



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

**** A G E N D A ****

REGULAR MEETING – Lodi City Council
SPECIAL MEETING – Redevelopment Agency

Date: April 16, 2008

Time: Closed Session 5:30 p.m.
Regular Meeting 7:00 p.m.

For information regarding this agenda please contact:
Randi Johl, City Clerk, (209) 333-6702

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) Actual Litigation: Government Code §54956.9(a); One Case; Voytek v. City of Lodi, et al., San Joaquin County Superior Court, Case No. CV033857
- b) Actual Litigation: Government Code §54956.9(a); One Case; Sciarini v. City of Lodi, et al., San Joaquin County Superior Court, Case No. CV034596
- c) Actual Litigation: Government Code §54956.9; Three Actions; John Walker v. City of Lodi; WCAB Case Numbers STK156990 – 4/11/00, STK0156991 – 1/31/00, and STK171305 – 4/11/00
- d) Conference with Dean Gualco, Human Resources Manager, and Jim Krueger, Deputy City Manager (Labor Negotiators), Regarding Lodi Professional Firefighters, Police Mid-Managers, and Association of Lodi City Employees Regarding General Services and Maintenance & Operators 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. Invocation – Reverend Dr. Alan Kimber, First United Methodist Church

C. Pledge of Allegiance

D. Presentations

- D-1 Awards
 - a) Presentation of the 2008 Library Volunteer of the Year Award (LIB)
- D-2 Proclamations
 - a) Sexual Assault Awareness Month
- D-3 Presentations
 - a) Presentation of Certificate of Recognition to the Lodi-Tokay Rotary Club for Sponsoring the Lodi International Wine Awards
 - b) Presentation by the Women of Moose Lodge Chapter #488 to the Lodi Police and Fire Departments
 - c) Presentation of Lodi Fire Department Staff Centennial Photo to the City Council (FD)

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

- E-1 Receive Register of Claims in the Amount of \$7,903,207.65 (FIN)
- E-2 Approve Minutes (CLK)
a) March 18, 2008 (Shirtsleeve Session)
b) March 25, 2008 (Shirtsleeve Session)
c) April 1, 2008 (Shirtsleeve Session)
d) April 2, 2008 (Regular Meeting)
- Res. E-3 Adopt Resolution Authorizing the Emergency Replacement of Damaged City Hall and Carnegie Forum Air Conditioner Chiller Barrel and Authorizing the City Manager to Execute Purchase Order to Indoor Environmental Services (\$57,325) (PW)
- Res. E-4 Adopt Resolution Awarding Contract for Maintenance of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for Fiscal Year 2008-09 to Odyssey Landscaping Company, Inc. (\$26,780) (PW)
- E-5 Accept Improvements under Contract for Lane Line Painting, Various City Streets, 2007 (PW)
- Res. E-6 Adopt Resolution Approving Addendum to Improvement Agreement for Public Improvements at 856 North Sacramento Street to Provide One-Year Time Extension (PW)
- Res. E-7 Adopt Resolution Extending White Slough Water Pollution Control Facility Agricultural Leases (PW)
- E-8 Receive Quarterly Report of Purchases Between \$5,000 and \$20,000 (CM)
- E-9 Appoint Public Works Director as Alternate to Northeastern San Joaquin County Groundwater Banking Authority (PW)
- Res. E-10 Adopt Resolution Ratifying Employment Agreement Entered into Between City Manager Blair King and Chief of Police David Main (CM)
- Res. E-11 Adopt Resolutions of the City of Lodi and Lodi Redevelopment Agency to Set Public Hearing
Res. (RDA) for May 28, 2008, or Alternative Date as May be Necessary, to Consider the Lodi Community Improvement Project Redevelopment Plan (CM)
NOTE: Joint action of the Lodi City Council and Redevelopment Agency

F. 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.

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

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

I. Public Hearings

- I-1 Public Hearing to Consider the Annual Report for Sidewalk Repairs and to Confirm the Report as Submitted by the Public Works Department (PW)
NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31
- Res. I-2 Public Hearing to Consider Adopting Resolution Adjusting Consumer Price Index-Based Water and Wastewater Rates (PW)

J. Communications

- J-1 Claims Filed Against the City of Lodi – None
- J-2 Appointments
 - a) Post for Two Vacancies on the Lodi Arts Commission (CLK)
- J-3 Miscellaneous – None

K. Regular Calendar

- K-1 Provide Staff Direction Regarding Water and Wastewater Rate Revenue Accounting (PW)
NOTE: This item is carried over from the meeting of 4/2/08
- Ord. K-2 Introduce Ordinance Repealing and Reenacting Ordinance No. 964 in its Entirety Regarding a
(Introduce) Specific Plan for South Hutchins Street Between West Kettleman Lane and West Harney Lane to Revise the Reverse Frontage Fence Design (PW)
- Res. K-3 Adopt Resolutions Approving State Mandated Rules for Owner Participation, Re-Entry, and
Res. Relocation Methods for the Lodi Community Improvement Project (CM)
Res. (RDA) **NOTE: Joint action of the Lodi City Council and Redevelopment Agency**
Res. (RDA)
- K-4 Approve Expenses Incurred by Outside Counsel/Consultants Relative to Various Litigation Cases
(\$9,805.79) (CA)

L. Ordinances

- Ord. L-1 Adopt Ordinance No. 1810 Entitled, "An Ordinance of the City Council of the City of Lodi
(Adopt) Amending Lodi Municipal Code Section 2.08.020 Relating to City Council Salaries as Authorized by Government Code Section 36516 (a) (3)" (CLK)

M. 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: Library Volunteer of the Year Award
MEETING DATE: April 16, 2008
PREPARED BY: Nancy Martinez

RECOMMENDED ACTION: None

BACKGROUND INFORMATION: Suga Moriwaki, President of the Library Board of Trustees will present the Library Volunteer of the Year Award to Gordon Harris.

At their March 19, 2001 meeting, the Library Board of Trustees established the Bob Hildreth Library Volunteer of the Year Award to be awarded during National Library Week to the library volunteer who contributed significantly to the support of library services for the Lodi Public Library and the residents of Lodi.

The 2008 recipient of this service award is Gordon Harris. Mr. Harris has been volunteering at the library for over five years. Gordon is extremely dedicated to helping the library manage the daily arrival of donations for the Friends bookstore. He monitors regularly the donations left outside the library to keep the doorways neat and uncluttered. It is a credit to Gordon that his nomination included the signatures of over twenty staff members who stated "the time and effort he gives to all is a priceless gift."

FISCAL IMPACT: Not applicable

FUNDING AVAILABLE: Not applicable

Nancy C. Martinez
Library Services Director

NM/sb

APPROVED: _____
Blair King, City Manager



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Sexual Assault Awareness Month

MEETING DATE: April 16, 2008

PREPARED BY: City Clerk

RECOMMENDED ACTION: Mayor Mounce present a proclamation proclaiming the month of April 2008 as “Sexual Assault Awareness Month” in the City of Lodi.

BACKGROUND INFORMATION: Mayor Mounce has been requested to present a proclamation proclaiming the month of April 2008 as “Sexual Assault Awareness Month” in the City of Lodi. Jennifer Busalacchi with the Women’s Center of San Joaquin County will be at the meeting to accept the proclamation.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None.

Randi Johl
City Clerk

RJ/JMP

APPROVED: _____
Blair King, City Manager



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Presentation of Certificate of Recognition to the Lodi-Tokay Rotary Club for Sponsoring the Lodi International Wine Awards

MEETING DATE: April 16, 2008

PREPARED BY: City Clerk

RECOMMENDED ACTION: Mayor Mounce present Certificate of Recognition to the Lodi-Tokay Rotary Club for sponsoring the Lodi International Wine Awards.

BACKGROUND INFORMATION: The Lodi-Tokay Rotary Club sponsored the Lodi International Wine Awards, which was held at Hutchins Street Square on March 11, 2008, with 30 judges from around the state and 525 entries. The awards banquet will be held on May 9, 2008, at Wine and Roses with all proceeds benefiting the community. Mayor Mounce will present a Certificate of Recognition to the Lodi-Tokay Rotary Club in appreciation for the club's hard work and efforts in hosting this community event.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None.

Randi Johl
City Clerk

RJ/JMP

APPROVED: _____
Blair King, City Manager



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Presentation by the Women of Moose Lodge Chapter #488 to the Lodi Police and Fire Departments

MEETING DATE: April 16, 2008

PREPARED BY: City Clerk

RECOMMENDED ACTION: None required.

BACKGROUND INFORMATION: The Women of Moose Lodge Chapter #448 will be at the meeting to make a presentation to the Lodi Police and Fire Departments regarding its stuffed "Moose" dolls for children.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None.

Randi Johl
City Clerk

RJ/JMP

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Present a Lodi Fire Department Staff Centennial Picture to the City Council (FD)
MEETING DATE: April 16, 2008
PREPARED BY: Michael E. Pretz, Fire Chief

RECOMMENDED ACTION: Presentation

BACKGROUND INFORMATION: Chief Pretz will present a Lodi Fire Department staff centennial picture to the City Council.

FISCAL IMPACT: None

FUNDING AVAILABLE: None Required

Michael E. Pretz, Fire Chief

MEP/lh

APPROVED: _____
Blair King, City Manager



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Register of Claims Dated March 20, and March 27, 2008 in the Total Amount of \$7,903,207.65

MEETING DATE: April 16, 2008

PREPARED BY: Financial Services Manager

RECOMMENDED ACTION: Receive the attached Register of Claims for \$7,903,207.65.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$7,903,207.65 dated 03/20/08, and 03/27/08. Also attached is Payroll in the amount of \$1,356,912.14.

FISCAL IMPACT: n/a

FUNDING AVAILABLE: As per attached report.

Ruby R. Paiste, Financial Services Manager

RRP/rp

Attachments

APPROVED: _____
Blair King, City Manager

Accounts Payable
Council Report

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Date - 03/31/08
Amount

As of Thursday	Fund	Name	Amount
03/20/08	00100	General Fund	932,662.59
	00120	Vehicle Replacement Fund	77,208.54
	00123	Info Systems Replacement Fund	171.33
	00130	Redevelopment Agency	4,052.00
	00160	Electric Utility Fund	40,787.77
	00161	Utility Outlay Reserve Fund	590,325.81
	00164	Public Benefits Fund	5,856.43
	00170	Waste Water Utility Fund	106,613.52
	00171	Waste Wtr Util-Capital Outlay	76,092.68
	00172	Waste Water Capital Reserve	47.30
	00180	Water Utility Fund	2,593.13
	00181	Water Utility-Capital Outlay	12.80
	00210	Library Fund	7,007.53
	00234	Local Law Enforce Block Grant	150.98
	00235	LPD-Public Safety AB 1913	53.43
	00260	Internal Service/Equip Maint	23,667.54
	00270	Employee Benefits	40,600.16
	00300	General Liabilities	8,432.43
	00310	Worker's Comp Insurance	8,636.00
	00321	Gas Tax - 2105,2106,2107	788.67
	00325	Measure K Funds	4,692.58
	00340	Comm Dev Special Rev Fund	28,465.97
	00410	Bond Interest & Redemption	520,757.76
	01212	Parks & Rec Capital	200,685.93
	01250	Dial-a-Ride/Transportation	5,225.22
	01410	Expendable Trust	12,647.38

Sum			2,698,235.48

Total for Week			
Sum			2,698,235.48

Accounts Payable
Council Report

Page
Date
Amount

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- 03/31/08

As of Thursday	Fund	Name	Amount
03/27/08	00100	General Fund	264,678.89
	00123	Info Systems Replacement Fund	13,448.68
	00160	Electric Utility Fund	3,836,157.03
	00164	Public Benefits Fund	15,554.88
	00170	Waste Water Utility Fund	553,924.59
	00180	Water Utility Fund	3,113.03
	00181	Water Utility-Capital Outlay	24.73
	00182	IMF Water Facilities	1,986.20
	00210	Library Fund	12,567.10
	00260	Internal Service/Equip Maint	21,786.48
	00270	Employee Benefits	9,811.97
	00310	Worker's Comp Insurance	13,926.94
	00321	Gas Tax	13,532.76
	00338	IMF-Regional Transportation	9,374.75
	00502	L&L Dist Z1-Almond Estates	655.64
	00503	L&L Dist Z2-Century Meadows I	550.27
	00506	L&L Dist Z5-Legacy I,II,Kirst	831.25
	01241	LTF-Pedestrian/Bike	3,991.45
	01250	Dial-a-Ride/Transportation	318,827.79
	01410	Expendable Trust	17,134.68
Sum			5,111,879.11
	00184	Water PCE-TCE-Settlements	3,516.57
	00190	Central Plume	89,576.49
Sum			93,093.06
Total for Week			5,204,972.17
Sum			5,204,972.17

Council Report for Payroll

Page - 1
Date 03/31/08

Payroll	Pay Per Date	Co	Name	Gross Pay
Regular	03/23/08	00100	General Fund	872,320.35
		00160	Electric Utility Fund	180,499.18
		00164	Public Benefits Fund	6,379.92
		00170	Waste Water Utility Fund	93,211.11
		00180	Water Utility Fund	232.81
		00210	Library Fund	36,824.66
		00235	LPD-Public Safety AB 1913	3,760.12
		00260	Internal Service/Equip Maint	19,162.37
		00321	Gas Tax - 2105,2106,2107	56,781.38
		00340	Comm Dev Special Rev Fund	40,155.26
		01250	Dial-a-Ride/Transportation	4,048.92
Pay Period Total:				
Sum				1,313,376.08
Retiree	04/30/08	00100	General Fund	43,536.06
Pay Period Total:				
Sum				43,536.06



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Minutes
a) March 18, 2008 (Shirtsleeve Session)
b) March 25, 2008 (Shirtsleeve Session)
c) April 1, 2008 (Shirtsleeve Session)
d) April 2, 2008 (Regular Meeting)

MEETING DATE: April 16, 2008

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) March 18, 2008 (Shirtsleeve Session)
b) March 25, 2008 (Shirtsleeve Session)
c) April 1, 2008 (Shirtsleeve Session)
d) April 2, 2008 (Regular Meeting)

BACKGROUND INFORMATION: Attached are copies of the subject minutes, marked Exhibits A through D.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

RJ/JMP

Attachments

APPROVED: _____
Blair King, City Manager

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MARCH 18, 2008**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, March 18, 2008, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Hitchcock, Hansen, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

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

B. TOPIC(S)

B-1 "Update on Animal Shelter Facility"

City Manager King provided a brief introduction of the subject matter of the animal shelter facility.

Interim Police Chief David Main and Special Services Manager Jeanie Biskup provided a PowerPoint presentation regarding the animal shelter facility. Specific topics of discussion included a historical perspective, staffing and hours, 2007 animal services field calls, animal shelter housing, Hayden Bill of 1999, 2007 animal shelter statistics, 2007 shelter pulls and transfers, accomplishments, challenges, and possible solutions.

