for initial plan review and inspection service provided at the time of permitting.

Fees will be collected initially when an applicant receives the authority to connect or has a project in the plan review and inspection process, as well as annually in conjunction with a fire and life safety inspection program. The proposed fees are set forth in the Operation Permit Fee Schedule (Exhibit A).

APPROVED: _____
Konradt Bartlam, City Manager

Adopt a Resolution Establishing
the Cost Recovery Fee Schedule
for Annual Permits to Operate
with Regards to Fire and Life
Safety Inspection Services
Established by City Ordinance 1808
January 5, 2011
Page 2

FISCAL IMPACT: It is anticipated that there would be a slight increase of approximately \$3,500 in the revenues collected during the first year and growing at approximately the same amount each year for several years.

FUNDING AVAILABLE: No additional funding required.

Kevin D. Donnelly
Fire Chief

KDD/lh

Attachments

cc: City Attorney

RESOLUTION NO. 2011-_____

A RESOLUTION OF THE CITY OF LODI ESTABLISHING
A FEE SCHEDULE FOR ANNUAL PERMITS TO
OPERATE WITH REGARD TO FIRE AND LIFE SAFETY
INSPECTIONS SERVICES PROVIDED BY THE CITY OF
LODI FIRE DEPARTMENT

=====

WHEREAS, the City of Lodi Fire Department is charged with the responsibility of enforcing applicable codes pertaining to fire and life safety and other regulations promulgated by the State Fire Marshal pursuant to California Health and Safety Code Section 13146 and California Fire Code Section 104; and

WHEREAS, the City of Lodi incurs costs and expends resources when fire prevention services are of a recurrent nature and the result of discretionary development; and

WHEREAS, the City desires to establish a policy to recover the cost of providing special services of a voluntary or limited nature, such that general fund monies are not diverted from general services of a broad nature, and thereby utilized to subsidize unfairly and inequitably such special services; and

WHEREAS, the City, pursuant to California Health and Safety Code Sections 13146.2(b), 13217(b), and 17951, and California Government Code Sections 6062(a), 6103.7, 66016, 66017 and 66018, and California Fire Code Section 105 is authorized to adopt fees sufficient to pay the cost of providing these services to the general public following proper notice and a public hearing; and

WHEREAS, the City Council of the City of Lodi has adopted Ordinance No. 1808, repealing and re-enacting Chapter 15.20 (Fire Code) of the Lodi Municipal Code, which authorizes in Section 15.20.040 the City to establish fees sufficient to recover its costs in administering the Fire Code, subject to adoption of an implementing resolution of the City Council; and

WHEREAS, the analysis of fees and service charges set forth in the City of Lodi Fee Study and Master Fee Schedule provide a mechanism for ensuring fees adopted by the City for services rendered do not exceed the reasonable estimated cost of providing the services for which the fees are charged; and

WHEREAS, the fees and service charges set forth in the Master Fee Schedule bear a fair and reasonable relationship to the City's costs in administering the Fire Code; and

WHEREAS, adoption of this Resolution is exempt from the California Environmental Quality Act (Public Resources Code Sections 21000, et seq.) because it approves and sets forth a procedure for determining fees for the purpose of meeting certain operating expenses of the City; and

WHEREAS, the public hearing required by Government Code Sections 66013-66018 to adopt new fees for fire code permits and inspections was duly noticed and held on November 3, 2010;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does find and resolve as follows:

1. The recitals set forth above are true and correct.
2. The fees and service charges set forth in the Operation Permit Fee Schedule (Exhibit A) are hereby implemented.
3. The fees and service charges set forth in the Operational Permit Fee Schedule are to be uniformly applied and collected for services provided by the Lodi Fire Department or its designated contractor(s). Fees and service charges for special services of a voluntary or limited nature shall not exceed the actual cost incurred by the City in providing the special service.
4. Fees and service charges set forth in the Operational Permit Fee Schedule are for each identified service; additional fees and service charges shall be required for each additional service requested or required.
5. The Fire Chief of the City of Lodi is hereby delegated the authority to create administrative, fee-collection, and financial procedures as necessary to implement the Operational Permit Fee Schedule consistent with the policies set forth in this Resolution.
6. The appropriate fee(s) under the Operational Permit Fee Schedule shall be paid at the time of application submittal for: a) permits to operate, b) new development and tenant improvement plan checks/inspections, c) annual fire and life safety inspections. In the event fees are not paid at the time of application submittal or upon request for additional fees, the City shall not be obligated to process, approve, or take further action on permits, plan checks/inspections, fire and life safety inspections, or other services and products listed in the Fee Schedule until such time as the appropriate fees are paid to the City.
7. No permit or approval shall be issued by the City unless applicant's project is in compliance with applicable City and state laws and fees required are paid in full. Payment of fees by applicant shall not be construed as any waiver of the City's right to enforce compliance with fire and life safety standards, statutes, ordinances, or regulations through any means authorized by applicable law.
8. At regular intervals the Fire Chief shall review the Operational Permit Fee Schedule to ensure that fees and service charges continue to bear a fair and reasonable relationship to the City's costs in administering the Fire Code.

9. The Fire Chief shall propose modifications to the Operational Permit Fee Schedule to the City Council in the form of a resolution. In proposing modifications to the Fee Schedule the Fire Chief shall consider only the standards, criteria, and procedures established by this Resolution and applicable state law. The Fire Chief may also adjust the type of services offered if, in the judgment of the Fire Chief, equity requires such adjustment.
10. Fee adjustments to the Operational Fee Schedule proposed by the Fire Chief may be increased by resolution of the City Council in amounts determined reasonable and necessary when budget and workload analysis supports such increases.
11. The Master Fee Schedule established in this Resolution shall be effective on March 7, 2011, which date is at least sixty (60) days after adoption of this Resolution.

Dated: January 5, 2011

=====

I hereby certify that Resolution No. 2011-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held on January 5, 2011, by the following vote:

AYES: Council Members –

NOES: Council Members –

ABSENT: Council Members –

ABSTAIN: Council Members –

Randi Johl
City Clerk

2011-_____

(EXHIBIT A)

OPERATIONAL FIRE PERMITS		
PERMIT TYPE	PERMIT FEE	ANNUAL INSPECTION FEE
Above/Below Ground Fuel Storage Tank Installation	\$135	\$135/Tank
Above/Below Ground Fuel Tank Removal	\$135	\$135/Tank
Aerosol Products	\$135	\$135
Amusement Buildings	\$135	\$135
Aviation Facilities	\$135	\$135
Carnivals & Fairs	\$135	NA
Cellulose Nitrate Film	\$135	\$135
Christmas Tree Lots	\$135	NA
Combustible Dust-Producing Operations	\$135	\$135
Combustible Fibers	\$135	\$135
Compressed Gases	\$135	\$135
Covered Mall Buildings	\$135	\$135
Cryogenic Fluids	\$135	\$135
Cutting & Welding	\$135	\$135
Dry Cleaning Plants	\$135	\$135
Exhibits and Trade Shows	\$135	\$135
Explosives	\$135	\$135
Fire Hydrants & Valves	\$135	\$135
Flammable & Combustible Liquids	\$135	\$000
Floor Finishing	\$135	NA
Fruit and Crop Ripening	\$135	\$135
Haunted Houses	\$135	NA
Hazardous Materials	\$135	\$135
Hazardous Production Material Facilities	\$135	\$135
High-Piled Storage	\$135	\$135
Hot Work Operations	\$135	\$135
Industrial Ovens	\$135	\$135
Lumber Yards and Woodworking Plants	\$135	\$135
Liquid-or-Gas-Fueled Veh. or Equip. in Assembly Bldgs.	\$135	\$135
LP-Gas	\$135	\$135
Magnesium	\$135	\$135
Miscellaneous Combustible Storage	\$135	\$135
Opening Burning	NA	NA
Open Candles, Flames, and Torches	\$25	NA
Organic Coatings	\$135	\$135
Places of Assembly	\$135	\$135
Private Fire Hydrants	\$135	\$135
Pyrotechnic/Special Effects Displays	\$135	\$135
Pyroxylin Plastics	\$135	\$135
Refrigeration Equipment	\$135	\$135
Repair Garages and Motor Fuel-Dispensing Facilities	\$135	\$135
Rooftop Heliports	\$135	\$135
Special Events	\$135	NA
Spraying or Dipping	\$135	\$135
Storage of Scrap Tires and Tire Byproducts	\$135	\$135
Temporary Membrane Structures, Tents and Canopies	\$135	\$135
Tire-Rebuilding Plants	\$135	\$135
Waste Handling Facilities	\$135	\$135
Wood Products	\$135	\$135



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize the City Manager to Execute a Rental Agreement Between the City of Lodi and P & K Fitness, for Use of 125 N. Stockton Street

MEETING DATE: January 5, 2011

PREPARED BY: City Manager

RECOMMENDED ACTION: Authorize the City Manager to execute a rental agreement between the City of Lodi and P & K Fitness for use of 125 N. Stockton Street.

BACKGROUND INFORMATION: The City of Lodi has owned the above-referenced property since 2000. The City previously rented the space to Jazzercise which terminated occupancy in 2009.

P&K Fitness is desirous of leasing the space to use it for their business, Crossfit. Crossfit is an alternative fitness concept which uses basic equipment and exercise strategies with personalized training.

The term of the agreement is three years with two two-year options. P&K will be making tenant improvements to the building including restroom and shower facilities.

FISCAL IMPACT: Lease revenue for the Parks and Recreation Department.

FUNDING AVAILABLE: Not applicable.

Konradt Bartlam
City Manager

Attachment: Rental Agreement
cc: City Attorney

APPROVED: _____
Konradt Bartlam, City Manager

RENTAL AGREEMENT
111 N Stockton Street, Suite B
Lodi, California

THIS AGREEMENT, made and entered into this _____ day of March, 2010 by and between the CITY OF LODI, a municipal corporation, (hereinafter "Owner"), and P & K Fitness of Lodi, a California Limited Liability Company hereinafter ("Tenant").

WITNESSETH:

1. **PROPERTY:** That for and in consideration of the rents to be paid, and the covenants to be faithfully kept and performed by Tenant, Tenant does hereby rent from Owner, the premises located at 111 N. Stockton Street, Suite B, Lodi, California and all improvements thereto (the "Property") for the operation of P & K Fitness of Lodi.
2. **TERM:** The term of this Agreement begins on January __, 2011 ("Commencement Date") and shall continue until January __, 2014. Tenant shall have two options to renew this agreement for consecutive two year terms on the terms set forth in this agreement and at the rates set forth in paragraph 3 of this agreement. Both options must be exercised in writing by tenant at least 90 days before the expiration of the then current term.
3. **RENT:** In consideration of this Agreement, Tenant agrees to pay to Owner as rent for the Property the sum amounts set forth below, due and payable by the 1st day of each month, commencing on March 17, 2010. A late charge of \$60 may be assessed for any payment more than 10 days past due. Rental payments shall be directed to the City of Lodi, Attn: Parks & Recreation Department, 125 N. Stockton Street, Lodi, California, 95240, for processing and shall be paid without prior notice or demand to Tenant. Tenant acknowledges that the rent is prorated in acknowledgement of tenant supplied tenant improvements to the property set forth in Paragraph 29. Lease payments shall be waived until the completion of the tenant improvements called for in this Agreement. Lease payments shall be prorated for any partial month after the issuance of the final building permit.

Months 0-12: \$1825.00/month
Months 12-24: \$2738.00/month
Months 24-36: \$3650.00/month
Months 36-60: \$4015.00/month (First Option Period)
Months 60-84: \$4380.00/month (Second Option Period)

4. **USE/USE PROHIBITED:** The property shall be used solely for the purpose of carrying on the business of P & K Fitness of Lodi. Tenant shall not use any portion of the Property for purposes other than those specified herein, and no use shall be made or permitted to be made upon the Property, nor acts done, which will increase the existing rate of insurance upon the Property, or cause cancellation of insurance policies covering the Property. Tenant shall not conduct or permit any sale by auction on the Property.
5. **ORDINANCES AND STATUES:** It is further understood and agreed by Tenant that Tenant must comply with all present and future laws, ordinances, rules, and regulations promulgated by any governmental authority of competent jurisdiction regulating the type

of business to be conducted on the Property during the term of this Agreement and any extension thereof. Tenant shall use and occupy the Property in a quiet, lawful, and orderly manner. The commencement of a pendency of any state or federal court abatement proceeding affecting the use of the Property shall, at the option of the Owner, be deemed a breach hereof.

6. **SIGNS:** Owner reserves the exclusive right to the roof, side and rear walls of the Property. Tenant shall not construct any projecting sign or awning without prior written consent of Owner which consent shall not be unreasonably withheld. It is agreed that Tenant will post "Hours of Operation" signs on the doors of the Property. All signs and locations of signs must be approved by the City of Lodi Parks & Recreation Director. All costs associated with the purchase and installation of signs shall be the responsibility of Tenant.
7. **ABANDONMENT OF PROPERTY:** Tenant shall not vacate or abandon the Property at any time during the term hereof, and if Tenant shall abandon or vacate the Property, or be dispossessed by process of law, or otherwise, any personal property belonging to Tenant left upon the Property shall be deemed to be abandoned, at the option of Owner.
8. **TRADE FIXTURES:** Any and all improvements made to the Property during the term hereof shall belong to the Owner, except trade fixtures of the Tenant. Tenant may, upon termination hereof, remove all trade fixtures, but shall repair or pay Owner for all repairs caused by damage to the Property occasioned by the removal of such trade fixtures.
9. **DESTRUCTION OF THE PROPERTY:** In the event of a partial destruction of the Property during the term hereof, from any cause, Owner shall forthwith repair the same, provided that such repairs can be made within sixty (60) days under existing governmental laws and regulations, but such partial destruction shall not terminate this Agreement, except that Tenant shall be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs shall interfere with the business of Tenant on the Property. If such repairs cannot be made within sixty (60) days, Owner, at his option, may make the same within a reasonable time, this Agreement continuing in effect with the rent proportionately abated as aforesaid, and in the event that Owner shall not elect to make such repairs which cannot be made within sixty (60) days, this Agreement may be terminated at the option of either party.

In the event that the building in which the Property may be situated is destroyed to an extent of not less than one-third of the replacement costs thereof, Owner may elect to terminate this Agreement whether the Property be injured or not. A total destruction of the building in which the Property may be situated shall terminate this Rental Agreement.

In the event of any dispute between Owner and Tenant with respect to the provisions hereof, the matter shall be settled by arbitration in such a manner as the parties may agree upon, or if they cannot agree, in accordance with the rules of the American Arbitration Association.

10. **INSOLVENCY:** In the event a receiver is appointed to take over the business of Tenant, or in the event Tenant makes a general assignment for the benefit of creditors, or Tenant takes or suffers any action under any insolvency or bankruptcy act, the same shall constitute breach of this Agreement by Tenant.

11. **REMEDIES OF OWNER ON DEFAULT:** In the event of any breach of this Agreement by Tenant, Owner may, at its option, terminate this Agreement and recover from Tenant: (a) the worth at the time of award of the unpaid rent which was earned at the time of termination; (b) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that the Tenant proves could have been reasonably avoided; (c) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and (d) any other amount necessary to compensate Owner for all detriment proximately caused by Tenant's failure to perform its obligations under this Agreement or which in the ordinary course of things would be likely to result therefrom.

Owner may, in the alternative, continue this Agreement in effect, as long as Owner does not terminate Tenant's right to possession, and Owner may enforce all his rights and remedies under this Agreement, including the right to recover the rent as it becomes due under this Agreement. If such breach continues, Owner may, at any time thereafter, elect to terminate this Agreement.

Nothing contained herein shall be deemed to limit any other rights or remedies which Owner may have.

12. **RELATIONSHIP OF PARTIES:** It is understood and agreed that the relationship between the parties is that of landlord and tenant and not as a party or agent of Owner. Tenant, shall carry Worker's Compensation Insurance and observe all laws and regulations applicable to employers in the State of California.
13. **BUILDING MAINTENANCE:** Building Maintenance (Janitorial Services) shall be the responsibility of Tenant.
14. **ASSIGNMENT AND SUBLETTING:** Tenant shall not assign this Agreement or sublet any portion of the Property without prior written consent of the Owner, which shall not be unreasonably withheld. Any such assignment or subletting without consent shall be void and, at the option of the Owner, may terminate this Agreement. Owner expressly consents to Tenant's sublet of the facility to _____ Aikido Club for the operation of an Aikido Studio.
15. **ENTRY AND INSPECTION:** Tenant shall permit Owner or Owner's agents to enter upon the Property at reasonable times and upon reasonable notice, for the purpose of inspecting the same.
16. **MAINTENANCE, REPAIRS, ALTERATIONS OR ADDITIONS:** Tenant acknowledges that the Property is in good order and repair, unless otherwise indicated herein. Tenant shall, at his own expense and at all times, maintain the Property in good and safe condition, including plate glass, and shall surrender the same, at termination hereof, in as good condition as received, normal wear and tear excepted. Tenant shall be responsible for all repairs required, excepting the roof, exterior walls, structural foundations, and' common areas which shall be maintained by Owner. No repairs, alterations or additions to the Property shall be made without prior written consent of Owner. Prior to the commencement of any substantial repair, improvement, or alteration, Tenant shall give Owner at least two (2) days written notice in order that Owner may post appropriate notices to avoid any liability for liens. Tenant shall not commit any waste upon the

Property, or any nuisance or act which may disturb the quiet enjoyment of any tenant of Owner. Any concerns shall be submitted in writing to the Parks & Recreation Director, City of Lodi, P. O. Box 3006, Lodi, CA 95241.

17. **SURRENDER OF PREMISES:** Tenant shall, at the termination of the Agreement hereby created, or upon the earlier termination hereof for any reason, or upon the extension of the term herein set forth, quit and surrender the Property in good order, condition, and repair, reasonable wear and tear and acts of God or fire excepted.
18. **FEES:** Tenant shall pay all license fees, or other fees or taxes, including possessory interest taxes, levied by any governmental agency which may be imposed upon the business of Tenant or its subtenant conducted upon the Property.

If any of the above charges are assessed against the Property, and because of said assessment, the Owner pays the same, the Owner will have the right to, regardless of the validity of any such levy, demand that Tenant repay to Owner all taxes and other assessments so levied against Owner.

19. **UTILITIES:** Owner agrees that it shall be responsible for the payment of all utilities, including water, wastewater, gas, and electricity. However, Tenant shall reimburse Owner's gas and electricity costs that exceed \$200.00 per month within 30 days of receiving an invoice from the City of Lodi. During the term of this Agreement, and any extension thereof, it is understood and agreed by the parties hereto that Tenant shall be responsible for the installation, maintenance and cost of any telephone lines that are required to operate its business, and solid waste removal, at no cost to Owner.
20. **MECHANIC'S LIEN:** Tenant agrees to keep the Property free from all liens and claims of mechanics, laborers, material suppliers, and others for work done, and material furnished, and Tenant shall not create, or suffer to be created, any lien or encumbrance on the Property.
21. **PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE:** Tenant, at its expense, shall maintain plate glass and public liability insurance including bodily injury and property damage insuring Tenant and Owner with minimum coverage of \$1,000,000 each occurrence. More particularly described as follows:

Tenant agrees to indemnify and save harmless Owner from and against all claims of whatever nature arising from any act, omission, or negligence of Tenant or Tenant's contractors, licensees, agents, servants, or employees, or arising from any accident, injury, or damage whatsoever caused any person, or to the Property of any person, occurring during the term thereof, in or about the Property where such accident, damage, or injury, including death, results, or is claimed to have resulted, from any act or omission on the part of Tenant or Tenant's agents or employees. This indemnity and hold harmless agreement shall include indemnity against all costs and expenses, including attorney's fees incurred in or in connection with any such claim or proceeding brought thereon and the defense thereof.

Tenant agrees to maintain in full force during the term hereof a policy of public liability insurance under which Tenant is named as insured, and containing an additional named insured endorsement naming Owner as an additional insured, and under which the insurer agrees to indemnify and hold Tenant and Owner harmless from and against all costs, expenses, and liability arising out of, or based upon, any and all property damage,

or damages for personal injuries, including death, sustained in accidents occurring in or about the Property, where such accident, damage, or injury, including death, results, or is claimed to have resulted, from any act or omission on the part of Tenant, or Tenant's agents or employees. The minimum limits of such insurance shall be \$1,000,000.00 (One Million Dollars). In addition to the additional named insured endorsement on Owner's policy of insurance, said insurance policy shall be endorsed to include the following language:

"Insurance as is afforded by the endorsement for additional insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the coinsurance afforded by this endorsement."

To the maximum extent permitted by insurance policies which may be owned by Owner or Tenant, Owner and Tenant, for the benefit of each other, waive any and all rights of subrogation which might otherwise exist.

A duplicate or certificate of said public liability and property damage insurance policy containing the above-stated required endorsements shall be delivered to Owner within ten (10) days after the issuance and each renewal of said policy. This paragraph, and all other provisions of this Agreement, shall apply and be construed as applying to any subtenant of Tenant.

22. **BANKRUPTCY, RECEIVERSHIP, AND INSOLVENCY:** If Tenant should make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or be adjudicated bankrupt or insolvent, or permit a receiver to be appointed to take possession of a substantial portion of its assets or of the premises, and such bankruptcy, insolvency, or receivership proceeding shall not be dismissed within ninety (90) days, then Owner may, without notice or demand, terminate this Agreement and forthwith reenter and repossess the Property, and remove all persons therefrom, and under no circumstances shall this Agreement be assignable or transferable by operation of law.
23. **ATTORNEY'S FEES:** In case suit should be brought for recovery of the Property, or for any sum due hereunder, or because of any act which may arise out of the possession of the Property, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee, the amount of which shall be determined by the court in such suit and added to and become a part of the judgment therein.
24. **WAIVER:** Failure of Owner to insist upon performance of any of the terms or conditions of this Agreement in any one or more instances shall in no event be construed as a waiver or a relinquishment of its right to future performance thereof, and Tenant's obligations to such future performance shall continue in full force and effect. The receipt by Owner of rent, with the knowledge of the breach of this Agreement or condition hereof, shall not be determined to be a waiver of any such breach.
25. **NOTICES:** Any notice which either party may or is required to give, shall be given by mailing the same, postage prepaid, to Tenant at the premises, or Owner at the address shown below, or at such other places as may be designated by the parties from time to time as provided herein.