Discussion ensued between Mayor Pro Tempore Hansen, Mayor Mounce, Chief Main, Ms. Biskup, and Mr. King regarding the requirements set forth in the Hayden Bill, compliance efforts by the City, repercussions of not meeting the same, efforts to decrease euthanasia rates, State mandates and filing reimbursement claims regarding the same, the effect of an increased stay and care before an animal is euthanized including costs, and compliance by other communities.

Mayor Mounce suggested housing cats outside in additional cages.

In response to Council Member Johnson, Ms. Biskup stated some communities are outwardly stating that they are meeting the Hayden Bill requirements including Marin.

Mayor Mounce requested information regarding the application of Community Development Block Grant (CDBG) funding for operations and spay and neuter programs at the animal shelter. She also asked for information regarding funding that may be available for the same through the budget.

In response to Council Member Hitchcock, Ms. Biskup stated statistics were kept in more detail after the Hayden Bill came into play, the 1999 to 2007 shelter statistics sheet was provided by Sue Pixler, and the kittens are lost primarily due to large respiratory conditions and outbreaks, which are related to spacing issues.

In response to Myrna Wetzel, Chief Main stated that the People Assisting the Lodi Shelter (PALS) provides foster care.

In response to Mayor Pro Tempore Hansen, Ms. Biskup stated that people bring in large numbers of cats and dogs and, while some may be strays, others are owned by the individuals who bring them in.

In response to Mayor Pro Tempore Hansen, Ms. Biskup stated the average cost for cat and dog spay or neuter is \$100 to \$150; although, the low cost voucher program average is approximately \$40 to \$45. She stated the \$7,000 voucher program is close to being depleted and approximately 300 animals were altered as a result.

In response to Council Member Johnson, Ms. Biskup stated there is a minimal fine to redeem a pet who has gotten loose; although, spay and neuter costs may be reduced with the assistance of the voucher program.

In response to Mayor Pro Tempore Hansen, Ms. Biskup stated the total amount collected from licenses last year was approximately \$14,000. She stated the fee is \$10 for altered and \$50 for unaltered.

In response to Mayor Mounce, Ms. Biskup and Chief Main concurred that the licensing function, which was taken over by the animal shelter in November, presents some challenges with staffing levels and the hours of operation. Mr. King stated both the Police Department and Finance Department were consulted prior to the change being made and it may be appropriate to reevaluate the function. He also suggested that community events, as is done in other communities, may be the appropriate venue to encourage spaying and neutering animals.

In response to Council Member Hitchcock, Ms. Biskup stated the fee is approximately 90% associated with dogs because cats are not usually retrieved. Ms. Biskup stated staff works diligently with owners as to flexible payment arrangements so that the pets may be picked up.

In response to Myrna Wetzel, Chief Main and Ms. Biskup stated the pet statistics for next year may show a rise in light of the home foreclosures.

Mayor Pro Tempore Hansen requested comparables with the City and general information about active spay and neuter programs in other communities.

Mayor Mounce suggested staff look into making some immediate changes and consider grating in the front of the shelter, new windows for the cat room, obtaining a full-time kennel aide, providing a cover on the back of the shelter for outside housing, CDBG funding application, obtaining more cat cages, and removing a wall to provide additional space inside the shelter. She also commended PALS for its ongoing efforts and dedication.

Sue Pixler spoke in support of making improvements associated with the animal shelter facility. She specifically discussed the origins and codification of the Hayden Bill, the lack of funding attached to the bill, requirements that do not carry costs, conditions at the shelter, staffing needs, euthanasia rates, economics, theory of reducing intake to reduce euthanasia, distinctions between statistics for cats and dogs, specific concerns with cats, staff training, requirements regarding logs, operating hours during normal business hours, redemption and adoption efforts, licensing, providing targeted subsidized programs for spay and neuter purposes, adequate staffing and training, and the need for a neutral third party audit of shelter operations and compliance efforts.

Linda Hansen spoke in support of making improvements associated with the animal shelter facility. She specifically discussed involvement by PALS, the need for funding improvements at the shelter, full-time clerical support to keep the shelter open during the hours of operation, concerns regarding inhumane conditions and overcrowding, redevelopment funding application, spaying and neutering programs, and assistance from non-profit organizations willing to work with the City regarding the same.

Continued March 18, 2008

Kelly Hicks, President of PALS, spoke in support of making improvements associated with the animal shelter facility. She discussed the association's willingness to work with the City to address concerns at the shelter, including but not limited to, overcrowding.

Mayor Pro Tempore Hansen asked Sue Pixler for a copy of her statement, which Ms. Pixler stated she would supply.

In response to Council Member Hitchcock, Ms. Biskup stated that, while staff attempts to be at the shelter for an entire eight-hour period every day, the shelter may be closed for up to an hour to an hour and a half each day while staff is on a call or cleaning. She stated the hours for adoptions are 11 a.m. to 4:00 p.m. and the shelter is also open on Saturdays.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:33 a.m.

ATTEST:

Randi Johl
City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MARCH 25, 2008**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, March 25, 2008, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Hitchcock, Hansen, Johnson, Katzakian, and Mayor Mounce
Absent: Council Members – None
Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Infrastructure Replacement Account"

City Manager King provided a brief introduction of the infrastructure replacement account.

Public Works Director Richard Prima provided a PowerPoint presentation regarding the infrastructure replacement charges and fund balance. Specific topics of discussion included, but were not limited to, an outline, water services funds, historical background, the problem, the cause, the fix, rate issues, progress, 2001 rate issues, reserves, infrastructure replacement, regulatory and other requirements, operations and maintenance costs, range of revenue requirements, recommendations, and supplemental information.

In response to Mayor Mounce, Mr. Prima stated the erroneous split was not previously discussed because it was sidetracked in light of the PCE/TCE issues and the cash was going to that effort regardless of the split.

In response to Mayor Pro Tempore Hansen, Mr. Prima stated the annual adjustment was done in 2004 in conjunction with the Proposition 218 Notice and was not effective until the following year for both water and wastewater.

In response to Mayor Mounce, Mr. Prima stated the annual amount collected from the relevant line item is \$2.2 million. He stated that staff understood the line item to provide for infrastructure on a broader and more general level.

In response to Mayor Pro Tempore Hansen, Mr. Prima stated from 2000 to the present the maintenance and operation costs have been increasing by approximately six percent per year and rates were raised at only three percent per year.

Discussion ensued between Mayor Pro Tempore Mounce and Mr. Prima regarding spending \$900,000 per year for capital replacement, the possibility of doing a current and future adjustment without retroactivity, the direct application of the \$2.2 million to infrastructure only, and the options associated with raising rates and rebalancing. Mr. King discussed the public policy for having an infrastructure replacement policy to address ongoing maintenance and operations needs, money advanced to PCE/TCE litigation, the ongoing creation of a deficit because the rates do not match the costs, the misinterpretation regarding rate application to infrastructure only, and the options of rate increases or a rebalancing to make up the difference.

In response to Council Member Katzakian, Mr. Prima stated the PCE/TCE costs are separate from the ongoing operations and maintenance costs and the money from the connection fee was included in the wastewater fund. Mr. King reiterated that the one-time payment for Flag City has not yet been received and it is difficult to apply one-time funding to ongoing needs such as operations and maintenance costs.

In response to Mayor Pro Tempore Hansen, Mr. Prima stated that the actual dollars spent on the line replacement are being charged to bond proceeds. He stated the \$6 million goes into the development fee impact fund and payments are made from there. Mr. Prima stated the transfers are used to pay debt service.

In response to Mayor Pro Tempore Hansen, Mr. Prima confirmed that the annual adjustment for Consumer Price Index (CPI) of approximately three percent is not covering the operations and maintenance costs of approximately six to eight percent for water and wastewater. He stated one option may be to increase the operations side only while leaving the capital side alone.

Discussion ensued between Mayor Pro Tempore Hansen and Mr. Prima regarding the understanding of how the line item money was to be distributed, specifics for debt service for water and wastewater, the need to assess how to make up the difference, debt service as a complicating factor, unfunded mandates for sewage treatment plant, PCE/TCE, the lack of multiple line items for other municipalities, and a single infrastructure line that is distributed as necessary.

In response to Council Member Katzakian, Mr. King stated they are looking at rebalancing now and there may be an ability to rebalance away from infrastructure to operations and maintenance. Mr. King stated another option is that the line item goes away and funds are spent generally on infrastructure and operations and maintenance. He also discussed approval of a capital improvement program to fund projects with the annual budget, efforts to avoid rate increases, restricted funds for infrastructure only while addressing operations and maintenance with an increase, or another hybrid approach of the same.

Discussion ensued between Mayor Pro Tempore Hansen and Mr. Prima regarding operations and maintenance cost growth over an extended period of time, the growing costs of materials and supplies, and the theory of CPI to assist in maintaining these increases.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:03 a.m.

ATTEST:

Randi Johl
City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, APRIL 1, 2008**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, April 1, 2008, commencing at 7:00 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Hitchcock, Johnson, and Mayor Mounce
Absent: Council Members – Katzakian
Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Update of 2005 Americans with Disabilities Act Transition Plan"

City Manager King briefly introduced the subject matter of the Americans with Disabilities Act (ADA) Transition Plan.

City Engineer Wally Sandelin provided a PowerPoint presentation regarding the ADA Transition Plan. Specific topics of discussion included completed projects, Elm Street van accessible stalls, Carnegie Forum, Library west entrance, City parking lots, Lodi Station, City parks, future park projects, Grape Bowl Phase 1, Lodi Stadium 12 Cinema, ADA Plan project description, accessible parking requirements, downtown parking district, accessible parking available, and the overall proposed project.

In response to Council Member Johnson, Mr. Sandelin stated currently the Carnegie Forum improvement is not acceptable because the slope exceeds 2% and does not therefore meet the ADA requirements.

In response to Council Member Johnson, Mr. Sandelin and Building Official Dennis Canright stated the ADA requires that the main entrance ramp to the front of the Library also be handicap accessible in addition to the ramp along the west leading to the Community Room.

In response to Mayor Pro Tempore Hansen, Mr. Sandelin stated there is no separate requirement for 12 additional handicap spaces for the Lodi theater alone because the parking requirements are incorporated in the downtown parking district.

In response to Council Member Johnson, Mr. Sandelin stated the darker lines in the drawing for the theater improvements represent the pedestrian modifications needed along the walkway to install the ramp.

In response to Myrna Wetzel, Mr. Sandelin stated the pavement delineators on the sidewalk are required by law.

In response to Mayor Mounce, Mr. Sandelin confirmed that the proposal would eliminate one parking stall and van accessible space for the equivalent of five spaces.

In response to Council Member Johnson, Mr. Prima stated the design requirements were previously applied broadly, actual design standards have been in flux for years, and downtown parking structure was not available when the theater first opened, resulting in a desire to get the Elm Street parking completed as quickly as possible.

In response to Council Member Johnson, Mr. Sandelin stated grinding the sidewalk down approximately an inch on Elm Street would not assist with the tripping hazard on the street and the proposed improvements appear to be the best option.

Discussion ensued between Council Member Johnson, Mayor Pro Tempore Hansen, and Mr. Sandelin regarding timed parking options for 30, 60, and 90 minutes to serve both the businesses and the theater.

In response to Council Member Hitchcock, Mr. Sandelin stated there is now additional parking to serve the theater and businesses in light of the parking structure and staff will work with the businesses as to the parking timing.

In response to Council Member Hitchcock, Mr. Sandelin stated the current handicap spaces are usually occupied and placard usage will continue to remain the same regardless of how the space is designated.

Mayor Mounce suggested some designated parking should remain because it is inconvenient for handicapped persons to utilize the parking in the structure.

In response to Mayor Mounce, Mr. Sandelin stated the parking space in front of Moo Moos was designated as van accessible but was not conforming because of the curb.

In response to Mayor Pro Tempore Hansen, Mr. Sandelin stated staff could come up with a design that modifies two ramps and takes two stalls to convert to a van accessible space, which totals six stalls and three handicap accessible ramps.

Mayor Pro Tempore Hansen suggested keeping four spaces as handicap, one space as van accessible, and modification of the ramp may work well.

City Manager King stated staff will bring back the targeted locations and budget options in light of the Council's general feedback, which appears to be to pursue an alternative that is middle of the road.

In response to Mayor Pro Tempore Hansen, Mr. Prima stated the Police Partners generally do parking enforcement in downtown. Council Member Johnson stated he received a citizen complaint based on inefficient enforcement near Hotel Lodi.

In response to Myrna Wetzel, Public Works Director Richard Prima stated there is no enforcement on Sundays.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 7:35 a.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, APRIL 2, 2008**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of April 2, 2008, was called to order by Mayor Mounce at 6:15 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and Deputy City Clerk Perrin

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Pursuant to Government Code §54956.9(c); Conference with Legal Counsel; Anticipated Litigation/Initiation of Litigation Regarding MBIA Bond Insurance on the Series 2002 Electric System Revenue Certificates of Participation; One Potential Case
- b) Actual Litigation: Government Code §54956.9(a); One Case; *City of Lodi, et al. v. EBMUD*, State Water Resources Control Board, Application No. 13156

C-3 ADJOURN TO CLOSED SESSION

At 6:15 p.m., Mayor Mounce adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 7:02 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:09 p.m., Mayor Mounce reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

Item C-2 (a) was discussion only; no reportable interest. Mr. Schwabauer reported that this issue would be presented to Council on the Regular Calendar.

Item C-2 (b) was discussion only; no reportable interest. Mr. Schwabauer pointed out that approval of the settlement agreement was on the Consent Calendar.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of April 2, 2008, was called to order by Mayor Mounce at 7:09 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and Deputy City Clerk Perrin

B. INVOCATION

The invocation was given by Father Brandon Ware, St. Anne's Catholic Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Mounce.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 (a) Mayor Mounce presented a proclamation to Nancy Martinez, Library Services Director, proclaiming April 13 – 19, 2008, as "National Library Week" and Tuesday, April 15, 2008, as "National Library Workers' Day" in the City of Lodi.