OWNER:

Parks & Recreation Director
City of Lodi
P. O. Box 3006
Lodi, California 95241

TENANT:

P & K Fitness of Lodi LLC
5252 Bear Creek Road
Lodi, California 95240

26. **HOLDING OVER:** If applicable under this Agreement, any holding over after the expiration of this Agreement, with the consent of Owner, shall be construed as a month-to-month tenancy at a rental of 110% of the most recent rental rate per month, otherwise in accordance with the terms hereof, as applicable.
27. **TIME:** Time is of the essence of this Rental Agreement.
28. **HEIR, ASSIGNS, SUCCESSORS:** This Rental Agreement is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties.
29. **TENANT IMPROVEMENTS:**
- a. **Tenant Improvements.** Tenant Improvements for Building shall be provided for and funded by The Tenant. Construction of Tenant Improvements shall commence upon issuance of a building permit by CITY. Title to all tenant improvements listed in this paragraph shall immediately vest in Owner. Tenant Improvements shall be constructed in similar form and content to The Plan attached to this Lease as and shall include, but not be limited to, the following components:
 - i. Addition of a second bathroom and renovation of existing bathroom to meet current building code requirements, including but not limited to ADA compliance. Bathrooms will have two ADA compliant showers with dressing rooms, lockers and vanities.
 - ii. Tenant shall install tankless water heaters.
 - iii. Tenant shall install interior improvements to bring the facility up to all current ADA accessibility standards.
 - b. **Construction Timeline.** The parties anticipate that Tenant Improvements will be completed within three (3) months of the execution of this Lease, but in no event shall such improvements be completed later than April 30, 2011. Failure to complete construction of Tenant Improvements as set forth above shall be deemed a material breach of this Lease.
30. **OWNER'S LIABILITY:** The term "Owner" as used in this paragraph, shall mean only the owner of the real property. In the event of any transfer of such title or interest, the Owner named herein (or the grantor in case of any subsequent transfers) shall be relieved of all liability related to Owner's obligations to be performed after such transfer. Provided, however, that any funds in the hands of Owner or Grantor at the time of such transfer shall be delivered to Grantee. Owner's aforesaid obligations shall be binding upon Owner's successors and assigns only during their respective periods of ownership.

31. ACCEPTANCE OF THE PROPERTY: Tenant has examined the Property knows the conditions thereof, and accepts possession thereof in its present condition.

32. CONTRACT: This written agreement constitutes the entire agreement between the Tenant and Owner, and no representation or agreement, whether oral or written, unless expressed herein, shall be binding on either Tenant or Owner.

IN WITNESS WHEREOF, Owner and Tenant have executed this Agreement on the date and year first above written.

"OWNER"

"TENANT"

CITY OF LODI, a municipal corporation

P & K Fitness of Lodi LLC

Konradt Bartlam
City Manager

By _____

ATTEST:

Randi Johl
City Clerk

Dated: _____

APPROVED AS TO FORM:

D. Stephen Schwabauer
City Attorney 

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.

Comments by the City Council Members on non-agenda items



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Appointments to the Lodi Animal Advisory Commission, Recreation Commission, San Joaquin Council of Governments Citizens Advisory Commission, and Post for Remaining Vacancies on Various Boards and Commissions

MEETING DATE: January 5, 2011

PREPARED BY: City Clerk

RECOMMENDED ACTION: Concur with the Mayor’s recommended appointments to the Lodi Animal Advisory Commission, Recreation Commission, San Joaquin Council of Governments Citizens Advisory Commission, and direct the City Clerk to post for the remaining vacancies on various boards and commissions.

BACKGROUND INFORMATION: On previous occasions, the City Council directed the City Clerk to post for vacancies on various boards and commissions. The Mayor reviewed the applications and recommends that the City Council concur with the following appointments and further recommends that the remaining vacancies be posted with the term to remain open until filled.

APPOINTMENTS

Lodi Animal Advisory Commission

Daniel Crownover Term to expire December 31, 2013

NOTE: One applicant (one new application); posting 6/17/09, 8/19/09, 1/20/10, 8/4/10, 10/20/10; application deadline 11/22/10

Recreation Commission

Rick Morgan Term to expire December 31, 2014
Mark Hamilton Term to expire December 31, 2014
Barbara Wardrobe-Fox Term to expire December 31, 2014

NOTE: Five applicants (two seeking reappointment and three new applications); posting 10/20/10; application deadline 11/22/10

San Joaquin Council of Governments Citizens Advisory Committee

Richard Blackston Term to expire January 1, 2015

NOTE: One applicant (one seeking reappointment); posting 10/20/10; application deadline 11/22/10

POSTINGS

Lodi Animal Advisory Commission

Two vacancies Terms to expire December 31, 2013
One vacancy Term to expire December 31, 2012

APPROVED: _____
Konradt Bartlam, City Manager

Lodi Senior Citizens Commission

One vacancy Term to expire December 31, 2014
One vacancy Term to expire December 31, 2013

Government Code Section 54970 et seq. requires that the City Clerk post for vacancies to allow citizens interested in serving to submit an application.

FISCAL IMPACT: None.

FUNDING AVAILABLE: Not applicable.

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Appointments of City Council Members to Fill Vacancies on Various Boards, Commissions, and Committees

MEETING DATE: January 5, 2011

PREPARED BY: City Clerk

RECOMMENDED ACTION: Make appointments of Council Members to fill vacancies on various boards, commissions, and committees, as outlined below.

BACKGROUND INFORMATION: With the recent election and reorganization of the City Council, it is necessary to fill the positions on various boards, commissions, and committees that are now vacant. The attached appointments list is presented to Council for information. All vacancies have been highlighted. It is requested that Council discuss this matter and take appropriate action.

Greenbelt 2x2x2 Committee – Member, Term Unspecified

Northeastern San Joaquin County Groundwater Banking Authority – Alternate, Term Unspecified

San Joaquin Council of Governments – Alternate, Term Unspecified

Transmission Agency of Northern California – Alternate, Term Unspecified

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl, City Clerk

APPROVED: _____
Konradt Bartlam, City Manager

**LODI CITY COUNCIL
SERVICE ON VARIOUS BOARDS, COMMISSIONS, AND COMMITTEES**

LEAGUE OF CALIFORNIA CITIES CENTRAL VALLEY DIVISION EXECUTIVE COMMITTEE - (Comprised of 1 representative and 1 alternate from each member municipality from which there is no officer; 2 Lodi reps., no term limit.) Meetings as called.
Contact: Stephen Qualls, LCC/CVD Public Affairs Regional Manager, 614-0118

Purpose: Led by the Executive Board, the Committee guides member city activities and efforts to improve fellowship and cooperation among member cities and increase the quality, responsiveness, and vitality of Central Valley local governments.

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
JoAnne Mounce	333-6702	March 1, 2006	Unspecified
Konradt Bartlam, City Manager	333-6700	March 1, 2006	Unspecified

Appointments made by the City Council by motion action. Council Member to serve as representative, City Manager as Alternate.

GREATER LODI AREA YOUTH COMMISSION - (1 Lodi rep., no term limit.) Meets 2nd Monday of each month at 6:00 p.m., Cottage Room at Hutchins Street Square. *Contact: Brad Vander Hamm, 333-6800 x2424*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
JoAnne Mounce	333-6702	December 14, 2004	Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

GREENBELT 2 X 2 X 2 COMMITTEE - (Comprised of 2 representatives each from City of Stockton / City of Lodi / San Joaquin County; 2 Lodi reps., no term limit.) Meetings as called. *Contact: Community Development Director at 333-6711*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
	333-6702	December 15, 1998	Unspecified
Bob Johnson	333-6702	January 3, 2007	Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

JOINT CITY/COUNTY CRIMINAL JUSTICE TASK FORCE - (Comprised of representatives from each city in San Joaquin and representatives from the County; no term limit.) Meetings as called.
Contact: Gordon Palmer, Stockton City Manager, 937-8294

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Bob Johnson	333-6702		Unspecified
Phil Katzakian	333-6702		Unspecified
Konradt Bartlam, Staff Liaison	333-6700		Unspecified
Gary Benincasa, Staff Liaison	333-6725		Unspecified

LOCAL AGENCY FORMATION COMMISSION (LAFCO) - (1 Lodi rep., 4-year term.) Meets 3rd Friday of each month at 10:00 a.m., 1860 E. Hazelton Ave., Stockton.
Contact: James Glaser, LAFCO Executive Officer, 468-3198

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Larry Hansen	333-6702	Served as voting member 11/18/04 to 5/1/05 ~ now off rotation.	

Appointments made by a City Selection Committee comprised of all seated Mayors in San Joaquin County. Council Member required.
(Per LAFCO – Voting member appointed 5/2/01 to a 4-year term expiring 5/01/05. For 8 years (from 5/2005 to 5/2013), Lodi will be off rotation. In May 2013, Lodi will begin the cycle anew with a City representative serving a 2-year Alternate term.)

**LODI CITY COUNCIL
SERVICE ON VARIOUS BOARDS, COMMISSIONS, AND COMMITTEES**

LODI 2 X 2 COMMITTEE - (Comprised of 2 representatives each from City of Lodi and Lodi Unified School District; 2 Lodi reps., no term limit.) Meetings as called. *Contact: Susan Lake, City Manager's Office, 333-6700*

Purpose: To provide an opportunity for open dialogue, exchanging of ideas, and discussion of mutual goals between the City and the District; the committee is comprised of 2 Council members, 2 School Board members, the City Manager, the Superintendent, and staff members as appropriate.

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
JoAnne Mounce	333-6702	December 14, 2004	Unspecified
Bob Johnson	333-6702	December 14, 2004	Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Two Council Members required.

NORTHEASTERN SAN JOAQUIN COUNTY GROUNDWATER BANKING AUTHORITY - (1 Lodi rep., 4-year term.) Board meets 2nd Wednesday of each month, 9:30 a.m. at the SJ County Public Works Conf. Room A, Stockton. *Contact: Leilani Chua, Water Resources Coordinator, 468-3531*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Phil Katzakian, Delegate	333-6702	January 3, 2007	Unspecified
[REDACTED], Alternate	333-6702	February 7, 2001	Unspecified
Public Works Director, Alternate <i>F. Wally Sandelin</i>	333-6706	April 16, 2008	Unspecified

Coordinating Committee meets 2nd and 4th Wednesdays. Mr. Sandelin serves as the representative on the committee.

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member not required.

NORTHERN CALIFORNIA POWER AGENCY (NCPA) - (1 Lodi rep., no term limit.) Meets 4th Thursday of each month at 9:30 a.m. at various locations. *Contact: Denise Dow, NCPA, (916) 781-4202*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Larry Hansen, Delegate	333-6702	January 2, 2003	Unspecified
Phil Katzakian, Alternate	333-6702	December 1, 2010	Unspecified
Electric Utility Director, EUD Alternate <i>Elizabeth Kirkley</i>	333-6762	June 21, 2010	Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required (Delegate only).

SAN JOAQUIN COUNTY ABANDONED VEHICLE ABATEMENT SERVICE AUTHORITY - (1 Lodi rep., no term limit.) Meeting date/time/location varies. *Contact: Joseph Wood, 333-6711*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
JoAnne Mounce	333-6702	December 14, 2004	Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

SAN JOAQUIN COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM - (1 Lodi rep., no term limit.) Meetings held bi-annually at 1810 E. Hazelton Avenue, Stockton. *Contact: Karen Stevens, SJCDD, 468-3139*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
JoAnne Mounce	333-6702	December 14, 2004	Unspecified

One representative from each of the 6 cities in San Joaquin County, plus 2 members of the County Board of Supervisors. Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

**LODI CITY COUNCIL
SERVICE ON VARIOUS BOARDS, COMMISSIONS, AND COMMITTEES**

SAN JOAQUIN COUNCIL OF GOVERNMENTS (SJCOG) - (1 Lodi rep., no term limit.) Meets 4th Thursday of each month at 5:00 p.m., 555 East Weber Avenue, Stockton. *Contact: Andrew Chesley, SJCOG, 468-3913*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Larry Hansen, Delegate	333-6702	December 14, 2004	Unspecified
[REDACTED], Alternate	333-6702	December 14, 2004	Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

SAN JOAQUIN COUNCIL OF GOVERNMENTS' DELTA PROTECTION COMMISSION – (1 Lodi rep., no term limit.) Meets bi-monthly on 4th Thursday at 6:30 p.m., Community Center, 14273 River Rd., Walnut Grove. Representing San Joaquin County as one of 19 members from 5 counties. *Contact: Executive Director Linda Fiack, (916) 776-2290*

Purpose: Created in 1993 to protect the Delta's water and habitat.

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
JoAnne Mounce	333-6702	January 3, 2007	Unspecified

The San Joaquin Council of Governments is responsible under the Delta Protection Act of the Public Resource Code for appointing one member of the Delta Protection Commission from a city council in San Joaquin County. The position can be filled by any elected city council member in San Joaquin County.

SAN JOAQUIN COUNCIL OF GOVERNMENTS' REGIONAL TRANSPORTATION IMPACT FEE POLICY COMMITTEE
(1 Lodi rep., no term limit.) Meetings as called, 555 E. Weber Ave., Stockton. *Contact: Andrew Chesley, SJCOG, 468-3913*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Larry Hansen, Voting Representative	333-6702	October 20, 2004	Unspecified
Konradt Bartlam, Ex-Officio Member (as determined by SJCOG Board of Directors)	333-6700		Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

SAN JOAQUIN COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT - WATER ADVISORY COMMISSION
(1 Lodi rep., 4-year term.) Meets 3rd Wednesday of each month at 1:00 p.m., Public Health Building Conference Room, 1601 Hazelton, Stockton. *Contact: Leilani Chua, Water Resources Coordinator, 468-3531*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Phil Katzakian, Delegate	333-6702	January 3, 2007	February 26, 2013
F. Wally Sandelin, Alternate	333-6706	February 2, 2005	February 26, 2013

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member preferred, not required.

SAN JOAQUIN COUNTY MOKELUMNE RIVER WATER AND POWER AUTHORITY - (1 Lodi rep., no term limit.)
Meeting date/time/location varies. *Contact: Leilani Chua, Water Resources Coordinator, 468-3531*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Bob Johnson, Delegate	333-6702	January 3, 2007	Unspecified
Larry Hansen, Alternate	333-6702	January 2, 2003	Unspecified
Public Works Director, Alternate <i>F. Wally Sandelin</i>	333-6706		Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

LODI CITY COUNCIL
SERVICE ON VARIOUS BOARDS, COMMISSIONS, AND COMMITTEES

SAN JOAQUIN COUNTY SOLID WASTE MANAGEMENT TASK FORCE - (1 Lodi rep., no term limit.) Meets 2nd Thursday of each month at 1:30 p.m., 1810 E. Hazelton, Stockton. *Contact: Allison Hudson, County Public Works, 468-3066*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Phil Katzakian	333-6702	January 3, 2007	Unspecified
JoAnne Mounce, Alternate	333-6702	September 5, 2007	Unspecified

Membership determined by Board of Supervisors and a majority of cities within the County which contain a majority of the population of the County. Council Member required.

SAN JOAQUIN PARTNERSHIP - (1 Lodi rep., 4-year term.) Meets 4th Thursday of each month at 8:00 a.m., 2800 W. March Lane, Suite 470, Stockton. *Contact: Chris Bamesberger-Youngsma, 956-3380*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Bob Johnson, Delegate	333-6702	February 16, 2005	Unspecified
JoAnne Mounce, Alternate	333-6702	January 3, 2007	Unspecified

Alternate has no voting authority in absence of the Delegate. Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

SAN JOAQUIN VALLEY SPECIAL CITY SELECTION COMMITTEE - (1 Lodi rep., no term limit.) Meetings as called. Meetings held at Central Region Office, Governing Board Room, 1990 E. Gettysburg Avenue, Fresno, CA (or via teleconference at one of these locations: Central Region Office in Fresno, Northern Region Office in Modesto, and Southern Region Office in Bakersfield). *Contact: Seyed Sadredin, Executive Director, San Joaquin Valley APCD, (559) 230-6036*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Bob Johnson, Delegate	333-6702	January 7, 2009	Unspecified
Phil Katzakian, Alternate	333-6702	January 7, 2009	Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA (TANC) - (1 Lodi rep., no term limit.) Meets 3rd Wednesday after the 1st Monday of every other month starting in January, with additional special meetings as called. Meetings held at 10:00 a.m. at 3100 Zinfandel Drive, Suite 600, Rancho Cordova (location of firm which officiates over TANC activities). *Contact: Barbara Ford, (916) 631-4008*

	<u>Business</u>	<u>Appointed</u>	<u>Expires</u>
Electric Utility Director, Delegate <i>Elizabeth Kirkley, EU Director</i>	333-6762	September 2, 2009	Unspecified
Larry Hansen, Alternate	333-6702	December 14, 2004	Unspecified
 , Alternate	333-6702	December 15, 1998	Unspecified

Appointments made by the Mayor with concurrence of the City Council by motion action. Council Member required.

Posted pursuant to Section 54972 of the State of California Government Code. Questions regarding this posting should be directed to the City Clerk's Office at (209) 333-6702.

Dated:

 Randi Johl
 City Clerk

Distribution (20):

- | | |
|------------------|-----------------------------|
| B&C File | Electric Utility Director |
| City Attorney | Library (per State Statute) |
| City Clerk (4) | Posting (5) |
| City Council (5) | Public Works Director |
| City Manager | Website |



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Adopt Resolution Approving the Joint Use Agreement Between the Lodi Unified School District and the City of Lodi for Reciprocal Use of Facilities for the Term of July 1, 2010 through June 30, 2020 (PR)

MEETING DATE: January 5, 2011

PREPARED BY: Interim Parks and Recreation Director

RECOMMENDED ACTION: Adopt resolution approving the Joint Use Agreement between the Lodi Unified School District and the City of Lodi for reciprocal use of facilities for the term of July 1, 2010 through June 30, 2020.

BACKGROUND INFORMATION: The City and Lodi Unified School District have a long history of using each others recreational facilities to benefit the community's recreational needs, from exercise programs to competitive athletics. This relationship was first formalized with a Joint Use Agreement adopted on April 19, 1969.

The current Joint Use Agreement between LUSD and the City of Lodi expired June 30, 2009. Both entities continue to operate under the former agreement until a new agreement is approved. Attached for Council approval is the proposed agreement that would be in effect through June 30, 2020.

Comments and suggestions provided by the City Council at the Shirtsleeve Session of August 10, 2010, regarding the Joint Use Agreement are incorporated in the attached draft.

The Joint Use Agreement was approved by the Lodi Unified School District Board at their meeting on December 14, 2010.

FISCAL IMPACT: \$60,000 annual credit to the LUSD and \$60,000 in annual use to the Parks and Recreation Department for a net zero sum impact.

FUNDING AVAILABLE: Not applicable.

James M. Rodems
Interim Parks and Recreation Director

cc: City Attorney

APPROVED: _____
Konradt Bartlam, City Manager

AGREEMENT FOR RECIPROCAL USE OF PUBLIC FACILITIES

LODI UNIFIED SCHOOL DISTRICT AND CITY OF LODI

THIS AGREEMENT ("Agreement"), entered into this ___ day of _____, 2010, and effective as of _____, 2010 (the "Effective Date"), is by and between the City of Lodi ("City") and the Lodi Unified School District ("District").

WITNESSETH:

WHEREAS, District and City have a mutual interest in providing adequate and attractive public facilities for education and recreation for the residents of Lodi and its environs; and

WHEREAS, both District and City have certain physical facilities, including pools, parks, stadiums, gymnasiums, indoor meeting rooms, play areas, and athletic fields, which may be beneficially used by the other in a comprehensive program of serving the community; and

WHEREAS, District and City have in the past executed a series of agreements for the mutual benefit and use of facilities and services; and

WHEREAS, District and City desire to consolidate and incorporate provisions for the joint use of those facilities into a master agreement.

NOW, THEREFORE, in consideration of the mutual agreements herein and other consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

I.

PREVIOUS AGREEMENTS SUPERSEDED

Prior joint use agreements between the City and the District concerning recreational facilities are superseded in their entirety.

II.

FACILITIES INCLUDED IN THIS AGREEMENT

A. Unless otherwise specified, this Agreement covers the following City facilities:

Zupo field; Kofu Park; Softball Complex, Chapman Field; Blakely Park; Lodi Grape Bowl; Blakely Field/Enze Swim Complex; Lodi Lake Park; Salas Park; and Peterson Park.

B. Unless otherwise specified, this Agreement covers the following District facilities:

Tokay High School Pool; Lodi High School Pool; and all school athletic fields and school indoor facilities within the City of Lodi and the surrounding rural areas (Woodbridge, Lockeford, Houston, Victor, Henderson, and Tokay Colony).

C. Facilities not covered by this Agreement:

1. District-owned facilities not specifically covered by this Agreement are subject to use pursuant to the terms of the District's facilities use policy, and must be requested using the District's "Request for Use of Facilities" form. Provisions of this Agreement do not extend to those facilities. However, to the extent a City Use would not conflict with a District Use or undermine the District's budgeted revenue projection for the facility, the District may authorize, in its sole discretion, the occasional use of facilities not covered by this Agreement.
2. City-owned facilities not specifically covered by this Agreement are subject to use pursuant to the applicable provisions of City Ordinance, and/or policy, and the terms of the "Application for Use of City of Lodi Parks and Recreation Facilities". Provisions of this Agreement do not extend to those facilities. However, to the extent a District Use would not conflict with a City Use or undermine the City's budgeted revenue projection for the facility, the City may authorize, in its sole discretion, the occasional use of facilities not covered by this Agreement.

III. SCHEDULING

A. Scheduling Authorization

1. All scheduling for facilities under the provisions of this Agreement must be done by, and with the approval of, the Authorized Representative.
 - a. The Authorized Representative for the City of Lodi is the City Manager, the Parks and Recreation Director, or their designee.
 - b. The Authorized Representative for school-related activities and school sites (including field use) is the Superintendent, the Assistant Superintendent, Facilities and Planning, or their designee. All final scheduling approvals shall be at the Facilities and Planning level or above. Scheduling of District Facilities shall not be performed at the Site Administrator level.
2. All requests for facilities are to be submitted on the appropriate form(s) and must be signed by the Authorized Representative.