- D-2 (b) Mayor Mounce presented a proclamation to Richard Jones, Executive Director of the Lodi Boys and Girls Club, proclaiming the week of March 31 – April 4, 2008, as “National Boys and Girls Club Week” in the City of Lodi. Berkley Price, 2007 Youth of the Year, reviewed the events of the week, which included gaming tournaments, walk-a-thon around Blakely Park, change-over day, picnic in the park, and sports day.
- D-2 (c) Mayor Mounce presented a proclamation to Michael Gold with the Lodi Fire Department setting Saturday, May 3, 2008, as the date for the Firefighter Muscular Dystrophy Association “Fill the Boot” fundraiser at the intersection of Tienda Drive and Kettleman Lane. Mr. Gold reported that last year \$10,717 was raised for the cause and this year the goal is to raise \$16,000.
- D-3 (a) Mayor Mounce presented a Resolution of Appreciation to Public Works Director Richard Prima who will be retiring from the City of Lodi after 33 years of service to this community as the Public Works Director, City Engineer, Assistant City Engineer, Chief Civil Engineer, and Associate Civil Engineer. Mr. Prima expressed his great pleasure in working for the City of Lodi and shared that it was always his strong desire to work for the public.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Johnson, Katzakian second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

- E-1 Claims were approved in the amount of \$4,368,217.19.
- E-2 The minutes of March 5, 2008 (Regular Meeting) and March 19, 2008 (Regular Meeting) were approved as written.
- E-3 Approved the request for proposals for audit services and authorized the advertisement for proposals.
- E-4 Approved the request for proposals to replace and upgrade the existing remote meter reading system and services for time-of-use electric customers (large customer class) and authorized the advertisement for proposals.
- E-5 Approved the plans and specifications and authorized advertisement for bids for Lower Sacramento Road West Frontage Road Wastewater Pipe Improvements (Bayberry Drive to Tejon Street).
- E-6 Approved the specifications and authorized advertisement for bids for 3,000 tons of asphalt materials for fiscal year 2008-09.
- E-7 Adopted Resolution No. 2008-47 rejecting the low bid and awarding the purchase of a self-propelled mini-digger derrick to the lowest responsive bidder, Utility Equipment Leasing Corporation, of Sacramento, CA, in the amount of \$119,574.45.
- E-8 Adopted Resolution No. 2008-48 rejecting the two low bidders and awarding the purchase of a portable self-contained vacuum excavation unit to the lowest responsive bidder, Ditch Witch Equipment Company, Inc., of Sacramento, CA, in the amount of \$58,082.66.
- E-9 Adopted Resolution No. 2008-49 authorizing the procurement of padmounted liquid insulated vacuum switchgear and accessories from Trayer Engineering Corporation, of San Francisco, CA, in an amount not to exceed \$75,000.
- E-10 Adopted Resolution No. 2008-50 accepting the improvements at 495 North Guild Avenue.
- E-11 Adopted Resolution No. 2008-51 accepting the improvements at 555 North Guild Avenue.

- E-12 Adopted Resolution No. 2008-52 authorizing the City Manager to execute an amendment to the transit operations contract with MV Public Transportation, Inc., extending the contract through August 3, 2008, and additional amendments, as necessary, for two additional months.
- E-13 Adopted Resolution No. 2008-53 authorizing the City Manager to execute East Bay Municipal Utility District Protest Dismissal Agreement.
- E-14 Adopted Resolution No. 2008-54 adopting the proposed funding targets for City of Lodi and city of Galt for the Federal Transit Administration Section 5307 funding for the Lodi Urbanized Area (Federal Fiscal Years 2008-12).
- E-15 Adopted Resolution No. 2008-55 approving the City of Lodi Arts & Cultural 2007-08 grant funding, as approved by the Lodi Arts Commission, and appropriating funds in the amount of \$50,000.
- E-16 Adopted Resolution No. 2008-56 declaring the National Incident Management System as the standard for emergency response in the City of Lodi.
- E-17 “Adopt Resolution Ratifying Employment Agreement Entered into Between City Manager Blair King and Director of Public Works F. Wally Sandelin” was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**
- E-18 Authorized the Deputy City Manager/Treasurer to enter into agreement with Farmers and Merchants Bank of Central California for the issuance of a City credit card for Public Works Director F. Wally Sandelin.
- E-19 Set public hearing for April 16, 2008, to consider the Annual Report for Sidewalk Repairs and to confirm the Report as submitted by the Public Works Department.
- E-20 Set public hearing for April 16, 2008, to consider adopting resolution adjusting Consumer Price Index-based water and wastewater rates.
- E-21 Adopted the following resolutions regarding annexation of Luca Place Zone 14, Guild Avenue Industrial Zone 15, and West Kettleman Lane Commercial Zone 16 to the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1:
- Resolution No. 2008-57 of preliminary approval of the Engineer’s Report regarding the proposed annexation of territory into the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 and the levy and collection of assessments for fiscal year 2008-09;
 - Resolution No. 2008-58 declaring intention to annex territory into Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 and to provide for the levy and collection of assessments in such annexation, setting a time and place for public hearing thereon, and ordering the initiation of assessment ballot procedures; and
 - Resolution No. 2008-59 initiating proceedings for the annexation of territory into the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 and the levy and collection of assessments for certain zones for fiscal year 2008-09.

ACTION ON ITEM REMOVED FROM THE CONSENT CALENDAR

- E-17 “Adopt Resolution Ratifying Employment Agreement Entered into Between City Manager Blair King and Director of Public Works F. Wally Sandelin”

This item was pulled by Mayor Mounce for further discussion.

Mayor Mounce stated that, because of her concern regarding the six-month severance pay, she would not support the matter; however, she stated she believed Mr. Sandelin was an excellent choice to serve as Public Works Director.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Hansen, Johnson second, adopted Resolution No. 2008-60 ratifying the Employment Agreement entered into between City Manager Blair King and Director of Public Works F. Wally Sandelin. The motion carried by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, and Katzakian

Noes: Council Members – Mayor Mounce

Absent: Council Members – None

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Barbara Flockhart expressed her opposition to redevelopment, stating that the money is paid back with high interest rates, redevelopment is another layer of government made up of Council Members, and the agency can sell bonds without voter approval. In order to overturn this action, a petition would require signatures of 10% of the registered voters in Lodi within 30 days of Council action. Ms. Flockhart stated that redevelopment can give public money to developers and private businesses in the form of tax rebates, free land, or public improvements and that redevelopment can condemn private property and transfer it to a private owner, despite the fact Council elected not to use eminent domain. Lodi would have 40 years to pay back the money with interest, and she stated that redevelopment would take money from the City's general fund. She urged Council to allow Lodi residents to vote on this matter.
- Nancy Beckman, Executive Director of the Lodi Conference and Visitors Bureau (LCVB), presented each Council Member with a DVD of Huell Howser's road trip to Lodi and announced that the show may be viewed in its entirety on its website at www.visitlodi.com. Ms. Beckman further provided information regarding the LCVB group sales program, stating that there are groups visiting Lodi every month that bring money into Lodi, resulting in a positive impact on the economy.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Council Member Johnson reported that he attended a meeting with the San Joaquin County Sheriffs Department and Board of Supervisors regarding the County jail, which is presently inadequate and too small. Because of this dilemma, prisoners are being released early, and the County is researching ways to fund a new jail, which is anticipated to cost \$170 million. The County is confident that it has the funding and matching grants to construct the jail; however, it does not have adequate funding for operation and maintenance. Some of the suggestions for covering these costs include parcel tax, sales tax, community benefit district fee, long-term bonds, service tax fee, and vehicle tax increase. Mr. Johnson further commented on the recent blogs regarding the City Manager's performance, reminding the community that Mr. King is reviewed annually by the Council on his performance and to date he has received positive results. This has been a difficult three years for the City of Lodi, Council, and staff, and he believed Mr. King has done an excellent job.
- Council Member Hitchcock thanked Father Brandon Ware from St. Anne's church for giving the invocation this evening, stating that it has been a while since the Catholic Church has participated. In regard to redevelopment, Ms. Hitchcock stated that, during one of Council's sessions, a representative from Manteca stated that it received \$17 million in revenue from its redevelopment agency. This is money that would otherwise be collected and given to the state or county. Further, Ms. Hitchcock announced that achievement tests will be given to students in the Lodi Unified School District during the week of April 8 through May 1.
- Council Member Hansen reported that he represented the Mayor at the 2008 American Red Cross Heroes breakfast, at which 11 people were recognized as local heroes. In regard to a recent letter to the editor concerning the Wal-Mart Supercenter, Mr. Hansen clarified that the City is not holding up this project. Following the initial hearing process, the matter of restricting the size of "big box" retail establishments was placed on the ballot, which was unsuccessful. The Council subsequently approved the project; however, organizations in the community hired

attorneys to dispute the Environmental Impact Report (EIR), and the court ruled that certain elements of the EIR were to be modified. The City has made progress on revising the EIR, which will be coming back to Council in the near future, and he stressed that the City has not changed its mind or taken this out of the approval process. Council Member Hansen reported that significant progress is being made on the new Lodi Energy plant with construction anticipated for early 2010. Lodi's share of this 255-megawatt plant is 30 megawatts, which will cover the City's base load. In regard to Highway 12, Mr. Hansen reported that an additional \$26 million has been allocated toward the original \$21 million and that the State of California will be contributing \$49.4 million. Improvements will be made between Terminus and Bouldin Island and will include shoulder rehabilitation, intersection improvements, and safety enhancements; it will not, however, widen Highway 12. Mr. Hansen further reported that he and County Supervisor Ken Vogel have been appointed to the Corridor Advisory Committee and announced that he will be attending the San Joaquin Council of Governments' One Voice trip to Washington D.C., at which he will lobby for Federal money for Highway 12.

- Mayor Mounce reported that she requested Communications Specialist Jeff Hood to prepare a column for the Lodi News Sentinel to clarify the past steps and future timeline for the Wal-Mart Supercenter. Ms. Mounce requested that City Manager King look into and respond to Mrs. Bise who recently wrote a letter to Council regarding Turner Road and Lower Sacramento Road speed limits related to truck travel. She further reported on her attendance at the League of California Cities meeting in Modesto, at which she heard presentations from Senator Jeff Denham regarding balancing the State budget and from State of California Deputy Secretary of Business Regulation and Housing, Heather Peters, regarding foreclosure rates. Ms. Mounce requested that Mr. King look into the information provided by Ms. Peters, which indicated that Lodi's foreclosure rate may be worse than expected.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

None.

I. PUBLIC HEARINGS

None.

J. COMMUNICATIONS

J-1 Claims Filed Against the City of Lodi – None

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Mayor Mounce, Hansen second, unanimously directed the City Clerk to post for the following expiring terms and vacancies:

Greater Lodi Area Youth Commission

Adult Advisor:

Isaac Morales Term to expire May 31, 2008

Student Appointees:

Megan Connors Term to expire May 31, 2008

Lee Kraljev Term to expire May 31, 2008

Amanda Stevens Term to expire May 31, 2008

Jacob Pearson Term to expire May 31, 2008

Joseph Price Term to expire May 31, 2008

Jonathan Newman Term to expire May 31, 2009

Corinne Casey Term to expire May 31, 2009

Library Board of Trustees

Juan Villarreal Term to expire June 30, 2008

Lodi Arts Commission

Judy Bader Term to expire July 1, 2008

Lodi Budget/Finance Committee

John Johnson Term to expire June 30, 2008
Dave Kirsten Term to expire June 30, 2008
Kurt Roberts Term to expire June 30, 2008

Planning Commission

Wendel Kiser Term to expire June 30, 2008
Dennis White Term to expire June 30, 2008

- b) The City Council, on motion of Council Member Hitchcock, Johnson second, unanimously made the following appointment:

San Joaquin County Emergency Food and Shelter Program

Community Improvement Manager Unspecified term limit

J-3 Miscellaneous – None

K. REGULAR CALENDAR

K-1 “Approve Business Points for Solid Waste Franchise Renewal”

City Manager King briefly introduced the subject matter, stating that, if these business terms are satisfactory to Council, staff would proceed to possible development of a franchise with Central Valley Waste Services (CVWS); otherwise, the alternative would be direction to move forward with a proposal for solicitation of solid waste services.

Public Works Director Richard Prima reported that State law allows cities to negotiate franchise agreements for solid waste and the City has historically done so. The current franchise agreement runs through March 2010 with a one-year notice required on renewal. On December 17, 2007, Council directed staff to begin negotiations early for best leverage with ample time to go out to bid if necessary. Mr. Prima reviewed the negotiation goals, which include working within the existing franchise agreement, no major changes in the basic service and rate structure, keeping rates where they are now, and improving services to customers for special trash removal and to the public overall in keeping the City clean. Staff held internal meetings and met with CVWS representatives and is seeking Council direction on these main business points before drafting the detailed document. There are still issues to consider on some of these points, such as growth factors and addressing internal changes, before the details can be finalized, at which time staff will return to Council for approval of a franchise agreement extension.

Mr. Prima reviewed the main business points, as detailed below:

- Street sweeping function handled by CVWS. The service would be provided at the same frequency, or more often, as the City and would include downtown and winter leaf pickup. Customers would be asked not to pile leaves, and an additional recycle container would be made available to customers. The State Public Resources Code authorizes cities to contract for this service, and the City’s current ordinance allows the City to decide how this service is best handled. Other cities are taking advantage of this provision and are including the service in their solid waste arrangements.
- Public on-street trash container service. Currently, City maintenance workers service these containers (mainly in the Downtown area and some transit stops), but staff views this as part of the waste service.
- City service. CVWS would service trash containers at City facilities, including parks.
- Billing service. Currently, the City bills solid waste service along with electric, water, and wastewater. The advantage of doing so is a unified bill; however, it also increases collections. The City charges CVWS for the billing expenses, and staff is suggesting it increase in the future based on the Consumer Price Index (CPI), rather than a fixed amount.

- Hazardous waste. CVWS has been cooperative in holding special waste collection events in Lodi; however, staff would like to include that element in the franchise as a requirement.
- Annual rate adjustments. CVWS is requesting a change in the formula from 80% of the CPI to 100% of the CPI.
- Renewal term. Term would be seven years with one CVWS option to renew for an additional seven-year term. Staff is recommending that the new term begin in 2008.
- Technical ordinance revisions. Currently, industrial waste is not part of the franchise. Industries are allowed to make their own selection for trash service due to the fact that their waste product is specialized, the amount of materials is greater, and that special handling may be required. The selected waste hauler is required to enter into an agreement with the City. The suggestion is that the franchise be clarified that the industrial manufacturing is occurring in Lodi; not outside the City. Further, staff is recommending the franchise be refined to state that construction and demolition debris occurs when there is a building permit in progress.
- Compactor rates. Some large businesses use industrial-scale trash compactors that are labor intensive to empty; CVWS is requesting a separate rate for that category.