3. Unless a different priority is agreed to by the parties in writing for a particular facility that is subject to this Agreement, the priority of use for scheduling purposes shall be as follows:
 - a. District Facilities:
 - i. District Use
 - ii. City Use
 - iii. Community Use
 - b. City Facilities:
 - i. City Use
 - ii. District Use
 - iii. Community Use
 - c. As used in this paragraph "District Use" means the District's educational program and related school activities but shall not include third party rentals that are unrelated to the District's educational program, unless District has already entered a contract to rent the facility to a third party prior to the City's request for the use.. As used in this paragraph, "City Use" means City's municipal functions but shall not include third party rentals that are unrelated to City's municipal functions unless the City has already entered a contract to rent the facility to a third party prior to the Districts request for the use.

B. Advanced Scheduling

1. Events which require advanced scheduling, such as meets or tournaments, may be scheduled up to one (1) year in advance.
2. Requests for advanced reservations by the City or District will be confirmed or denied by the Authorized Representative within fifteen (15) working days of submittal.
 - a. All denials must include the reason(s) for denial.
 - b. If disagreements over proposed fees or charges, or use provisions, are not resolved within the fifteen (15) day period, the use shall be deemed denied unless the period is extended by mutual consent.

C. Scheduling During the Regular School Year

1. Swimming Pools (Blakely/Enze, Tokay High, Lodi High)
 - a. The Authorized Representatives of the District and City shall meet in January of each year to coordinate and confirm the year's schedule of uses, reservation forms, event contact persons, location/procedure for filing

the reservation forms, and to establish procedures for notifying users of emergency closure(s).

- b. District pools are available when they are not being used for District purposes.
 - i. The Tokay High School Pool and Lodi High School Pool may be closed at District discretion following each school's last scheduled use (usually in November). The District will make every effort to close the pools for winter maintenance on a rotating basis.
 - ii. Ninety (90) days prior to the anticipated closure, of the Tokay High School Pool and the Lodi High School Pool, the District will notify the Parks and Recreation Department to allow for coordination with the City's aquatics program. Except for extraordinary circumstances, the District will not close more than one of its pools at a time.
- c. City pools are not available for scheduled District use during June, July and August, except for single events upon request by the District and approval by the City's Authorized Representative.
- d. The Tokay High School Pool will be available to the City for community swimming as outlined in Section 4 Paragraph E of this Agreement.
- e. City or District pools will be closed immediately by authorized staff if there are any health or safety concerns, or if the water quality falls below acceptable minimum standards as defined by the San Joaquin Public Health Services, and/or any regulating State agency, and shall remain closed until use is authorized by the appropriate health agency.
- f. In the event of a closure of a District or City pool, the Authorized Representatives will be notified of the closure immediately. Every attempt shall be made to accommodate alternative scheduling of events, or a rescheduling of canceled events.

2. Lodi Grape Bowl

- a. Subject only to first priority City Uses, the District shall have preferential use of the Lodi Grape Bowl for football games and graduation events, except when preempted by the Lodi Grape Festival and National Wine Show (generally in mid-September of each year).
 - i. District shall provide to the City a schedule of District football games and related events no later than May 1 preceding the season for which the schedule applies.

- ii. District shall provide the City with the schedule for graduation events not later than four (4) months preceding the graduation (generally February 1 for events occurring the last week of May/first week of June).
 - b. District acknowledges that the Lodi Grape Bowl is being brought up to ADA standards over time pursuant to a City Council-approved ADA transition plan and accepts the use of the Lodi Grape Bowl in the state that it is in at the time of use. Currently there are no restrooms or snack bar facilities at the Lodi Grape Bowl and users are required to provide for their own concessions at their own cost. The Parks and Recreation Department will provide portable restroom facilities until new permanent structures are built. To the extent the District provides portable restrooms or concessions facilities, District shall comply with ADA requirements for such temporary facilities at District's expense.
- 3. Athletic Fields, Complexes, Indoor Facilities
 - a. All fields, both City and District, that are to be used for seasonal play must be scheduled sixty (60) days prior to the start of the season, using the appropriate forms of each jurisdiction and submitted to each party's Authorized Representative.
 - b. All requests are to be confirmed or denied within fifteen (15) working days of the submittal of the request.
 - c. All athletic fields (both City and District) are subject to closure when the fields are wet to the extent that team use could result in significant damage to the fields.
 - i. This is to be determined by the City's Parks Director or Superintendent for City facilities, and the District's Director, Maintenance & Operations for District facilities.
 - ii. Rain call procedures for fields are to be mutually agreed upon at the start of each season, or when the facilities use form is approved if it is for singular events.
 - d. In the event that an extraordinary circumstance necessitates the closure of a City or District field, complex, or indoor facility, the user's Authorized Representative shall be notified as soon as possible. It is that person's responsibility to notify all other affected parties.
 - i. Whenever possible, weather disrupted events shall be relocated to other facilities in-lieu of cancellation.

- ii. Every attempt shall be made to accommodate a rescheduling of cancelled activities.
4. If disagreements over proposed fees or charges, or use provisions, are not resolved within the designated period for approval or denial of the request for use as provided in Section III Paragraph B of the Agreement, the use shall be deemed denied unless the time period is extended by mutual consent.
5. Neither the City nor the District shall unilaterally cancel a previously scheduled event unless the facility could not be used by either party due to maintenance, weather, act of God or legal reasons. If a previously scheduled event is unilaterally canceled for any reason, the canceling party shall give notice to the Authorized Representative of the other party of the closure within eight (8) hours of the events necessitating closure. The canceling party shall also offer any available replacement facility that is suitable for the operation of the event.

IV. OPERATIONS

- A. If a party's "In Kind Match" account is debited because the facility owner requires its staff to be onsite as a condition of using its facility, the facility owner's assigned personnel shall be readily available at all times they are on-duty to provide operational, maintenance and emergency assistance to the using party.
- B. Food and Beverage Concessions
 1. User and/or associated organizations may operate food and/or beverage concessions during scheduled events under the following criteria:
 - a. If food and beverages are permitted in the facility; and
 - b. When there are no other proprietary or exclusionary agreements for concessions at the facility.
 2. If food concessions are to be a part of the event, it should be so noted on the facilities use form and must be approved by the facility owner.
 3. During such events, user and/or associated organizations shall have an exclusive right to operate the concession stands and to the sale proceeds.
 4. User may assign the right to operate the concession stand(s) only as agreed to by the owner of the facility.

5. Exclusive Product Contracts

- a. If a facility is covered under an exclusive product contract, the user shall abide by the provisions of the contract.
 - b. It is the responsibility of the user to obtain a copy of any pertinent contract provisions from the facility owner. The user's signature on the facilities use form shall constitute understanding and acceptance of the provisions.
 - c. It is the responsibility of the user to inform all affiliated users of the contract provisions and to monitor compliance.
6. All concession stands or areas used for concession are to be completely vacated at the conclusion of the event, and are to be left in a clean and usable condition.
7. All concessions must meet Department of Health Services standards and requirements.
8. Concessions may remain for the duration of the event unless other arrangements are agreed upon at the time that the facilities use form is approved; however, they are the sole responsibility of the user.

C. Security

1. Either party may require the other to provide security for events at a facility. Security costs shall be paid by the user and not debited against the "In Kind Match" account set forth in Section V Paragraph A-1.

D. Lodi Grape Bowl

1. City agrees to staff the Lodi Grape Bowl with appropriate maintenance/standby personnel to coordinate and operate the facility when it is being used by District, and such costs shall be debited to the District's In-Kind Match account.
2. District shall furnish all security and event personnel, as required by the City, at District's expense.
3. A District administrator and/or a school athletic director shall be present during school or District events.

E. Tokay High School Pool Community Pool Program

1. District shall make the Tokay High School Pool available to the City for the operation of a Summer Community Pool Program. The use of swimming pool facility shall be in accordance with the regular procedures of the District in granting permits for use of school facilities as provided for by the laws of California and the rules and regulations of the District Board of Education.
2. A schedule of dates for the use of the swimming pool facility will be arranged in advance by City and District and that this schedule will be arranged to avoid conflict between school and recreation use. In scheduling of the use of the swimming pool facility, school events and programs shall have first priority, recreation programs shall have second priority, and any other events by other groups or agencies shall have third priority; provided, however, the contracts to use the swimming pool facility that District entered into with third parties prior to entering into this Agreement shall also have first priority. The Assistant Superintendent, Facilities and Planning, or his designee, shall make every effort to notify the City Director of Parks and Recreation, or his designee, of school needs which pre-empt scheduled City recreational activities and will advise in the planning and administering of a recreation program to be conducted by the City at the swimming pool complex.
3. School properties and facilities are intended primarily for school purposes and for the benefit of children of school age. It is therefore agreed that, in planning programs and scheduling activities on school grounds, the recreational needs and opportunities of such children will be well provided for and adequately protected by both parties hereto.
4. In the event of any dispute or difference arising between the parties hereto as to the use of the swimming pool facility, then, in that event, resolution of said dispute or difference shall be first discussed and negotiated between the City Director of Parks and Recreation and the Principal of Tokay High School; further negotiation, if required, shall be settled by the City Council and the District Governing Board.
5. Any and all revenues derived by either party in the use and operation of said swimming pool during their respective periods of use shall be retained by the party.
6. A facility use schedule will be submitted to the District by the City no later than March 1st of each year, with the expectation that the City's contracted pool use will begin during the first week of June and continue through the last week of July, with possible weekend use during the month of August. This schedule is subject to amendment based on changes to the District's school-year calendar.

7. District agrees to staff the Tokay High School Pool with appropriate maintenance/standby personnel to coordinate and operate the facility when it is being used by City, and such costs shall be debited to the City's In-Kind Match account.
8. City shall furnish all security and event personnel, as required by the District, at City's expense.
9. A City program administrator or other responsible personnel shall be present during City Use or events.

F. Athletic Fields, Complexes, and Indoor Facilities

1. Each owner will staff its facility with the appropriate maintenance/standby personnel to coordinate and operate the facility, and all costs for such personnel shall be charged against the user's "In Kind Match" account.
2. Users will monitor the facilities during their use, and shall maintain all facilities in a safe and clean condition.
3. Each party shall be responsible to maintain and repair their respective facilities. However, the user shall be responsible for janitorial maintenance at the conclusion of each use and for damage caused during each use as provided in Section VII(C) of this Agreement.

**V.
FEES AND CHARGES**

A. "In Kind Match" Account and Payment

1. Both parties shall start each fiscal year with a paper account containing a \$60,000 credit ("In Kind Match" account.) Each party's In Kind Match account will be debited by the amount of the fees and charges incurred as a result of using the other party's facilities. No fees or charges will be paid by either user until after their In Kind Match account is drawn down to zero. Once the credit in the "In Kind Match" account is zero, the overdrawn party will pay all fees and charges that it incurs for the use of the other party's facilities during the remainder of the fiscal year. Prior to the start of each fiscal year, the Authorized Representatives from both parties shall meet to establish fee and charge rates ("Master Rate Schedule") for all facilities covered by this Agreement. All fees and charges charged to the "In Kind Match" account, and all fees and charges in excess of the "In Kind Match" account shall be charged at the "Master Rate Schedule."