Mr. Prima pointed out that the service impacts include street sweeping not subject to City budget fluctuations, improved leaf pick up, and special waste collection events in Lodi rather than the County. Financially, there would also be a direct savings of over \$300,000 and a gain of almost \$400,000 in redirected staff/costs for items such as sweeper replacement; sweeper operation and maintenance; dump charges; leaf pick up; on-street, parks, and facilities; and billing (increased reimbursement). Mr. Prima stated that redirection of staff does not translate to termination of jobs as there are other duties or Parks and Recreation could absorb the labor freed up by these changes. These savings would come from the street, wastewater, and general fund. There is no rate impact in 2008 and future increases are CPI based. There is a provision in the franchise for "extraordinary fuel and dump fees," and the annual average CVWS revenue difference from 80% CPI to 100% CPI would be approximately \$47,000 based on data from the past three years, which would equate to a 13-cent monthly service charge difference for a 38-gallon can. Mr. Prima pointed out that it is expected to be a tight budget year with State issues, difficulties with the economy, and property tax changes and it may be beneficial to the City to have CVWS absorb these costs out of its profits.

In response to Council Member Hitchcock, Mr. Prima stated that the formula based on percentage of CPI came in during the last contract extension. Council Member Hitchcock stated she would like the percentage to remain at 80%. Ms. Hitchcock questioned how CVWS could perform the street sweeping and leaf pick-up service for less. Mr. Prima responded that CVWS has all of the necessary equipment in order to perform the service more efficiently and effectively and it has invested money into this long-term franchise, which allows CVWS to amortize its costs. In response to Ms. Hitchcock, Mr. Prima stated that staff would contact other cities to see how effectively this service is working for them.

Mr. King stated that there is no recommendation of reducing the streets or storm drainage budgets due to potential savings. The amounts would remain the same and be put to other uses including paving, sidewalk repair, etc. He further pointed out that CVWS is at a slight disadvantage in that these negotiations are done in public.

In response to Council Member Johnson regarding renewing the franchise in 2008 versus 2010, Mr. Prima stated that the start date is still open; however, if agreement can be reached quickly, it may be prudent to implement the new business points sooner in order to benefit from the savings. In regard to extraordinary fuel costs, Mr. Prima explained that CVWS submits data that is compared to the fuel price index. Mr. Johnson requested that staff look into whether or not the city of Stockton or its hauler handles leaf pick.

In response to Mayor Mounce, Mr. Prima stated that the City currently has one new street sweeper, one that is over three years old, and one that is much older and that two of the units are compressed natural gas vehicles. Further, Mr. Prima responded that staff had a meeting with Street Division employees in early March and one today to discuss the issue of street sweeping. The discussion centered on redirecting work force, improving sign maintenance, storm pumping, and possible contract oversight. He stated that there are still many details to research. Mayor Mounce questioned how long the City has been providing street sweeping and leaf removal, to which Mr. Prima responded most likely indefinitely. In response to Ms. Mounce, Mr. Prima stated that the cost to resume this program, should the City or CVWS decide to no longer contract out this function, would depend on the factors at that time. The franchise would include a one-year notice that would provide time to contract out the service to another agency or take it back in house. He added that purchasing multiple sweepers all at once would be a financial burden, but staff does intend to retain one sweeper for City use. The franchise would include language to protect the City should the service provided by CVWS be unacceptable.

Mayor Mounce expressed disappointment that her requests from three years ago to receive data from the test streets where vehicles were removed prior to street sweeping resulted in no response whatsoever from staff. She further expressed concern that very little communication has occurred on this matter with both Council and employees. In regard to the test streets, Mr. Prima stated that staff has conducted some tests, but he pointed out that it is a separate issue from who will handle the street sweeping as cars will need to be removed from the street regardless.

Thom Sanchez, representing CVWS, stated that negotiations commenced with the City in January. The agreement was radically changed in 2002, at which time it went from a cost plus guarantee-type of profit to the CPI, and CVWS agreed to the 80% of CPI formula in order to finalize the agreement. The 100% of CPI formula equates to a differential of \$47,000 annually, but it will cost significantly more to provide the extra services.

Dave Stratton, Market Controller with CVWS, added that it is able to offer these extra services due to the fact that the extension of the franchise is a valuable commodity and the longer the franchise, the better.

Steve Haley, Public Works employee and street sweeper operator, spoke in opposition to contracting out the street sweeping service, stating that the City has proven to be cost efficient because it does not operate on a profit. He believed that CVWS will ask for more money as soon as the City sells its equipment and that citizens will be disappointed when they are charged for a service for which they are already paying. Mr. Haley expressed concern that leaves will need to be bagged, rather than left in the street for pick up, and that CVWS would not be able to adequately handle the amount of leaves and debris during heavy storms, which could result in overtime to manually clear the streets or potential pump damage. He stated that, if Council is interested in contracting out this service, it should be put to formal bid.

Council Member Hitchcock expressed her desire that Mr. Haley and other employees with this expertise be included in the process of formulating a contract. She believed, however, that budget constraints over the last three years has reduced staff to minimal levels and this proposal would reduce the burden on the work load, thereby allowing the City to provide a higher level of service to citizens in other areas. She expressed support for pursuing this matter further.

Council Member Johnson requested that Mr. Haley provide a copy of his prepared statement to the Council Members, which he stated he would supply.

Mayor Mounce stated she hoped that staff will involve employees in future discussions.

RECESS

At 9:11 p.m., Mayor Mounce called for a recess, and the City Council meeting reconvened at 9:23 p.m.

K. REGULAR CALENDAR (Continued)

K-1 Mark Ruggiero, president of the American Federation of State, County, and Municipal (Cont'd.) Employees, stated that the City provides this service for less than contracting it out because the City does not need to make a profit. He stated that this is an issue of meet and confer with the union and that the union will be preparing its own packet of information, as it does not agree with the numbers presented by staff.

Felix Huerta, business agent for the American Federation of State, County, and Municipal Employees, also expressed opposition to contracting out this service, stating that the City has proven to be more cost effective. He suggested that the City consider increasing the franchise fee with CVWS, stating that other cities have a franchise fee ranging from 8% to 20%, but Lodi has the lowest rate at 4.8%. The current franchise agreement states that complaints shall be handled by management at CVWS; however, the Finance Department has data demonstrating that approximately 30 complaint calls are received in its office each week. Mr. Huerta pointed out that the survey cities presented this evening were different than those at the Council meeting in December and he believed the meeting with employees today was done only because the City heard there would be an employee presence at this meeting. He questioned why the City was not going out to bid for this service, expressed concern regarding the accuracy of the data that has been presented thus far, and stated that he believed citizens would ultimately be charged more for this change in service.

Gene Davenport questioned why the City does not have the appropriate equipment to handle trash pick up at the parks more effectively and whether CVWS had any clean air vehicles in its fleet. He was opposed to contracting out this service and stated that the street sweeping and leaf pick-up service provided by CVWS in Stockton is not adequate.

Jason Altnow expressed support for CVWS and the great job it has done in this community and further commended the City for its good business sense, judgment, and creativity in looking at ways to get the job done in a more cost effective manner. He urged Council to consider this proposal and also stressed that employees be included in the discussions as they have the experience to help oversee the program.

Thom Sanchez responded to various questions, stating that CVWS, along with another hauler, services the city of Stockton and it is proposing the same program for Lodi. CVWS contracts in other local cities have been extended due to its satisfactory performance, and he added that the franchise agreement would have a performance clause giving the City the right to pull equipment and cancel the program should CVWS not operate at an acceptable level. Waste Management has the largest fleet of alternative fuel vehicles in the nation, and, although it does not currently have any in the Lodi fleet, it does abide by state regulations for air emission reductions.

Council Member Hitchcock expressed support for extending the contract due to the high level of service and stated that she would like the best deal for the citizens of Lodi at the best price. She questioned if raising the percentage of the franchise fee would in turn raise the cost to citizens, to which Mr. Sanchez responded in the affirmative, explaining that Stockton may have a 20% franchise, but it does not have the lowest rate on the matrix. Council Member Hitchcock requested that staff provide Council with a comparison of the franchise fees and rates of other cities.

Mr. Prima clarified that the City is not unhappy with the street sweeping and leaf pick-up service it is currently providing; rather, this is a cost to the City that could be shifted to CVWS (instead of increasing the franchise fee) and used for other purposes.

Council Member Johnson questioned if “meet and confer” means “meet and agree,” to which Human Resources Manager Dean Gualco responded in the negative.

Mr. King stated that one option would be to drop the street sweeping component and discuss franchise payments with that revenue being devoted to the street fund.

Mayor Mounce believed that CVWS has done an outstanding job, but she is concerned with contracting out the street sweeping and leaf removal because the City has been adequately providing this service for quite some time in a cost efficient manner.

Council Member Hansen requested that Council be provided with the data documenting complaints regarding CVWS received by the Finance Department. Mr. Hansen stated that even the City has not found a way to deal completely with flooding of the streets due to excessive leaves. CVWS has made an investment in this community with its station, equipment, trucks, etc., and a new company would have to start all over or buy-out the existing company. He expressed support for remaining at the 80% of CPI level, stated he was in favor of further researching the street sweeping proposal because of the money it could save the City, and stated the importance of providing the highest level of service to the citizens at the lowest possible cost. He stressed that the franchise agreement include protection or a penalty should the service be inadequate.

There was Council concurrence that staff continue to negotiate with CVWS based on the business points presented and return to Council with a more detailed agreement. Mayor Mounce stressed that staff include employees and their expertise in this process.

MOTION/ VOTE:

There was no Council action taken on this matter.

NOTE: Item K-4 was discussed and acted upon out of order.

K-4 “Presentation of Financing Options for Outstanding Electric Utility Variable Rate Debt Obligation Certificates of Participation (\$46.7 Million) and Authorization for City Manager to Procure Necessary Services Related to Restructuring These Obligations”

City Manager King briefly introduced the subject matter, stating that staff is not in a position to make a recommendation at this time and it may be necessary to schedule a special meeting on a relatively short notice.

Deputy City Manager Jim Krueger reported that the Electric Utility variable rate debt obligations were originally issued to refund bonds issued in 1999 for \$46.7 million, which were used to finance various facilities throughout the City. Interest rates at the time were at historic lows and this resulted in a cost savings for the City. At the same time, the City entered into a swap agreement, which was a trade of receipts for payments, that would hedge what would happen if interest rates increased beyond that point; however, interest rates have reduced even further, which has resulted in a negative value to the City of approximately \$10 million. The current letter of credit will expire in January 2009, and staff has researched options for ways to mitigate this effect, while considering sensitivity to the electric rates and providing stability within the utility fund.

In response to Council Member Hitchcock, Mr. Krueger explained the various scenarios:

- The current interest rates on the debt have gone from 2% to 4%, which caused some holders of those bonds to redeem them and get their money back. Those bonds can then be converted to bank bonds, and the interest rate jumps from 4% to prime rate plus 2%; therefore, the City would be paying on the full \$46.7 million at an 8% interest rate. The annual additional cost to the City would be \$1.5 million to \$2 million.

- If the City is unable to renew the letter of credit or take some other steps to alleviate the variable rate debt obligations, the entire \$46.7 million would be converted to bank bonds and the City would be required to amortize the entire amount over 5 years instead of 24. With the higher interest rate and accelerated amortization, the debt to the City would equate to \$8 million annually.
- If interest rates do not change appreciatively, the City could be faced with a \$10 million payment on the termination of the swap agreement.

Mr. Krueger stated that the hope is the financial markets will return to a more stable condition and the objective is to provide fixed costs on the debts that are outstanding.

Mr. King stated that one option is to do nothing and hope the markets return to a stable condition, at which time the City's bonds would become more desirable. The bonds were insured with MBIA, which has recently experienced some trouble on the market that has resulted in the investment community not viewing MBIA as an asset. If the market stabilizes, MBIA would once again become reliable as would the City's bonds. If the City's letter of credit expires, the City would be faced with paying off the \$46.7 million with a higher interest rate and shorter amortization period. The swap agreements, which made sense at the time, are now a negative value, and if MBIA were to fall below a AA- rating the City could fall below a BBB-, which would result in the \$10 million swap being payable at that time.

In response to Mayor Pro Tempore Hansen, Mr. Krueger confirmed that Lodi is not the only city in this situation and that this is the last remaining swap agreement and variable rate bond.

In response to Council Member Johnson, Tom Dunphy with Lamont Financial Services stated that there are seven major bond insurers and only two are healthy. The others, including MBIA, are in different degrees of trouble. The rating agencies are unsure of MBIA's strength and are waiting out the market. Mr. Dunphy responded that some communities may still choose a variable rate bond because they cannot afford a fixed rate or do not have the system revenue to pay it.

In response to Mayor Mounce, Mr. Krueger stated that Lodi is considering a fixed rate bond, assuming the electric rates could withstand it; however, that may not be viable and the City would need to contemplate a variable rate bond.

Mr. King stated that Council will need to determine the best option and explained that some of the factors to consider are security, liquidity, and yield. The City could convert to a fixed rate bond and terminate the swap; however, it would be at a high cost, which the City may not be able to afford.

In response to Council Member Johnson, Mr. Dunphy explained that refinancing and pushing the most expensive portion of the debt to the end would not be the best approach.

Council Member Hitchcock questioned if this would affect the rates as there is very little reserve in the Electric Utility fund, to which Electric Utility Director George Morrow responded that this could have an impact on the rates; however, staff is still in the process of analyzing the data. In the short term, it could be absorbed by the current rate structure, but at some point during the 30-year debt it may result in an increase of around 1%. Ms. Hitchcock stated she would opt for a 1% increase in rates if it would help to maintain the creditworthiness of the City.

In response to Council Member Johnson, Mr. Dunphy stated the problem is that the capital markets are in flex. Refinancing the entire package would result in a significant expense to the City, but a fixed rate would get the City out of this situation. If the City waits and pays market points to the bank to extend the letter of credit and the market holds, the variable

rate side and market side would be resolved and the City would be back to the position it was in before these difficulties arose; however, the issue of the swap agreement would still exist. Mr. Dunphy stated he is most worried about the downgrade of MBIA, which could negatively affect the City if the rating agencies decide to downgrade Lodi's rating.

Further discussion ensued between Council Member Johnson, Mr. Dunphy, Susan Weil with Lamont Financial Services, Mayor Mounce, and Mr. King regarding the letter of credit, current and future market conditions, health of MBIA, and the swap agreement. Mr. King stated that staff has submitted the letter of credit application to the bank, and Mr. Dunphy added that it went to the credit committee and the City should receive a formal response within the next week asking the City to enter into an agreement. Mr. King stated that the decision point will be when the City receives this response and that the choice will be to enter into a letter of credit and wait for the markets to settle or decline and assume a full-scale refinancing.

In response to Mayor Pro Tempore Hansen, Mr. Krueger stated that at a minimum the City would like to retain its current rating because the need to purchase energy will require the City to go out to the market in search of financing.

Council Member Katzakian questioned if the City would be better off refinancing the entire package in order to maintain the rating, to which Mr. Morrow responded that most of the larger capital purchases are a number of years away and it would be a burden to do that now. The City may also be able to piggyback on the financing.