2. Each party will exchange reports on a quarterly basis, or as agreed upon by their Authorized Representative, which shall detail facility usage including dates of use, names of users, facilities used, and fees associated with the usage. The reports, to be done by the 15th of the month following the end of the quarter, will include total fees for the year-to-date.
 3. The Authorized Representatives for each party shall meet at the beginning of each fiscal year to determine whether the amount of the "In Kind Match" is equitable for both parties. In the event that either party is obtaining less than seventy-five percent (75%) of the value of the "In Kind Match" credit that the other party is receiving, the parties shall reopen negotiations to reestablish a new "In Kind Match" amount for the remaining term of this Agreement.
- B. The initial Master Rate Schedule is to be established by mutual agreement of both parties.
1. All potential fees, charges, or costs, except the security as set for in Section IV Paragraph C-1, are to be included in the Master Rate Schedule.
 2. At the time a facility is scheduled, the user shall be advised of all applicable and potential fees or costs.
 - a. These are to be noted on the facilities use form.
 - b. All cost notations on the facilities use form(s) are to be initialed by the user's Authorized Representative.
 - c. Disagreement with proposed charge items must be resolved between the parties prior to final approval of the facilities use form. Final authority for charge items rests with the owner.
 3. The District's fees and charges to be included in the Master Rate Schedule will be established by the District pursuant to statute and applicable Board policy.
 4. The City's fees and charges to be included in the Master Rate Schedule will be established by the City pursuant to statute and applicable City ordinances and/or policies.
 5. Facility use charges may be adjusted annually by each party based on actual and/or projected costs.
 6. Adjustments to facility use fees and charges shall be effective at the beginning of each fiscal year (July 1).

7. Staffing charges are to be based on the regular hourly rate then being charged at the time of the use of the facility. Overtime charges are to be applied as required by statute and any applicable employee contracts.
- C. All requested services that are outside beyond the scope of this Agreement are to be assessed and billed pursuant to the provisions of District and/or City policy and/or ordinance. To the maximum extent possible, the cost for these services shall be mutually agreed-upon prior to the costs being incurred.
- D. Damage to Facilities
1. When damage (other than normal wear and tear) to a facility or field does occur, the owner of the facility or field will notify the user immediately.
 2. Representatives of both parties, and insurance agency representatives if appropriate, will evaluate and review the damages, preferably together, to assess necessary mitigation, appropriate cost, scheduled repair, and final work product.
 3. The user will be immediately responsible for costs incurred to repair the damaged property. Such damages will not be charged against the "In Kind Match" account set forth in Section V Paragraph A but shall, instead, be paid immediately to the facility owner.

**VI.
AMENDMENT TO AGREEMENT**

- A. This Agreement may be amended at any time by agreement of both parties.
- B. This Agreement shall be amended if it is determined that there is an ongoing use of one or more facilities not covered by this Agreement, or there are use or fee provisions which can best be addressed through mutual agreement, or upon the mutual agreement of the parties.

**VII.
HOLD HARMLESS**

- A. The City shall defend, indemnify, and hold the District, its officers, employees, and agents, harmless from and against any and all liability, loss, expense, attorneys' fees or claims for injury or damages, arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury are caused by or result from the breach of this Agreement or the negligent or intentional acts or omissions of the City, its officers, agents or employees.

The District shall defend, indemnify, and hold the City, its officers, employees, and agents, harmless from and against any and all liability, loss, expense, attorneys' fees or claims for injury or damages, arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury are caused by or result from the breach of this Agreement or the negligent or intentional acts or omissions of the District, its officers, agents or employees.

- B. Each party hereto is charged with the duty to inspect for apparent defects prior to the use of any facilities demised hereunder, and to provide appropriate notification to the owner. The facility owner will have the option to close the facility upon receipt of notice of the defect as provided in Section III Paragraph C-5 of this Agreement.
- C. During any use of any facility demised hereunder, the user shall be liable to the owner for any damage to such property caused by the user, or third parties at the invitation or suffrage of the party using the property, normal wear and tear excepted.
- D. The prevailing party in any dispute arising under this Agreement shall be entitled to reasonable attorneys' fees incurred in the litigation or adjudication of such disputes.

VIII. INSURANCE

- A. During the term of this Agreement, each party shall maintain a Memorandum of Coverage from a joint powers risk pool or provide insurance coverage, as herein provided. Each party's respective insurance shall have a minimum per occurrence limit of \$25 million and a maximum self-insured retention of \$500,000. Each party shall issue an additional insured endorsement covering the other party for the value of the issuing party's self-insured retention out the issuing party's liability reserve. The insurance policies shall protect the facility owner from claims for damages for personal injury, including accidental death; and, claims for property damages which may arise from the facility user's operations under this Agreement, whether such operations are by the facility user, its invitees, its subcontractors, or by anyone directly or indirectly employed by the facility user. A copy of a party's certificate of insurance with the following endorsements shall be furnished to the other party:
 - 1. The City or District, as appropriate, and their respective elected and appointed boards, commissions, officers, agents and employees shall be named as additional insured under the aforementioned insurance policies.
 - 2. Such insurance as is afforded by the endorsement for the additional insureds shall serve as the primary insurance. Any other insurance maintained by the facility owner or its officers and employees shall be excess only, and shall not contribute to the coverage afforded by the primary insurance.

3. A party cannot cancel its policy or change coverage without providing thirty (30) days' prior written notice to the other party, addressed as follows: to the City Risk Manager, City of Lodi, P.O. Box 3006, Lodi, CA 95241, and to the Chief Business Officer, Lodi Unified School District, 1305 E. Vine Street. Lodi, CA 95240.
4. The parties agree that any insurance coverage provided by this Agreement shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810, et seq.). Any "claims made" coverage requiring the insureds to give notice of any potential liability during a time period that is shorter than that found in the Tort Claims Act shall be unacceptable.
5. Each party shall maintain, during the term of this Agreement, worker's compensation insurance as required by law for all of its employees.

**IX.
TERM OF AGREEMENT**

- A. The term of this Agreement shall be for a period of ten (10) years, starting July 1, 2010 and ending June 30, 2020, with an annual review by the City Council and the District's Board of Education.
- B. All fees, charges, or other specifics requiring periodic review and/or modification, are to be considered within the herein described timeframes.
- C. This Agreement may be canceled at any time by either party, by giving to the other party six (6) months prior written notice, or by the mutual consent of the parties. This Agreement may also be terminated on three (3) months notice by either party in the event that either party unilaterally and without cause as provided in Section III Paragraph 5 of this Agreement cancels a previously approved reservation more than ten (10) times in a one year period.

**X.
MISCELLANEOUS PROVISIONS**

A. Modifications

No modification of this Agreement shall be valid unless said modification is in writing and signed by both parties and approved by their respective Board and Council.

B. Attorneys' Fees

If either of the parties hereto brings any action or proceeding against the other, including but not limited to, an action to enforce or to declare the termination, cancellation or revision of the Agreement, the prevailing party in such action or proceedings shall be entitled to receive from the other party all reasonable attorneys' fees and costs, incurred in connection therewith. In the event either party shall initiate any suit, action, or appeal on any matter related to this Agreement, then the court before whom such suit, action, or appeal is taken shall award to the prevailing party such attorneys' fees as the court shall deem reasonable, and such award and all allowable costs of the event may be either added to or deducted from the balance due under this Agreement or be a separate obligation as appropriate.

C. Severability

If any provision or any portion of any provision of this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement, or portion hereof, shall be deemed severable and shall not be affected, but shall remain in full force and effect.

D. Integrated Agreement

This writing contains the entire agreement between the parties and all prior or contemporaneous agreements, understandings or discussions relative to this agreement are hereby superseded.

E. Jurisdiction and Venue

This Agreement shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in San Joaquin County, California.

F. Notices

All written notices required pursuant to this Agreement shall be delivered to: City Clerk Manager, City Hall, P.O. Box 3006, 221 West Pine Street, Lodi, CA 95241 with a copy to Parks and Recreation Director, _____; and Superintendent, Lodi Unified School District, 1305 E. Vine Street, Lodi, CA 95240, with a copy to the Assistant Superintendent, Facilities & Planning.

G. Governing Law

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of California, without reference to its choice of law rules or principles.

H. Successors and Assigns

This Agreement shall be binding upon the parties and their respective successors and assigns, and shall inure to the benefit of the parties hereto and their respective successors and assigns.

I. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one instrument.

J. Survival

Any provisions of this Agreement that would impose continuing obligations upon a party or, by their nature or terms, would be reasonably understood to have been intended to survive and continue in force and effect after expiration, termination, or cancellation of this Agreement, shall remain in full force and effect.

K. Assignment

The parties shall not assign this Agreement without the prior consent of the other party hereto, and any attempt to do so shall be void and have no effect.

L. Parties in Interest

Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective successors and assigns; nothing in this Agreement is intended to relieve or discharge the obligations or liability of any third persons to any party to this Agreement; and no provision of this Agreement gives any third person any right of subrogation or action against any party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first hereinabove mentioned.

CITY OF LODI,
a municipal corporation

LODI UNIFIED SCHOOL DISTRICT,
a political subdivision of the State of California

By _____
Rad Bartlam, Interim City Manager

By _____
Cathy Nichols-Washer, Superintendent

Attest:

Attest:

Randi Johl, City Clerk

Clerk of the Board of Education

Approved as to Form:

Approved as to Form:

D. Stephen Schwabauer
City Attorney



Counsel to the District

RESOLUTION NO. 2011-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE JOINT USE AGREEMENT BETWEEN
THE LODI UNIFIED SCHOOL DISTRICT AND THE CITY
OF LODI FOR RECIPROCAL USE OF FACILITIES FOR
THE TERM OF JULY 1, 2010 THROUGH JUNE 30, 2020

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the Joint Use Agreement between the Lodi Unified School District and the City of Lodi for reciprocal use of facilities for the term of July 1, 2010 through June 30, 2020 with \$60,000 annual credit to LUSD and \$60,000 in annual use to the City of Lodi, for a net zero sum impact.

Dated: January 5, 2011

=====

I hereby certify that Resolution No. 2011-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held January 5, 2011, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Adopt Resolution Approving Revised City of Lodi Energy Risk Management Policies, and Further Appointing Phil Katzakian as a Member of the Risk Oversight Committee.

MEETING DATE: January 5, 2011

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: Adopt resolution approving revised City of Lodi Energy Risk Management Policies, and further appointing Phil Katzakian as a member of the Risk Oversight Committee.

BACKGROUND INFORMATION: The City Council established a Risk Oversight Committee on January 18, 2006 to ensure compliance with the City's Energy Risk Management Policies.

Mayor Johnson requested that the Council consider adding a Council member to the Risk Oversight Committee. A revision to the Policies is attached which appoints the Council member who serves as the NCPA Alternate Board Member to the Risk Oversight Committee.

FISCAL IMPACT: Not applicable.

FUNDING: Not applicable.

Stephen Schwabauer
City Attorney

APPROVED:

Konradt Bartlam, City Manager

**CITY OF LODI
ENERGY RISK MANAGEMENT POLICIES**

January 5, 2011

The purpose of the Risk Management Program is to ensure that risks associated with Lodi's bulk power procurement program are properly identified, measured and controlled.

Scope:

The policies are to be applied to all aspects of Lodi's wholesale procurement and sales activities, long-term contracting associated with energy supplies, capital projects and associated financing related to generation, transmission, transportation or storage, and participation in Joint Powers Agencies (*JPA's*).

These policies do not address the following types of general business risk, which are treated separately in other official policies, ordinances, and regulations of the city: fire, accident and casualty, health, safety; workers compensation and other such typically insurable perils.

Risk Management Program Strategies:

1. Identify, measure and control risks that would have an adverse affect on retail rate stability.
2. Assign risk management responsibilities to appropriately qualified individuals and committees.

Risk Management Program Objectives:

1. Maintain a regularly updated inventory of Lodi's Bulk Power Procurement Program Risks.
2. Establish risk metrics and reporting mechanisms that provide both quantitative and qualitative assessments of potential impacts to rate stability.
3. Adopt business practices that encourage development of appropriate levels of operating reserve funds, contribute to retail rate stability and maintain appropriate security for established funds.

Risk Inventory:

Lodi Electric must inventory and address the following categories of risk as a component of the monitoring and reporting under the risk management program:

- Price Risk
- Credit Risk
- Operational Risk
- Contingent Liabilities

Price Risk – Price risk is the risk that wholesale prices may increase relative to open position needs and/or long term supply contracts may move “out of the money”, or become unprofitable or costly in comparison to prevailing price levels.

Credit Risk - Credit risk is the risk associated with entering into any type of transaction with another counterparty and is generally segmented into the following five categories:

1. Trading Counterparties and retail customers fail to pay for energy delivered;

2. Trading Counterparties and/or wholesale suppliers fail to deliver contracted for energy;
3. Trading Counterparties fail to take delivery of energy sold to them, necessitating a quick resale elsewhere, likely at a loss;
4. Counterparties, may refuse to extend credit or charge a premium for credit risks;
5. Counterparty transactions are too concentrated among a limited number of suppliers.

Operational Risk – Operational risk consists of the potential to effectively plan, execute or control business activities. Operational risk includes the potential for:

1. Inadequate organizational infrastructure, i.e., the lack of sufficient authority to make and execute decisions, inadequate supervision, absence of internal checks and balances, incomplete and untimely planning, incomplete and untimely reporting, failure to separate incompatible functions, etc.
2. Absence, shortage or loss of key personnel.
3. Lack or failure of facilities, equipment, systems and tools such as computers, software, communications links and data services.
4. Inability to finance capital projects or meet financial obligations incurred in the course of wholesale operations.
5. Exposure to litigation or sanctions as a result of violating laws and regulations, not meeting contractual obligations, failure to address legal issues and/or receive competent legal advice, not drafting contracts effectively, etc.
6. Errors or omissions in the conduct of business, including failure to execute transactions, violations of guidelines and directives, etc.

Contingent Liabilities – contingent liabilities consist of liabilities that Lodi could incur in the event of the failure of other parties to discharge their obligations. At present, these consist of three principle categories:

1. Guarantees and step up provisions in the enabling agreements for the Joint Powers Agencies (JPAs) of which the City is a member.
2. Project closure, decommissioning, environmental remediation and other obligations which result from Lodi's own activities and from JPA projects and activities.
3. Provisions *for take or pay*, termination payments and/or margin calls in the City's long-term electric power supply agreements.

Prohibited and Authorized Transaction Types:

Prohibited Transaction Types:

Speculative buying and selling of energy products is prohibited. Speculation is defined as buying energy that is not needed for meeting forecasted load, selling energy that is not owned and/or selling energy that is not surplus without simultaneously replacing that energy at a lower cost. In no event shall transactions be entered into to speculate on market conditions.

Authorized Transaction Types:

Deleted: Approved

1. Purchase energy to serve load above what is expected to be generated or purchased from existing resources.
2. Sell existing capacity or energy that is expected to be in excess of Lodi's load serving obligations.
3. Purchase gas that is expected to be needed to fuel owned plants.
4. Sell surplus gas if more economic energy is available for purchase.
5. Execute financial transactions to fix the price of variable commodity purchases or sales.
6. Purchase simple call options to limit price exposure on short gas or electricity positions.
7. Sell simple call options or tolling agreements on capacity that is expected to be in excess of Lodi's load serving obligations.
8. Purchase emissions allowances deemed necessary for efficient operations of owned generating facilities.
9. Purchase or sell firm transmission rights to manage congestion price risk.
10. A purchase/sale of energy at the California Oregon Border and a sale/purchase of energy at NP15 to take advantage of Lodi's transmission capacity.
11. A purchase of natural gas and a sale of energy to take advantage of excess gas fired peaking capacity.
12. A sale of natural gas and a purchase of electricity to take advantage of market heat rates below NCPA gas fired generation.

Transactions that are not included in the Approved Transactions Type list are prohibited, unless explicitly approved by the City Council.

Energy Risk Management Roles, Responsibilities and Organization:

City Council

The City Council is responsible for making high-level, broad policy and strategy statements as contained in the Energy Risk Management Policy document. The City Council adopts the Energy Risk Management Policies as developed and recommended by the Risk Oversight Committee and delegates the City Manager to execute it. The City Council will review the Energy Risk Management Policy every year. Additionally, the City Council shall receive reports quarterly from the City Manager regarding risk management activities. These reports will be provided to the Council within six weeks after the end of each calendar quarter.

City Manager

The City Manager has overall responsibility for executing and ensuring compliance with policy adopted by the City Council. The City Manager reports quarterly to the City Council regarding energy risk management activities.

Risk Oversight Committee (ROC)

The ROC shall include as voting members, ~~the Council member who serves as an NCPA Alternate Board member~~, the City Manager, ~~Deputy City Manager, City Attorney and the Electric Utility Director~~; or in the case of their absence, their designees. The City Manager shall appoint the chair of the ROC. Additional non-voting members may be invited to participate on the ROC based on supporting expertise required by the ROC.

Deleted: Assistant

The ROC shall meet not less than once per month, or as otherwise called to order by the City Manager or City Council. The ROC shall keep minutes of all meetings and business transacted and shall appoint one of its members to perform this task. A quorum for the ROC to do business shall consist of all members or their designees. The ROC shall request attendance at its meetings by, and/or reports from, other persons as appropriate. The City Manager shall make regular reports to the City Council regarding business transacted by the ROC at such intervals and/or upon such occasions as the Council shall direct.

The ROC shall have the responsibility for ensuring that business is conducted in accordance with the Energy Risk Management Policies (ERMP). The ROC shall from time to time, adopt and bring current risk management business practices, defining in detail the internal controls, strategies and processes for managing risks associated with the adoption of those business practices. The ROC shall recommend to the City Council the categories of transactions permitted and set risk limits for those transactions. The ROC, with the approval of the City Manager, shall confirm the assignment of authority to execute wholesale trading transactions, and administer retail accounts, supply contracts, capital projects and JPA relationships.

Electric Department

The Electric Department shall participate on the ROC through the Electric Utility Director. The Electric Utility Director shall provide load forecast information and coordinate the receipt and dissemination of relevant market and transactional information undertaken on Lodi's behalf through NCPA.

Finance Department

The Finance Department shall participate on the ROC through the Deputy City Manager and provide accounting and cash flow information to the ROC.

Deleted: Assistant

Legal Department

The Legal Department shall participate on the ROC through the City Attorney and provide legal advice and representation and ensure that business is carried out in compliance with all applicable laws, regulations and executive court orders.

Reporting

Quarterly reports shall be provided to the City Council, which provide detail on the City's forward purchases, market exposure, credit exposure, transaction compliance and other relevant data.

Quarterly Reports shall include:

- Load and Resource balances as forecast and adopted in the current operating years budget.
- Load and Resource balances as adjusted due to operating conditions or purchases occurring during the quarter.
- An assessment of market exposure.
- An assessment of the quarterly change in power supply cost from budget.
- Credit Exposure by counterparty.
- A summary of any purchases made during the quarter.
- An assessment of any counterparty credit problems.

Transaction Limits and Controls

For transactions executed on behalf of Lodi through NCPA, trade authorization levels, counterparty credit limits and minimum counterparty rating criteria shall be described in NCPA's "Trade and Risk Management 1999 Interim Policies, Processes and Procedures (RMPP)", which are made a part of this document, and attached hereto.

Material changes to NCPA's RMPP shall be reported to the City Council as part of the quarterly reporting under Lodi's Energy Risk Management Policy.

For transactions executed on behalf of Lodi through NCPA, the City Manager and the Electric Utility Director shall have the authority to direct NCPA to enter into purchase agreements under authority granted by the City Council, by Resolution. The Resolution shall specify the limits of the authority delegated, including the maximum dollar amount of the authority and the duration of the contracts and/or transactions that may be executed under the delegation of authority.

Because NCPA cannot enter into agreements on behalf of pooling members for longer than one year, power supply contracts that have terms longer than one year, or that begin delivery more than one year into the future must be executed directly by Lodi.

For transactions executed directly by Lodi, the City Manager and the Electric Utility Director shall have the authority to enter into purchase agreements under authority granted by the City Council, by Resolution.

The Resolution shall specify the limits of the authority delegated, including the maximum dollar amount of the authority and the duration of the contracts and/or transactions that may be executed under the delegation of authority.

Any resolution delegating authority to the City Manager to contract for electricity shall specify generally at least the following terms and conditions and the description of energy and energy services to be procured, including, but not limited to, on-peak and off-peak energy and ancillary services; term, specifying a not-to-exceed period of time; period of delivery denoted in years or months; and point of delivery on the locus on the interstate transmission system on which the delivery is made.

Any delegation of authority to contract for gas shall specify generally at least the following terms and conditions; quantity and the description of gas services to be procured, including but not limited to scheduled gas and gas transportation services, specifying a not-to-exceed period of time; period of delivery denoted in years or months or years and months; and point of delivery of the locus on the interstate transmission system at which the transfer of title is made.

For contracts executed directly by the City, the City shall use standardized form contracts for the procurement of gas and electricity, as practicable, including, but not limited to form contracts created and copyrighted by the Edison Electric Institute, the Western States Power Pool, and the North American Energy Standards Board. Unless waived by resolution of the City Council, a counterparty shall obtain and maintain during the terms of the contract, the minimum credit rating established as of the date of award of the contract of not less than a BBB-credit rating established by Standard and Poor's and a Baa3 credit rating established by Moody's Investors Services.

All procurement of gas and electricity by contract shall conform to the requirements of the Energy Risk Management Policies.

Compliance

Compliance exceptions are actions, which violate the authority limits, requirements or directives set forth in the Energy Risk Management Policy. All exceptions shall be reported immediately to the City Manager and quarterly to the City Council in the quarterly exception report.

Willful violations of the Energy Risk Management Policy will be subject to review and may be cause for discipline or dismissal.

RESOLUTION NO. 2011-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING REVISED CITY OF LODI ENERGY
RISK MANAGEMENT POLICIES, AND APPOINTING
PHIL KATZAKIAN AS A MEMBER OF THE RISK
OVERSIGHT COMMITTEE

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NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby rescind Resolution No. 2006-19, and further approves the revised City of Lodi Energy Risk Management Policies, as shown on Exhibit A attached hereto and made a part of this Resolution.

Dated: January 5, 2011

=====

I hereby certify that Resolution No. 2011-_____ was passed and adopted by the Lodi City Council in a regular meeting held January 5, 2011, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS –
- ABSENT: COUNCIL MEMBERS –
- ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2011-_____

EXHIBIT A

**CITY OF LODI
ENERGY RISK MANAGEMENT POLICIES**

January 5, 2011

The purpose of the Risk Management Program is to ensure that risks associated with Lodi's bulk power procurement program are properly identified, measured and controlled.