Mr. King stated that staff will continue to talk with the bank, refine the details, and make additional calculations to determine the capacity to handle the full cost plus the negative value of the swap. He added that the City has had offers of assistance from local banks, but Mr. Dunphy explained that the first choice is to use a bank with a national credit rating.

Council Member Johnson requested that, when this matter comes back before Council, it be scheduled for either a special meeting or Shirtsleeve Session along with representatives from Lamont Financial Services.

MOTION / VOTE:

There was no Council action taken on this matter.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Mayor Pro Tempore Hansen, Hitchcock second, unanimously voted to continue with the remainder of the meeting following the 11:00 p.m. hour.

K. REGULAR CALENDAR (Continued)

K-2 "Provide Staff Direction Regarding Water and Wastewater Rate Revenue Accounting" was ***pulled from the agenda.***

K-3 "Introduce Ordinance Amending Lodi Municipal Code Section 2.08.020 Relating to City Council Salaries"

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Hansen second, introduced Ordinance No. 1810 amending Lodi Municipal Code Section 2.08.020 relating to City Council salaries. The motion carried by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, and Katzakian

Noes: Council Members – Mayor Mounce

Absent: Council Members – None

- K-5 “Adopt Resolution Authorizing the City Manager to Execute \$2.15 Million Purchase and Sale Agreement for 9.09-Acre Electric Utility Property Located at 500 South Guild Avenue to GG Land Group LLC”

Electric Utility Director George Morrow briefly introduced the subject matter, stating that one offer was received on the 9.09-acre Electric Utility property located at 500 South Guild Avenue. He pointed out that the City would retain the two acres on the south side for future projects or expansion. The most recent assessment done in March 2008 indicated a market value of \$2.07 million, and the offer before Council is for \$2.15 million with a 90-day buyer due diligence period. The buyer, G.G. Land Group from Chicago, Illinois, will build a five-acre industrial complex and rent the remaining four spaces to a single user. G.G. Land Group is committed to make a good faith effort to submit a development plan to the City within one year of closing. After closing costs, this sale will generate over \$2 million that would enhance the Electric Utility reserve.

Council Member Hitchcock stated she was not in support of this sale because the land may be needed for future expansion of the Electric Utility building and further expressed concern that land continues to be purchased by the City at the highest price yet is sold at the lowest price.

Mayor Mounce also expressed opposition to this proposal, stating that she believed the entire property should be sold (including the two acres on the south side).

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Hansen second, adopted Resolution No. 2008-61 authorizing the City Manager to execute \$2.15 million purchase and sale agreement for 9.09-acre Electric Utility property located at 500 South Guild Avenue to GG Land Group LLC. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, and Katzakian

Noes: Council Members – Hitchcock and Mayor Mounce

Absent: Council Members – None

- K-6 “Approve Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation (\$115,622.37)”

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Hitchcock second, unanimously approved the expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation in the amount of \$115,564.75 (original recommended amount less \$57.62 to Folger Levin & Kahn), as detailed below:

Folger Levin & Kahn - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Water Acct. Amount
8001	107537	Feb-08	General Advice	\$ 57.62
8008	107538	Feb-08	City of Lodi v. Envision	\$ 91,847.75
	19953	Feb-08	Dole, Coalwell, Clark (outside counsel)	\$ 849.00
	133575	Feb-08	Hemming Morse, Inc.	\$ 15,691.25
Total				\$108,445.62

MISCELLANEOUS

Invoice No.	Date	Description	Water Acct. Amount
20075436	1/24/2008	Legalink, Inc.	\$ 1,327.50
20075740	1/25/2008	Legalink, Inc.	\$ 1,433.75
20076164	2/12/2008	Legalink, Inc.	\$ 1,327.50
20076233	2/13/2008	Legalink, Inc.	\$ 1,388.00
1100048452	1/31/2008	JAMS/Hartford v. City of Lodi	\$ 1,700.00
Total			\$ 7,176.75

L. ORDINANCES

L-1 Following reading of the title of Ordinance No. 1809 entitled, "An Uncodified Ordinance of the City Council of the City of Lodi, Repealing Ordinance 847 in Its Entirety Relating to a Specific Plan for Lower Sacramento Road from West Lodi Avenue to West Turner Road," having been introduced at a regular meeting of the Lodi City Council held March 19, 2008, the City Council, on motion of Mayor Pro Tempore Hansen, Johnson second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and
Mayor Mounce

Noes: Council Members – None

Absent: Council Members – None

Abstain: Council Members – None

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:26 p.m.

ATTEST:

Jennifer M. Perrin
Deputy City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Authorizing Emergency Replacement of Damaged City Hall and Carnegie Forum Air Conditioner Chiller Barrel and Authorizing City Manager to Execute Purchase Order to Indoor Environmental Services (\$57,325)

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution authorizing the emergency replacement of damaged City Hall and Carnegie Forum air conditioner chiller barrel and authorizing the City Manager to execute a purchase order to Indoor Environmental Services, of Sacramento, in the amount of \$57,325.

BACKGROUND INFORMATION: The City Hall and Carnegie Forum air conditioning units are serviced by water that has been chilled by a 125-ton, air-cooled chiller unit that is nineteen years old. Two weeks ago, the chiller experienced a significant internal loss of refrigerant that was determined to be caused by the collapse of several copper tubes.

Staff initiated an insurance claim and is working currently to see if any insurance reimbursement may be forthcoming. Estimates for repairing and replacing the chiller were received.

- The lowest cost repair estimate is \$30,000 to re-tube the existing chiller barrel, replacing the existing copper tubing with new tubes; the fastest this can be accomplished is approximately 2 ½ months.
- The second repair option is to replace the existing barrel with a new barrel, at a cost of \$57,325; a company has been found that can supply a replacement barrel in two weeks.
- The third option is to replace the existing chiller unit completely with a new one, and estimates range from \$170,000 to \$205,000; time estimates range from two to seven weeks.

Staff recommends dispensing with the formal bid process for the purchase of a replacement chiller barrel and asks that the Council authorize the City Manager to execute a purchase order for emergency replacement of the existing chiller barrel through Indoor Environmental Services, the company that the City utilizes for heating, ventilation, and air conditioning (HVAC) servicing of our large, commercial HVAC equipment.

FISCAL IMPACT: Funds for major facility HVAC equipment replacement have not been set aside, nor anticipated of this magnitude, in the Capital Fund budget. Although this will tax the Facilities Division Operating budget, this replacement should be paid from there. Consideration for facilities equipment replacement should be given in next year's budget. Staff is also investigating possible Public Benefit funding for energy efficiencies gained through installation of the new chiller barrel.

FUNDING AVAILABLE: Funding will be primarily from the Public Works Facilities Division operational budget, offset by any insurance reimbursement, and considering Public Benefit funds.

Kirk Evans, Budget Manager

F. Wally Sandelin
Public Works Director

Prepared by Dennis J. Callahan, Fleet & Facilities Manager
FWS/DC/pmf
cc: George Morrow, Electric Utility Director
Director of Customer Service Crystal Gross, Indoor Environmental Services

Rob Lechner, Manager, Customer Services & Programs

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
EMERGENCY REPLACEMENT OF DAMAGED CITY HALL
AND CARNEGIE FORUM AIR CONDITIONER CHILLER
BARREL AND FURTHER AUTHORIZING CITY MANAGER TO
EXECUTE PURCHASE ORDER TO FUND REPLACEMENT

=====

WHEREAS, the chiller unit which services City Hall and Carnegie Forum has experienced a significant internal loss of refrigerant caused by the collapse of several copper tubes; and

WHEREAS, estimates were received for repairing and replacing the chiller; and

WHEREAS, staff recommends replacing the chiller barrel at a cost of \$57,325; and

WHEREAS, staff recommends dispensing with the formal bid process due to the emergency nature of the replacement; and

WHEREAS, staff recommends replacement of the chiller barrel through Indoor Environmental Services, of Sacramento, which is the company that currently services most of the City of Lodi's large, commercial heating, ventilation, and air conditioning (HVAC) equipment for City buildings.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the emergency replacement of the damaged City Hall and Carnegie Forum air conditioner chiller barrel; and

BE IT FURTHER RESOLVED that the City Council hereby authorizes the City Manager to execute a purchase order in the amount of \$57,325 to Indoor Environmental Services, of Sacramento.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 16, 2008, by the following vote:

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

RANDI JOHL
City Clerk

2008-_____



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Awarding Contract for Maintenance of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for Fiscal Year 2008/09 to Odyssey Landscaping Company, Inc. (\$26,780)

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution awarding the attached contract for Maintenance of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for fiscal year 2008/09, July 1, 2008 through June 30, 2009, to Odyssey Landscaping Company, Inc., in the amount of \$26,780.

BACKGROUND INFORMATION: This project provides for the contract landscape maintenance of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1. This contract will cover Zones 1, 2, 5, 6, 8 and 11 at a cost of \$26,780 for 12 months, which is an increase of \$2,334 from the current contract. The low bid was submitted by the company that has the current contract for the other landscape maintenance areas within the City of Lodi. The maintenance work covered under this contract is limited to the landscape and irrigation improvements along the reverse frontage areas of the subdivisions within the Landscape Maintenance Assessment District. The maintenance contract will provide weekly maintenance for the landscape areas.

The specifications were approved on March 5, 2008, and are on file in the Public Works Department. The City mailed out nine bid packets and received the following two bids on March 27, 2008:

Bidder	Location	Bid
Odyssey Landscaping Company, Inc.	Stockton	\$26,780
Greenline Landscape & Maintenance	Stockton	\$40,508

FISCAL IMPACT: The funding for this maintenance contract is provided by the assessments levied on the properties in Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1.

FUNDING AVAILABLE: Funding comes from the various assessment revenue accounts for the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for fiscal year 2008/09 (502501, 503501, 506501, and 507501).

Kirk Evans, Budget Manager

F. Wally Sandelin
Public Works Director

Prepared by Curt Juran, Assistant Streets and Drainage Manager
FWS/GMB/CJ/dsg
Attachment
cc: George M. Bradley, Streets and Drainage Manager

APPROVED: _____
Blair King, City Manager

THIS CONTRACT, made by and between the CITY OF LODI, State of California, herein referred to as "City" and **Odyssey Landscaping Company, Inc.** herein referred to as "Contractor".

WITNESSETH:

That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other, as follows:

The complete contract consists of the following documents which are incorporated herein by this reference, to-wit:

Notice Inviting Bids	The July 1992 Edition Standard
Information to Bidders	Specifications, State of California
Special Provisions	Business and Transportation Agency,
Bid Proposal	Department of Transportation
Contract	
Vicinity Maps	
Water Conservation Ordinance	

All of the above documents, sometimes hereinafter referred to as the "Contract Documents," are intended to cooperate so that any work called for in one and not mentioned in the other is to be executed the same as if mentioned in all said documents.

ARTICLE I That for and in consideration of the payments and agreements hereinafter mentioned, the Contractor agrees with the City, at Contractor's cost and expense, to do all the work and furnish all the materials except such as are mentioned in the specifications to be furnished by the City, necessary to maintain in a good workmanlike and substantial manner to the satisfaction of the City the proposed maintenance of landscaped areas.

ARTICLE II The Contractor agrees to conform to the provisions of Chapter 1, Part 7, Division 2 of the Labor Code. The Contractor and any Subcontractor will pay the general prevailing wage rate and other employer payments for health and welfare, pension, vacation, travel time, and subsistence pay, apprenticeship or other training programs. The responsibility for compliance with these Labor Code requirements is on the prime contractor.

ARTICLE III And the Contractor agrees to receive and accept the following prices as full compensation for furnishing the work contemplated and embraced in this agreement; also for all loss or damage arising out of the nature of the work aforesaid or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City, and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work; and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Contract Documents and the requirements of the Engineer under them, to-wit:

ARTICLE IV By my signature hereunder, as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

MAINTENANCE OF ASSESSMENT DISTRICT LANDSCAPE AREAS BASED ON WEEKLY SERVICE				BID PRICE - INDIVIDUAL ITEM PER WEEK				
ITEM	SITE	DESCRIPTION & LOCATION	Square Feet	PRUNING AS NEEDED	WEED CONTROL	LITTER PICKUP	IRRIGATION MAINTENANCE	WEEKLY TOTAL PER SITE
1	R2020	N/W Stockton St and Almond Dr	16,470	\$ 35.00	\$ 5.00	\$ 2.00	\$ 10.00	\$ 52.00
2	R2022	N side of Almond Dr E/O Stockton St	4,950	25.00	2.00	2.00	2.00	31.00
3	R2014	Traffic Circle - Cherrywood	1,256	10.00	2.00	2.00	2.00	16.00
4	T1591	N side of Harney Ln - Poppy Dr to west end	14,850	25.00	5.00	2.00	10.00	42.00
5	T1594	N side of Harney Ln - Poppy Dr to east end	9,787	15.00	2.00	2.00	2.00	21.00
6	T1298	N side of Harney Ln - Legacy Wy to west end	12,825	35.00	2.00	2.00	10.00	49.00
7	T1349	West side of Mills Av – Harney Ln to Wyndam Wy	7,965	25.00	2.00	2.00	2.00	31.00
8	T1399	Harney Ln – Mills Av to west end	7,087	20.00	2.00	2.00	2.00	26.00
9	T2182	Harney Ln – Panzani Wy to Porta Rosa Wy	1,020	15.00	2.00	2.00	2.00	21.00
10	T2194	Harney Ln – Panzani Wy to Cherokee Ln	14,981	30.00	2.00	2.00	10.00	44.00

MAINTENANCE OF ASSESSMENT DISTRICT LANDSCAPE AREAS BASED ON WEEKLY SERVICE			BID PRICE - INDIVIDUAL ITEM PER WEEK					
ITEM	SITE	DESCRIPTION & LOCATION	Square Feet	PRUNING AS NEEDED	WEED CONTROL	LITTER PICKUP	IRRIGATION MAINTENANCE	WEEKLY TOTAL PER SITE
11	T2176	West side of Cherokee Ln – Harney Ln to north end	20,650	35.00	5.00	2.00	10.00	52.00
12	T2153	Villas common drives – Via Marco Ln	2,880	NA	.50	1.50	NA	2.00
13	T2157	Villas common drives – Corfino Ln	2,880	NA	.50	1.50	NA	2.00
14	T2164	Villas common drives – Massarosa Ln east	2,880	NA	.50	1.50	NA	2.00
15	T2163	Villas common drives – Massarosa Ln west	2,880	NA	.50	1.50	NA	2.00
16	T2173	Villas common drives – San Pietro Ln	2,880	NA	.50	1.50	NA	2.00
17	T2175	Villas common drives – Felino Ln	2,880	NA	.50	1.50	NA	2.00
18	T2166	Villas common drives – Palazzo Ln	2,880	NA	.50	1.50	NA	2.00
19	T2183	Villas common drives – Vallini Ln	2,880	NA	.50	1.50	NA	2.00
20	T2184	Villas common drives – Marano Ln	2,880	NA	.50	1.50	NA	2.00
21	T2185	Villas common drives – Mercato Ln	2,880	NA	.50	1.50	NA	2.00
22	T1300	Walkway – Katnich to Wyndham	5625	25.00	2.00	2.00	2.00	31.00
23	T1200	Lower Sacramento Road – Vintage Oaks to north end	1,701	15.00	2.00	2.00	2.00	21.00
24	T1210	Lower Sacramento Road – Vintage Oaks to south end	1,701	10.00	2.00	2.00	2.00	16.00

MAINTENANCE OF ASSESSMENT DISTRICT LANDSCAPE AREAS BASED ON WEEKLY SERVICE			BID PRICE - INDIVIDUAL ITEM PER WEEK					
ITEM	SITE	DESCRIPTION & LOCATION	Square Feet	PRUNING AS NEEDED	WEED CONTROL	LITTER PICKUP	IRRIGATION MAINTENANCE	WEEKLY TOTAL PER SITE
25	T1109	Lower Sacramento Road – Center median east half fronting subdivision	2,394	10.00	2.00	2.00	2.00	26.00
26	T1396	Harney Lane –E/O Legacy Wy to east end	9,112	20.00	2.00	2.00	2.00	26.00
				PRUNING AS NEEDED	WEED CONTROL	LITTER PICKUP	IRRIGATION MAINTENANCE	
			Weekly Totals	350.00	46.00	47.00	72.00	515.00
			ANNUALIZED COST BASED ON ONE VISIT PER WEEK (52 Weeks)				GRAND TOTAL	\$ 26,780.00

RF=REVERSE FRONTAGE

ARTICLE V It is further expressly agreed by and between the parties hereto that, should there be any conflict between the terms of this instrument and the Bid Proposal of the Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

WHEN SIGNING THIS CONTRACT, THE CONTRACTOR AGREES THAT THE PERIOD FOR THIS CONTRACT IS JULY 1, 2008 THROUGH JUNE 30, 2009, AND THE CONTRACTOR AGREES TO SUBMIT MONTHLY BILLINGS NO LATER THAN THE 10TH OF EACH MONTH.

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

CONTRACTOR

Dated: _____, 2008

Authorized Signature

Title

TYPE OF ORGANIZATION

Individual, Partnership or Corporation

(Affix corporate seal if Corporation)

Address

() _____
Telephone

CITY OF LODI
a Municipal corporation

Blair King
City Manager

Date

Attest:

Randi Johl
City Clerk

Approved as to Form:

D. Stephen Schwabauer
City Attorney

Date



RESOLUTION NO. 2008-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE CONTRACT FOR MAINTENANCE OF
THE LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1 FOR
FISCAL YEAR 2008/09

=====

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on March 27, 2008, at 11:00 a.m. for the maintenance of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for fiscal year 2008/09 described in the specifications therefore approved by the City Council on March 5, 2008; and

WHEREAS, said bid has been checked and tabulated and a report thereof filed with the City Manager as follows:

<u>Bidder</u>	<u>Bid</u>
Greenline Landscaping & Maintenance, Stockton, CA	\$40,508
Odyssey Landscaping Company, Stockton, CA	\$26,780

WHEREAS, staff recommends awarding the contract for maintenance of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for fiscal year 2008/09 to the low bidder, Odyssey Landscaping Company, Inc., of Stockton, California.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council does hereby award the contract for maintenance of the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for fiscal year 2008/09 to the low bidder, Odyssey Landscaping Company, Inc., of Stockton, California, in the amount of \$26,780.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-_____ was passed and adopted by the Lodi City Council in a regular meeting held April 16, 2008, by the following votes:

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

RANDI JOHL
City Clerk

2008 - _____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Accept Improvements Under Contract for Lane Line Painting, Various City Streets, 2007

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Accept the improvements under the Lane Line Painting, Various City Streets, 2007 contract.

BACKGROUND INFORMATION: The project was awarded to Chrisp Company, of Fremont, on October 17, 2007, in the amount of \$50,152. The contract has been completed in substantial conformance with the specifications approved by the City Council.

The contract completion date was March 21, 2008. The final contract price was \$41,694. The length of lane line painting completed was 113,540 linear feet. The difference between the approved contract price and the final contract price was due to actual field measurements.

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 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: This project will assist the Streets and Drainage Division in its continuing effort to maintain the City of Lodi's lane lines for visibility and safety.

FUNDING AVAILABLE: The money for this project came from the FY 2007/08 Street Fund.

F. Wally Sandelin
Public Works Director

Prepared by Curtis Juran, Assistant Streets and Drainage Manager
RCP/CJ/dsg
cc: George M. Bradley, Streets and Drainage Manager

APPROVED: _____
Blair King, City Manager



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Approving Addendum to Improvement Agreement for Public Improvements at 856 North Sacramento Street to Provide One-Year Time Extension

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution approving the Addendum to the Improvement Agreement to provide one-year time extension for the Public Improvements at 856 North Sacramento Street and authorizing the City Manager to execute the agreement on behalf of the City.

BACKGROUND INFORMATION: The developer, Emile Atwood, has applied for a building permit to construct an office/retail building at 856 North Sacramento Street. There is no map required for this project. Public improvements, including curb, gutter, sidewalk and miscellaneous storm drainage improvements, are part of the off-site improvement requirement, as specified in LMC Chapter 15.44. The developer executed an improvement agreement for the required public improvements in June 2006. Under the terms of the improvement agreement, the developer had 365 days from the date of the agreement execution to complete the public improvements. The City has already approved an addendum to the improvement agreement to provide a one-year extension and now the developer is requesting another year extension. As a condition of the building permit, all public improvements must be completed prior to occupancy. All public improvements are expected to be completed by March 19, 2009.

The public improvements have not been completed as of this date, due to financial constraints on the part of the developer. The developer desires to comply with the requirements of the agreement and is requesting a time extension for completion of the public improvements. Staff feels this is a reasonable request and is recommending a one-year extension for the public improvements as specified under the terms of the original improvement agreement. The addendum also specifies that the developer pay all the additional costs of the document preparation (\$566) and provide the necessary contract security and insurance under the terms of the original agreement.

The developer has executed the agreement and paid the additional fees. Staff is recommending that Council approve the Addendum to the Improvement Agreement for the Public Improvements at 856 North Sacramento Street and authorize the City Manager execute the agreement on behalf of the City.

FISCAL IMPACT: There will be no financial impact to the City.

FINANCING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by Chris Boyer, Junior Engineer
FWS/CRB/pmf
cc: Emile Atwood
Junior Engineer Boyer

APPROVED: _____
Blair King, City Manager

ADDENDUM
to the
IMPROVEMENT AGREEMENT
for the
PUBLIC IMPROVEMENTS
of
856 N Sacramento Street

THIS AGREEMENT is made and entered into by and between the CITY OF LODI, hereinafter referred to as "City", and EMILE ATWOOD and J. CELIA ATWOOD, hereinafter referred to as "Developer".

RECITALS:

WHEREAS, Developer has applied to the City for issuance of a building permit allowing Developer to build on that parcel known as 856 N. Sacramento Street (APN 041-80-25); and

WHEREAS, Developer and the City have entered into an improvement agreement for the required public improvements which are a part of, or appurtenant to, the development, hereinafter called "project"; and

WHEREAS, the addendum improvement agreement is set to expire on May 26, 2008; and

WHEREAS, Developer desires to extend the term of the improvement agreement to allow extra time for the completion of the public improvements.

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, it is hereby agreed between the parties as follows:

1. That this document is considered an addendum to the Improvement Agreement for the Public Improvements of 856 N. Sacramento Street.
2. Developer shall, within 365 calendar days from the date of this agreement or by March 16, 2009, whenever occur first, perform or cause to be performed all work and/or improvements described under the original improvement agreement.
3. Developer agrees to pay all additional costs for preparation and execution of this addendum.
4. Developer shall provide and keep current the necessary contract security and insurance as specified in the original improvement agreement.
5. All other terms and conditions of the original improvement agreement shall remain unchanged.

6. Execution

In Witness Whereof, Developer and City have caused their names to be hereunto affixed and the City of Lodi has caused its corporate name and seal to be hereunto affixed by its proper officers thereunto duly authorized.

Developers

Date

Emile Atwood

J. Celia Atwood

(CORPORATE SEAL)

CITY OF LODI, A MUNICIPAL CORPORATION

By: _____
Blair King, City Manager

Date

ATTEST:

Randi Johl, City Clerk

Date

APPROVED AS TO FORM:



D. Stephen Schwabauer, City Attorney

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE IMPROVEMENT AGREEMENT
ADDENDUM FOR PUBLIC IMPROVEMENTS AT
856 NORTH SACRAMENTO STREET

=====

WHEREAS, the developer, Emile Atwood, has applied for a building permit to construct an office/retail building at 856 North Sacramento Street. Public improvements, including curb, gutter, sidewalk, and miscellaneous storm drainage improvements, are part of the off-site improvement requirement, as specified in Lodi Municipal Code Chapter 15.44; and

WHEREAS, the developer executed an improvement agreement for the required public improvements in June 2006 and, pursuant to the terms thereof, the developer had 365 days from the date of the agreement execution to complete the public improvement. As a condition of the building permit, all public improvements must be completed prior to occupancy; and

WHEREAS, the City Council approved an addendum to the improvement agreement on May 16, 2007, to provide a one-year extension; and

WHEREAS, the public improvements have not been completed as of this date due to financial constraints on the part of the developer. The developer desires to comply with the requirements of the agreement and is requesting a time extension for completion of the public improvements, and staff therefore recommends a one-year extension for the public improvements as specified under the terms of the original improvement agreement; and

WHEREAS, the addendum also specifies that the developer pay all the additional costs of the document preparation (\$566) and provide the necessary contract security and insurance for the terms of the original agreement; and

WHEREAS, the developer has executed the agreement and paid the additional fees, and staff recommends that the City Council approve the Addendum to the Improvement Agreement for the Public Improvements at 856 North Sacramento Street and authorize the City Manager to execute the agreement on behalf of the City of Lodi.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi finds:

1. That the Addendum to the Improvement Agreement for the Public Improvements at 856 North Sacramento Street is hereby approved, and further that the City Manager is authorized to execute said Addendum on behalf of the City of Lodi.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 16, 2008, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2008-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Extending White Slough Water Pollution Control Facility Agricultural Leases

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution extending the White Slough Water Pollution Control Facility (WSWPCF) agricultural leases for the period January 1, 2009, through December 31, 2013, for agricultural land at WSWPCF and authorizing the City Manager to execute the lease agreements on behalf of the City.

BACKGROUND INFORMATION: The City has two agricultural lease parcels at WSWPCF which total approximately 877 acres. Both leases expire on December 31, 2008. The current tenants are Kirschenman Farms (659± acres) and Lima Ranch (218± acres). Farming is the secondary function of the agricultural reuse areas at WSWPCF. The primary function of the farming operations is to distribute treated municipal effluent and industrial discharges (primarily from Pacific Coast Producers) to the reuse areas during the summer months (irrigation season).

The City's new State Regional Water Quality Control Board (SRWQCB) discharge permit adopted November 3, 2007, contains new monitoring and reporting requirements that will modify the farming practices during the remaining period of the existing lease (now through December 31, 2008). The new permit requires better control of biosolids loading rates, along with better monitoring and reporting.

To accomplish this, the tenants are required to keep 350 acres of the 877 total lease acreage planted in corn, which will allow for improved distribution of biosolids over a greater area. The remaining acreage will be planted in alfalfa, which has a longer growing season, to accommodate the longer irrigation season needed for cannery flows. The tenants will also be required to provide the City with monthly detailed planting, irrigation, and harvesting reports. This allows the City to better monitor the field conditions, hydraulic loading rates, nitrogen loading rates, biological oxygen demand (BOD) loading rates, and fixed and total dissolved solids loading rates. This information is required to be submitted monthly to the SRWQCB.

After discussing these new requirements with the current tenants, both have agreed to lease extensions containing the required amendments and both have been very cooperative in exploring creative and cost-effective ways to implement the changes. Additionally, both tenants have performed very well during the current lease period, and staff feels extending the new leases is in the best interest of the City.

Staff recommends Council adopt a resolution extending the WSWPCF agricultural leases for the period of January 1, 2009, through December 31, 2013, for agricultural land at WSWPCF.

APPROVED: _____
Blair King, City Manager

FISCAL IMPACT: The rent for both leases is proposed to remain at the 2003 lease rate of 20% of gross receipts for the crops grown. Staff has performed an informal market analysis to verify the current lease rate is appropriate for the type of crops grown and the conditions in which the farmers must operate.

Information obtained from the University of California Agricultural Cooperative Extension reflects that lease rates on land where feed and fodder crops are grown typically vary between 15% and 25% of the gross receipts. Based on this information, Staff believes the current lease rate is appropriate.

Over the past four years, revenues generated from the agricultural leases have varied from approximately \$100,000 to \$150,000 per year since Fiscal Year 2004/05. The variation is related to crop production.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by Del Kerlin, Wastewater Treatment Superintendent

FWS/CES/DK/dsg

Attachments

cc: Wally Sandelin, Public Works Director
Charles E. Swimley, Jr., Water Services Manager
Kirschenman Farms
Lima Ranch

L E A S E
FOR
AGRICULTURAL LAND
at
White Slough Water Pollution Control Facility

THIS LEASE, made and entered into this _____ day of _____, 2008, by and between the CITY OF LODI, a municipal corporation, hereinafter called Lessor, and KIRSCHENMEN FARMS hereinafter called Lessee.

W I T N E S S E T H :

1. **PROPERTIES:** That for and in consideration of the rents to be paid, and the covenants to be faithfully kept and performed by said Lessee, said Lessee does hereby lease, hire, and take from said Lessor, those certain properties described as follows:

Those certain properties described in Exhibit A attached hereto, and by this reference made a part hereof. Property to be leased totals 659 acres \pm .

2. **EXTENSION:** Although the current lease does not expire until December 31, 2008, it is a condition of this extension that Lessee agrees to apply the requirements of this lease extension in the final year of the current lease.
3. **TERM:** The term of this Lease shall be for a period of five (5) years, commencing January 1, 2008, and terminating at midnight on December 31, 2013. In order that the tenants have adequate time to plan their farming operations, bids for the lease of this property after December 31, 2013, will be called for approximately one year before that date.
4. **RENT:** In consideration of said Lease, Lessee agrees to pay to Lessor as rent for the demised premises based on the gross value of crops produced on the properties. The amount paid by Lessee shall be 20% of gross receipts for crops grown, including any deferred payments, credits, stock, or other compensation including crop insurance payments. If a crop is successfully produced but not sold, the value will be determined by similar sales by other tenants or market rates for the crops.