Scope:

The policies are to be applied to all aspects of Lodi's wholesale procurement and sales activities, long-term contracting associated with energy supplies, capital projects and associated financing related to generation, transmission, transportation or storage, and participation in Joint Powers Agencies (*JPA's*).

These policies do not address the following types of general business risk, which are treated separately in other official policies, ordinances, and regulations of the city: fire, accident and casualty, health, safety; workers compensation and other such typically insurable perils.

Risk Management Program Strategies:

1. Identify, measure and control risks that would have an adverse affect on retail rate stability.
2. Assign risk management responsibilities to appropriately qualified individuals and committees.

Risk Management Program Objectives:

1. Maintain a regularly updated inventory of Lodi's Bulk Power Procurement Program Risks.
2. Establish risk metrics and reporting mechanisms that provide both quantitative and qualitative assessments of potential impacts to rate stability.
3. Adopt business practices that encourage development of appropriate levels of operating reserve funds, contribute to retail rate stability and maintain appropriate security for established funds.

Risk Inventory:

Lodi Electric must inventory and address the following categories of risk as a component of the monitoring and reporting under the risk management program:

- Price Risk
- Credit Risk
- Operational Risk
- Contingent Liabilities

Price Risk – Price risk is the risk that wholesale prices may increase relative to open position needs and/or long term supply contracts may move “out of the money”, or become unprofitable or costly in comparison to prevailing price levels.

Credit Risk - Credit risk is the risk associated with entering into any type of transaction with another counterparty and is generally segmented into the following five categories:

1. Trading Counterparties and retail customers fail to pay for energy delivered;
2. Trading Counterparties and/or wholesale suppliers fail to deliver contracted for energy;
3. Trading Counterparties fail to take delivery of energy sold to them, necessitating a quick resale elsewhere, likely at a loss;
4. Counterparties, may refuse to extend credit or charge a premium for credit risks;
5. Counterparty transactions are too concentrated among a limited number of suppliers.

Operational Risk – Operational risk consists of the potential to effectively plan, execute or control business activities. Operational risk includes the potential for:

1. Inadequate organizational infrastructure, i.e., the lack of sufficient authority to make and execute decisions, inadequate supervision, absence of internal checks and balances, incomplete and untimely planning, incomplete and untimely reporting, failure to separate incompatible functions, etc.
2. Absence, shortage or loss of key personnel.
3. Lack or failure of facilities, equipment, systems and tools such as computers, software, communications links and data services.
4. Inability to finance capital projects or meet financial obligations incurred in the course of wholesale operations.
5. Exposure to litigation or sanctions as a result of violating laws and regulations, not meeting contractual obligations, failure to address legal issues and/or receive competent legal advice, not drafting contracts effectively, etc.
6. Errors or omissions in the conduct of business, including failure to execute transactions, violations of guidelines and directives, etc.

Contingent Liabilities – contingent liabilities consist of liabilities that Lodi could incur in the event of the failure of other parties to discharge their obligations. At present, these consist of three principle categories:

1. Guarantees and step up provisions in the enabling agreements for the Joint Powers Agencies (JPAs) of which the City is a member.
2. Project closure, decommissioning, environmental remediation and other

obligations which result from Lodi's own activities and from JPA projects and activities.

3. Provisions *for* take or pay, termination payments and/or margin calls in the City's long-term electric power supply agreements.

Prohibited and Authorized Transaction Types:

Prohibited Transaction Types:

Speculative buying and selling of energy products is prohibited. Speculation is defined as buying energy that is not needed for meeting forecasted load, selling energy that is not owned and/or selling energy that is not surplus without simultaneously replacing that energy at a lower cost. In no event shall transactions be entered into to speculate on market conditions.

Authorized Transaction Types:

1. Purchase energy to serve load above what is expected to be generated or purchased from existing resources.
2. Sell existing capacity or energy that is expected to be in excess of Lodi's load serving obligations.
3. Purchase gas that is expected to be needed to fuel owned plants.
4. Sell surplus gas if more economic energy is available for purchase.
5. Execute financial transactions to fix the price of variable commodity purchases or sales.
6. Purchase simple call options to limit price exposure on short gas or electricity positions.
7. Sell simple call options or tolling agreements on capacity that is expected to be in excess of Lodi's load serving obligations.
8. Purchase emissions allowances deemed necessary for efficient operations of owned generating facilities.
9. Purchase or sell firm transmission rights to manage congestion price risk.
10. A purchase/sale of energy at the California Oregon Border and a sale/purchase of energy at NP15 to take advantage of Lodi's transmission capacity.
11. A purchase of natural gas and a sale of energy to take advantage of excess gas fired peaking capacity.
12. A sale of natural gas and a purchase of electricity to take advantage of

market heat rates below NCPA gas fired generation.

Transactions that are not included in the Approved Transactions Type list are prohibited, unless explicitly approved by the City Council.

Energy Risk Management Roles, Responsibilities and Organization:

City Council

The City Council is responsible for making high-level, broad policy and strategy statements as contained in the Energy Risk Management Policy document. The City Council adopts the Energy Risk Management Policies as developed and recommended by the Risk Oversight Committee and delegates the City Manager to execute it. The City Council will review the Energy Risk Management Policy every year. Additionally, the City Council shall receive reports quarterly from the City Manager regarding risk management activities. These reports will be provided to the Council within six weeks after the end of each calendar quarter.

City Manager

The City Manager has overall responsibility for executing and ensuring compliance with policy adopted by the City Council. The City Manager reports quarterly to the City Council regarding energy risk management activities.

Risk Oversight Committee (ROC)

The ROC shall include as voting members, the Council member who serves as an NCPA Alternate Board member, the City Manager, Deputy City Manager, City Attorney and the Electric Utility Director; or in the case of their absence, their designees. The City Manager shall appoint the chair of the ROC. Additional non-voting members may be invited to participate on the ROC based on supporting expertise required by the ROC.

The ROC shall meet not less than once per month, or as otherwise called to order by the City Manager or City Council. The ROC shall keep minutes of all meetings and business transacted and shall appoint one of its members to perform this task. A quorum for the ROC to do business shall consist of all members or their designees. The ROC shall request attendance at its meetings by, and/or reports from, other persons as appropriate. The City Manager shall make regular reports to the City Council regarding business transacted by the ROC at such intervals and/or upon such occasions as the Council shall direct.

The ROC shall have the responsibility for ensuring that business is conducted in accordance with the Energy Risk Management Policies (ERMP). The ROC shall from time to time, adopt and bring current risk management business practices, defining in detail the internal controls, strategies and processes for managing risks associated with the adoption of those business practices. The ROC shall recommend to the City Council the categories of transactions permitted and set risk limits for those transactions. The ROC, with the approval of the City Manager, shall confirm the assignment of authority to execute wholesale trading transactions, and administer retail accounts, supply contracts, capital projects and JPA relationships.

Electric Department

The Electric Department shall participate on the ROC through the Electric Utility Director. The Electric Utility Director shall provide load forecast information and coordinate the receipt and dissemination of relevant market and transactional information undertaken on Lodi's behalf through NCPA.

Finance Department

The Finance Department shall participate on the ROC through the Deputy City Manager and provide accounting and cash flow information to the ROC.

Legal Department

The Legal Department shall participate on the ROC through the City Attorney and provide legal advice and representation and ensure that business is carried out in compliance with all applicable laws, regulations and executive court orders.

Reporting

Quarterly reports shall be provided to the City Council, which provide detail on the City's forward purchases, market exposure, credit exposure, transaction compliance and other relevant data.

Quarterly Reports shall include:

- Load and Resource balances as forecast and adopted in the current operating years budget.
- Load and Resource balances as adjusted due to operating conditions or purchases occurring during the quarter.
- An assessment of market exposure.
- An assessment of the quarterly change in power supply cost from budget.
- Credit Exposure by counterparty.
- A summary of any purchases made during the quarter.
- An assessment of any counterparty credit problems.

Transaction Limits and Controls

For transactions executed on behalf of Lodi through NCPA, trade authorization levels, counterparty credit limits and minimum counterparty rating criteria shall be described in NCPA's "Trade and Risk Management 1999 Interim Policies, Processes and Procedures (RMPP)", which are made a part of this document, and attached hereto.

Material changes to NCPA's RMPP shall be reported to the City Council as part of the quarterly reporting under Lodi's Energy Risk Management Policy.

For transactions executed on behalf of Lodi through NCPA, the City Manager and the Electric Utility Director shall have the authority to direct NCPA to enter into purchase agreements under authority granted by the City Council, by Resolution. The Resolution shall specify the limits of the authority delegated, including the maximum dollar amount

of the authority and the duration of the contracts and/or transactions that may be executed under the delegation of authority.

Because NCPA cannot enter into agreements on behalf of pooling members for longer than one year, power supply contracts that have terms longer than one year, or that begin delivery more than one year into the future must be executed directly by Lodi.

For transactions executed directly by Lodi, the City Manager and the Electric Utility Director shall have the authority to enter into purchase agreements under authority granted by the City Council, by Resolution.

The Resolution shall specify the limits of the authority delegated, including the maximum dollar amount of the authority and the duration of the contracts and/or transactions that may be executed under the delegation of authority.

Any resolution delegating authority to the City Manager to contract for electricity shall specify generally at least the following terms and conditions and the description of energy and energy services to be procured, including, but not limited to, on-peak and off-peak energy and ancillary services; term, specifying a not-to-exceed period of time; period of delivery denoted in years or months; and point of delivery on the locus on the interstate transmission system on which the delivery is made.

Any delegation of authority to contract for gas shall specify generally at least the following terms and conditions; quantity and the description of gas services to be procured, including but not limited to scheduled gas and gas transportation services, specifying a not-to-exceed period of time; period of delivery denoted in years or months or years and months; and point of delivery of the locus on the interstate transmission system at which the transfer of title is made.

For contracts executed directly by the City, the City shall use standardized form contracts for the procurement of gas and electricity, as practicable, including, but not limited to form contracts created and copyrighted by the Edison Electric Institute, the Western States Power Pool, and the North American Energy Standards Board. Unless waived by resolution of the City Council, a counterparty shall obtain and maintain during the terms of the contract, the minimum credit rating established as of the date of award of the contract of not less than a BBB-credit rating established by Standard and Poor's and a Baa3 credit rating established by Moody's Investors Services.

All procurement of gas and electricity by contract shall conform to the requirements of the Energy Risk Management Policies.

Compliance

Compliance exceptions are actions, which violate the authority limits, requirements or directives set forth in the Energy Risk Management Policy. All exceptions shall be reported immediately to the City Manager and quarterly to the City Council in the quarterly exception report.

Willful violations of the Energy Risk Management Policy will be subject to review and may be cause for discipline or dismissal.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Designation of Two Council Members to Participate in the Selection Process for a New Police Chief

MEETING DATE: January 5, 2011

PREPARED BY: City Manager

RECOMMENDED ACTION: Designation of two Council members to participate in the selection process for a new Police Chief.

BACKGROUND INFORMATION: As Council is aware, the City is in the process of recruiting a new Police Chief to fill the recent vacancy. In doing so, I am requesting that the City Council designate two Council members to participate in the selection process for this important position including serving as liaisons during the process.

An agreement for recruitment services will be entered into in the near future. It is estimated that the recruitment and selection period will take approximately four months.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Konradt Bartlam, City Manager

KB/sl

APPROVED: _____
Konradt Bartlam, City Manager