Fallowed acreage shall be assessed a flat fee of \$100.00 per acre in lieu of gross percentage. Planted acreage left unattended shall also be assessed a flat fee of \$100.00 per acre.

Lessee shall maintain adequate records of crop yields and gross receipts, and make such records available to Lessor for purposes of verification.

For the purposes of this lease gross receipts shall mean the total revenue of any sort received by Lessee at sale of crop. No reduction of gross will be allowed for any cost incurred by Lessee due to planting, growing, harvesting, or hauling of crop. Any additional cost incurred by Lessee for services by others in conjunction with the above crop production practices will also not reduce gross receipts.

Methods of verification may include any or all of the following; weigh tickets, sale receipts, and/or a contract for sale between Lessee and Broker. Lessee shall supply copies of weigh scale certification to verify accuracy of weight results. Lessor will be free to contact weigh facilities or purchasing agents from time to time as needed to verify quantities and sale amounts.

Rental payments shall be made on or before June 1st of each year for the prior winter rotation crop and on or before December 1st of each year for the summer crops and shall be directed to the Public Works Department, 221 West Pine Street, P. O. Box 3006, Lodi, California, 95241-1910, for processing and shall be paid without prior notice or demand.

5. SECURITY: Tenant shall post security of \$75,000 to secure its obligations under this agreement. The deposit shall be fully refundable upon Tenant's full satisfaction of the obligations hereunder. In the event Tenant defaults on any of its obligations, Landlord shall be entitled to deduct from the deposit for the full amount of its losses resulting from the default. The security may be in the form of a letter of credit, cash deposit, deed of trust or other form of security in such form and on such terms as is approved by the Lodi City Attorney's Office.

6. USE: The properties shall be used solely for the purpose of growing, cultivating, fertilizing, irrigating, and harvesting of agricultural crops while ensuring best farm practices, consistent with the terms of this lease, are maintained. During the term of this Lease it is understood and agreed by the parties hereto that Lessee shall be required to accept industrial wastewater, treated domestic effluent, and biosolids from City's White Slough Water Pollution Control Facility. Lessor will make available all excess domestic effluent, at no cost to the Lessee. It is further understood and agreed by Lessee, that Lessee must comply with all present and future laws, ordinances, rules, and regulations promulgated by any governmental authority of competent jurisdiction regulating the type of crops that can be grown on the properties during the lease term and any extension thereof. Lessee accepts the properties with the full understanding that the California Department of Health Services regulations (Title 22, Division 4), will limit Lessee to growing only fodder, fiber, or seed crops once industrial wastewater, treated domestic effluent, and biosolids are applied on the properties. Further, Lessee shall be permitted to use the properties for agricultural activities consistent with the terms of this Lease and as permitted by all governmental authorities, including but not limited to, the California Department of Health Services. Further, Lessee agrees to manage the irrigation of the properties with industrial wastewater, treated domestic effluent, and biosolids from the White Slough Facility in such a manner that it will not allow the discharge of any runoff to White Slough, other waters of the Delta, or adjacent private or public property, and meet all regulations imposed by all governmental authorities having proper jurisdiction, including but not limited to, the Central Valley Regional Water Quality Control Board. Lessee shall use and occupy said premises in a quiet, lawful, and orderly manner. Lessor and Lessee further agree that they shall permit no hunting, fishing, or public access to any part of the properties, including Lessee.

7. ACREAGE REQUIREMENTS AND FERTILIZER USE: Because the primary goal for the leased land is disposal of industrial wastewater, treated domestic effluent, and biosolids, in a manner that meets or exceeds regulatory requirements, it is necessary to define practices which will maximize this goal. To achieve the stated goal on a yearly basis it will henceforth be a requirement of the lease that 350 acres be planted to feed corn. To further maximize this effort a second crop of wheat or oats shall be planted after harvest of the corn. Because there are multiple leased parcels, the portion allotted to each Lessee may be increased or decreased by mutual agreement by tenants to maintain a minimum 350 acres of corn between the Lessees. To manage our goal it will be necessary for Lessee to submit an annual crop plan for each planting cycle along with the necessary harvesting and planting sheets. The plan will include crop type and acreage for each crop. It will also be necessary for Lessee to keep City staff apprised of irrigation and harvesting schedules. To better accomplish this notification, lessor shall install kiosks at several locations that lessee shall use to identify irrigation start and stop times, and harvest schedules for selected fields. Additionally, because loading rates for biosolids are determined by agronomic uptake of nitrogen for the crop, it will be necessary to better coordinate the field loading by ensuring the fields where biosolids are applied are loaded as equally and simultaneously as possible. The City will notify ahead of application days so that the irrigation system is available for this purpose. It will continue to be necessary to prohibit the application of any natural or chemical fertilizers or any other chemical without written approval of the Lessor. Lessor shall employ the services of a licensed agronomist to help City staff and lessee better manage farming practices to meet the desired goals of both parties.

8. **AVAILABILITY OF LESSEE:** Because of the type of operation of the White Slough Water Pollution Control Facility, it is imperative that Lessee or a representative be readily available in case plant personnel must change any plant operation. That representative must be able to understand and speak English. Lessee shall be responsible for keeping the City Public Works Department advised of a current telephone number and contact person(s) who can be reached 7 days a week, 24 hours a day.
9. **REMEDIES ON DEFAULT:** Should Lessee fail to pay any part of the rents herein specified at the times or in the manner provided, or fail to comply with or perform any other of the terms and provisions of the Lease on the part of Lessee to be performed or complied with, then and in that event, Lessor may exercise any and all remedies provided by law or equity by reason of such default, including the right at Lessor's option, of terminating the Lease. In any of such events, Lessor shall be entitled to the immediate possession of said leased premises, and at their option, may enter into and upon said premises without notice to Lessee and exclude Lessee and all persons and all property therefrom, and by process of law or otherwise take and resume possession of said premises. Each and all of Lessor's remedies shall be construed as cumulative and none of them as exclusive of the other or as exclusive of any remedy provided by law or equity.
10. **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 Lessor. Lessee, or its subtenant, shall carry Worker's Compensation Insurance and observe all laws and regulations applicable to employers. A copy of Worker's Compensation insurance shall be on file in the Public Works Department.
11. **DITCH, ROAD, AND PROPERTY MAINTENANCE:** Lessee shall maintain and pay all costs of maintaining the irrigation lines, ditches, perimeter fences, and all access roads located on the properties. The perimeter fencing required by the State regulatory agencies will be maintained with material supplied by the City. All ditches and banks shall be kept free from weeds and other obstructions and have sufficient capacity to care for a reasonable head of water. In cases where ditches are not in proper condition to receive water, Lessor shall order the ditches cleaned and failure to do so will be sufficient cause for denial of water. Lessee shall further be responsible, at its sole cost and expense, for maintaining and repairing all improvements located on the properties, including but not limited to, wells, canals, drainage ditches, fences, and other improvements of any nature whatsoever located on the demised premises. Lessee will ensure no damage occurs to ground water monitoring wells located in or near farmed properties by tenant or their agents.
12. **DELIVERY OF WATER:** When the water supply and the capacity of the ditch is such that a rotation basis of delivery is necessary, a system of rotation may be utilized at the discretion of Lessor and may be changed in any section at the discretion of the Lessor. Lessor shall have full authority to stop water delivery if needed for plant operation or on account of any violation of the rules and regulations.
13. **WASTE OF WATER:** Any Lessee over irrigating or wasting water on roads, vacant lands or land previously irrigated, either willfully or carelessly or on account of defective or unclean ditches, poor equipment, or unleveled land to an unreasonable depth, will be refused the use of water until such conditions are remedied to the satisfaction of Lessor.
14. **FLOOD RISK:** Tenant acknowledges that he is fully acquainted with the demised premises, all facilities affecting the demised premises, and the possibility that the leased premises could be flooded from many causes including, without limitation, the following:

- A. Levee overtopping and levee failure due to natural causes such as winds, tides, barometric pressure changes, rainfall or its runoff, earthquakes, levee settlement, and rodents.
- B. Levee overtopping and levee failure due to man-related causes including negligence of Lessor, any reclamation district or improper levee maintenance, flood fighting and/or patrol, dredging, water releases, obstruction of water flows, and water diversions.
- C. Failure of the drainage system due to natural or man-related causes including negligence of Lessor, any reclamation district, and other governmental agency.
- D. Failure to construct, repair, maintain, or operate levees, drainage, or irrigation facilities, or other facilities, whether due to limited funding or otherwise.
- E. Some localized flooding may occur as a result of Lessee being required to accept industrial wastewater, treated domestic effluent, and biosolids.

Tenant hereby expressly assumes the risk of damage arising out of the above and hereby waives the right (including the right on the part of any insurer through subrogation) to make any claim pertaining to the same as against the State of California, the United States, all reclamation districts, the counties, all other agencies of government, and Lessor and their officers, agents, and employees.

- 15. **ASSIGNMENT AND SUBLETTING:** Lessee shall not assign, encumber, convey, or otherwise hypothecate this Lease, in whole or any part, without first obtaining the written consent of Lessor. Lessee shall be permitted to sublet the properties to a responsible person, firm, or corporation, but any such subletting or use by another person, firm, or corporation shall in no way release Lessee from the obligation, conditions, and terms of this Lease. Lessor shall furnish in writing to Lessor the name of any subtenant, and any sublease entered into by Lessee shall incorporate the terms, provisions, and conditions of this Lease.
- 16. **ENTRY BY LESSOR:** Lessor shall have the right at all reasonable times during the term of this Lease to enter said leased premises for the purpose of examining or inspecting the same.
- 17. **REPAIRS:** Lessee shall be solely responsible for all repairs to the properties. Lessee shall notify Lessor, in writing, of any alterations or additions to the leased premises and major alterations or any alteration that would interfere with Lessor's wastewater discharges on the leased premises shall be first approved by Lessor before the same is made. All alterations, additions, or improvements made in, to, or on the demised premises shall, immediately upon the installation thereof, become and be the property of the Lessor and shall remain upon and be surrendered with the premises.

Lessee shall be responsible to Lessor for all damages caused by willful neglect or careless acts and upon his failure to repair such damage after notification by Lessor, such repairs shall be made at his expense by Lessor.
- 18. **ENFORCEMENT OF RULES:** Refusal to comply with the rules and regulations, and the requirements hereof or the interference with the discharge of the duties of Lessor shall be sufficient cause for shutting off the water. Water will not again be furnished until full compliance with all requirements of the rules and regulations or contract agreement.
- 19. **SURRENDER THE PREMISES:** Lessee shall, at the termination of the term hereby created, or upon the earlier termination hereof for any reason, or upon the extension of the term herein set forth, quit and surrender said premises in good order, condition, and repair reasonable wear and tear and act of God or fire excepted.

20. FEES: Lessee shall pay all personal taxes, licenses fees, or other fees or taxes, levied by any governmental agency which may be imposed upon the business of Lessee or its subtenant which are attributable to Lessee's use of the premises.

If any of the above charges are assessed against the real property, and because of said assessment, the Lessor pays the same, which Lessor will have the right to do regardless of the validity of any such levy, the Lessee upon demand will repay to the Lessor all taxes and other assessments so levied against the Lessor which are due by the Lessee.

Lessor shall pay all real estate taxes and fees for special district assessments of the real property.

21. UTILITIES: Lessee agrees to pay, during the term hereof, all utilities of any nature whatsoever used upon said leased premises except for the run-off collection system located on the property. In the event Lessee creates excessive runoff by over irrigation, Lessee may be required to pay the cost of runoff collection.
22. WASTE: Lessee shall not maintain or commit, nor suffer to be maintained or committed, any nuisance or waste in or about said leased premises, nor do or permit anything to be done in or about said premises, nor keep anything therein, which will in any way conflict with any law, ordinance, rule, or regulation affecting the occupancy and use of said premises, which have been or may hereafter be enacted or promulgated by any public authority.
23. MECHANIC'S LIEN: Lessee agrees to keep said premises free from all liens and claims of mechanics, laborers, material suppliers, and others for work done, and material furnished, and Lessee shall not create or suffer to be created any lien or encumbrance on said premises.
24. PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE: Lessee agrees to indemnify and hold harmless Lessor from and against all claims of whatever nature arising from any act, omission, or negligence of Lessee or Lessee'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 demised premises where such accident, damage, or injury, including death, or is claimed to have resulted, from any act or omission on the part of Lessee or Lessee'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. Lessee agrees to maintain in full force during the term hereof a policy of public liability insurance under which the Lessee is named as insured, and containing an additional named insured endorsement naming City of Lodi, its Elected and Appointed Boards, Commissions, Officers, Agents and Employees as additional insured, and under which the insurer agrees to indemnify and hold Lessee and Lessor 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 demised premises, where such accident, damage, or injury, including death, results, or is claimed to have resulted, from any act or omission on the part of Lessee, or Lessee's agents or employees. The minimum limits of such insurance shall be \$1,000,000.00 (One Million Dollars) per occurrence. In addition to the additional named insured endorsement on Lessee's policy of insurance, said insurance policy shall be endorsed to include the following language:

"Such insurance as is afforded by the endorsement for additional insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi and Appointed Boards, Commissions, Officers, Agents, Employees, and Volunteers shall be excess only and not contributing with the coinsurance afforded by this endorsement."

A duplicate or certificate of said public liability and property damage insurance policy containing the above-stated required endorsements shall be delivered to Lessor within ten

(10) days after the issuance and each renewal of said policy. This paragraph, and all other provisions of this Lease, shall apply and be construed as applying to any subtenant of Lessee.

25. **BANKRUPTCY, RECEIVERSHIP, AND INSOLVENCY:** If Lessee 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 this leasehold, and such bankruptcy, insolvency, or receivership proceeding shall not be dismissed within ninety (90) days, then Lessor may, without notice or demand, terminate this Lease and forthwith reenter and repossess the properties, and remove all persons therefrom, and under no circumstances shall this Lease be assignable or transferable by operation of law.
26. **EMINENT DOMAIN:** If the whole or any portion of the premises hereby leased shall be taken by any public authority under the power of eminent domain, whether by negotiation or otherwise, then the term of this Lease shall cease as of the date possession is taken by such authority as to that portion taken, and the rental thereafter due or payable shall be reduced for the portion taken at the rental rate per acre then in effect. All damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the leased premises, shall be the property of Lessor. Provided, however, that Lessor shall not be entitled to any award made to Lessee for loss of business, business leasehold improvements, and crops.
27. **ATTORNEY'S FEES:** In each suit brought for the recovery of any rent due hereunder, or for the recovery of the possession of said demised premises, or for the breach, or to restrain the breach, of any of the terms, conditions, or covenants of this Lease, the prevailing party shall be entitled to a reasonable sum as and for attorney's fees therein, the amount of which shall be determined by the court in such suit and added to and become a part of the judgment therein.
28. **WAIVER:** Failure of Lessor to insist upon performance of any of the terms or conditions of this Lease 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 Lessee's obligations to such future performance shall continue in full force and effect. The receipt by Lessor of rent, with the knowledge of the breach of any agreement or condition hereof, shall not be determined to be a waiver of any such breach.
29. **ACCEPTANCE OF LEASEHOLD ESTATE:** Lessee has examined the leased premises, knows the conditions thereof, and accepts possession thereof in their condition.
30. **TERMINATION OF LEASE:**

- A. By Lessee. Lessee shall be permitted to terminate this Lease at its option in the event governmental laws, rules, or regulations, including, but not limited to, those promulgated by the California Regional Water Quality Control Board or the California Department of Health Services, prohibit the growing of any crop on the properties. In the event Lessee terminates this Lease as provided above, crop payments shall be due for crops harvested prior to the date of termination.

Lessee shall also be permitted to terminate this Lease for any reason whatsoever if written notice is given to Lessor six (6) months prior to the end of any individual year covered under this lease. Lessee shall be responsible for all crop payments due for the entire calendar year in which such notice is given.

- B. By Lessor. Lessor may terminate this lease if it determines, in its sole discretion, that the demised premises are necessary for any City function or any other purpose approved by the City Council. In such cases, the Lessor shall give to the Lessee six (6) months written notice thereof, and crop payments shall be due for crops harvested prior to date of termination.

31. ACCESS: Lessee shall be permitted reasonable access over adjacent City property owned by Lessor for ingress and egress purposes.
32. CONTRACT: This written agreement constitutes the entire contract between the Lessee and Lessor, and no representation or agreement, unless expressed herein, shall be binding on the Lessor or Lessee.
33. BINDING ON HEIRS: This Lease shall include and inure to and bind the heirs, executors, administrators, successors, and assigns of the respective parties hereto, but nothing in this paragraph contained shall be construed to modify or impair in any manner any of the provisions and restrictions of this Lease relating to the assignment of this Lease, or of any interest therein, or to the subletting or underletting of said leased premises or any part thereof.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease on the date and year first above written.

CITY OF LODI, a municipal corporation
Hereinabove called "Lessor"

Hereinabove called "Lessee"

By _____
BLAIR KING, City Manager

By _____
KIRSCHENMEN FARMS

RANDY JOHL
City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney

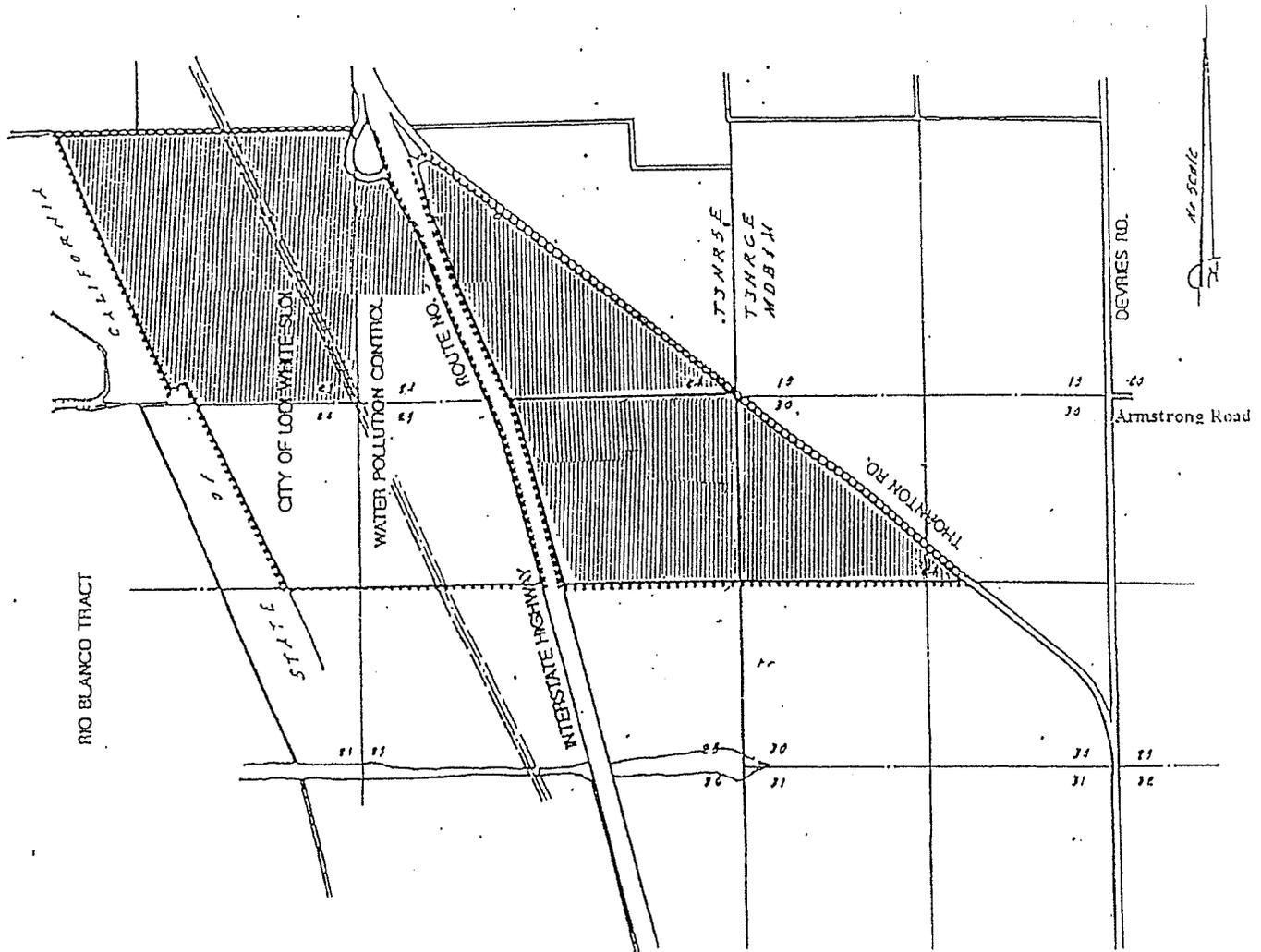



CITY OF LODI

PUBLIC WORKS DEPARTMENT

EXHIBIT A

Lease for 659± acres agricultural land at White Slough Water Pollution Control Facility



NOT TO SCALE

L E A S E
FOR
AGRICULTURAL LAND
at
White Slough Water Pollution Control Facility

THIS LEASE, made and entered into this _____ day of _____, 2008, by and between the CITY OF LODI, a municipal corporation, hereinafter called Lessor, and LIMA RANCH hereinafter called Lessee.

W I T N E S S E T H :

1. PROPERTIES: That for and in consideration of the rents to be paid, and the covenants to be faithfully kept and performed by said Lessee, said Lessee does hereby lease, hire, and take from said Lessor, those certain properties described as follows:

Those certain properties described in Exhibit A attached hereto, and by this reference made a part hereof. Property to be leased totals 218 acres \pm .

2. EXTENSION: Although the current lease does not expire until December 31, 2008, it is a condition of this extension that Lessee agrees to apply the requirements of this lease extension in the final year of the current lease.
3. TERM: The term of this Lease shall be for a period of five (5) years, commencing January 1, 2008, and terminating at midnight on December 31, 2013. In order that the tenants have adequate time to plan their farming operations, bids for the lease of this property after December 31, 2013, will be called for approximately one year before that date.
4. RENT: In consideration of said Lease, Lessee agrees to pay to Lessor as rent for the demised premises based on the gross value of crops produced on the properties. The amount paid by Lessee shall be 20% of gross receipts for crops grown, including any deferred payments, credits, stock, or other compensation including crop insurance payments. If a crop is successfully produced but not sold, the value will be determined by similar sales by other tenants or market rates for the crops.

Fallowed acreage shall be assessed a flat fee of \$100.00 per acre in lieu of gross percentage. Planted acreage left unattended shall also be assessed a flat fee of \$100.00 per acre.

Lessee shall maintain adequate records of crop yields and gross receipts, and make such records available to Lessor for purposes of verification.

For the purposes of this lease gross receipts shall mean the total revenue of any sort received by Lessee at sale of crop. No reduction of gross will be allowed for any cost incurred by Lessee due to planting, growing, harvesting, or hauling of crop. Any additional cost incurred by Lessee for services by others in conjunction with the above crop production practices will also not reduce gross receipts.

Methods of verification may include any or all of the following; weigh tickets, sale receipts, and/or a contract for sale between Lessee and Broker. Lessee shall supply copies of weigh scale certification to verify accuracy of weight results. Lessor will be free to contact weigh facilities or purchasing agents from time to time as needed to verify quantities and sale amounts.

Rental payments shall be made on or before June 1st of each year for the prior winter rotation crop and on or before December 1st of each year for the summer crops and shall be directed to the Public Works Department, 221 West Pine Street, P. O. Box 3006, Lodi, California, 95241-1910, for processing and shall be paid without prior notice or demand.

5. **SECURITY:** Tenant shall post security of \$35,000 to secure its obligations under this agreement. The deposit shall be fully refundable upon Tenant's full satisfaction of the obligations hereunder. In the event Tenant defaults on any of its obligations, Landlord shall be entitled to deduct from the deposit for the full amount of its losses resulting from the default. The security may be in the form of a letter of credit, cash deposit, deed of trust or other form of security in such form and on such terms as is approved by the Lodi City Attorney's Office.
6. **USE:** The properties shall be used solely for the purpose of growing, cultivating, fertilizing, irrigating, and harvesting of agricultural crops while ensuring best farm practices, consistent with the terms of this lease, are maintained. During the term of this Lease it is understood and agreed by the parties hereto that Lessee shall be required to accept industrial wastewater, treated domestic effluent, and biosolids from City's White Slough Water Pollution Control Facility. Lessor will make available all excess domestic effluent, at no cost to the Lessee. It is further understood and agreed by Lessee, that Lessee must comply with all present and future laws, ordinances, rules, and regulations promulgated by any governmental authority of competent jurisdiction regulating the type of crops that can be grown on the properties during the lease term and any extension thereof. Lessee accepts the properties with the full understanding that the California Department of Health Services regulations (Title 22, Division 4), will limit Lessee to growing only fodder, fiber, or seed crops once industrial wastewater, treated domestic effluent, and biosolids are applied on the properties. Further, Lessee shall be permitted to use the properties for agricultural activities consistent with the terms of this Lease and as permitted by all governmental authorities, including but not limited to, the California Department of Health Services. Further, Lessee agrees to manage the irrigation of the properties with industrial wastewater, treated domestic effluent, and biosolids from the White Slough Facility in such a manner that it will not allow the discharge of any runoff to White Slough, other waters of the Delta, or adjacent private or public property, and meet all regulations imposed by all governmental authorities having proper jurisdiction, including but not limited to, the Central Valley Regional Water Quality Control Board. Lessee shall use and occupy said premises in a quiet, lawful, and orderly manner. Lessor and Lessee further agree that they shall permit no hunting, fishing, or public access to any part of the properties, including Lessee.
7. **ACREAGE REQUIREMENTS AND FERTILIZER USE:** Because the primary goal for the leased land is disposal of industrial wastewater, treated domestic effluent, and biosolids, in a manner that meets or exceeds regulatory requirements, it is necessary to define practices which will maximize this goal. To achieve the stated goal on a yearly basis it will henceforth be a requirement of the lease that 350 acres be planted to feed corn. To further maximize this effort a second crop of wheat or oats shall be planted after harvest of the corn. Because there are multiple leased parcels, the portion allotted to each Lessee may be increased or decreased by mutual agreement by tenants to maintain a minimum 350 acres of corn between the Lessees. To manage our goal it will be necessary for Lessee to submit an annual crop plan for each planting cycle along with the necessary harvesting and planting sheets. The plan will include crop type and acreage for each crop. It will also be necessary for Lessee to keep City staff apprised of irrigation and harvesting schedules. To better accomplish this notification, lessor shall install kiosks at several locations that lessee shall use to identify irrigation start and stop times, and harvest schedules for selected fields. Additionally, because loading rates for biosolids are determined by agronomic uptake of nitrogen for the crop, it will be necessary to better coordinate the field loading by ensuring the fields where biosolids are applied are loaded as equally and simultaneously as possible. The City will notify ahead of application days so that the irrigation system is available for this purpose. It will continue to be necessary to prohibit the application of any natural or chemical fertilizers or any other chemical without written approval of the Lessor. Lessor shall employ the services of a licensed agronomist to help City staff and lessee better manage farming practices to meet the desired goals of both parties.

8. **AVAILABILITY OF LESSEE:** Because of the type of operation of the White Slough Water Pollution Control Facility, it is imperative that Lessee or a representative be readily available in case plant personnel must change any plant operation. That representative must be able to understand and speak English. Lessee shall be responsible for keeping the City Public Works Department advised of a current telephone number and contact person(s) who can be reached 7 days a week, 24 hours a day.
9. **REMEDIES ON DEFAULT:** Should Lessee fail to pay any part of the rents herein specified at the times or in the manner provided, or fail to comply with or perform any other of the terms and provisions of the Lease on the part of Lessee to be performed or complied with, then and in that event, Lessor may exercise any and all remedies provided by law or equity by reason of such default, including the right at Lessor's option, of terminating the Lease. In any of such events, Lessor shall be entitled to the immediate possession of said leased premises, and at their option, may enter into and upon said premises without notice to Lessee and exclude Lessee and all persons and all property therefrom, and by process of law or otherwise take and resume possession of said premises. Each and all of Lessor's remedies shall be construed as cumulative and none of them as exclusive of the other or as exclusive of any remedy provided by law or equity.
10. **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 Lessor. Lessee, or its subtenant, shall carry Worker's Compensation Insurance and observe all laws and regulations applicable to employers. A copy of Worker's Compensation insurance shall be on file in the Public Works Department.
11. **DITCH, ROAD, AND PROPERTY MAINTENANCE:** Lessee shall maintain and pay all costs of maintaining the irrigation lines, ditches, perimeter fences, and all access roads located on the properties. The perimeter fencing required by the State regulatory agencies will be maintained with material supplied by the City. All ditches and banks shall be kept free from weeds and other obstructions and have sufficient capacity to care for a reasonable head of water. In cases where ditches are not in proper condition to receive water, Lessor shall order the ditches cleaned and failure to do so will be sufficient cause for denial of water. Lessee shall further be responsible, at its sole cost and expense, for maintaining and repairing all improvements located on the properties, including but not limited to, wells, canals, drainage ditches, fences, and other improvements of any nature whatsoever located on the demised premises. Lessee will ensure no damage occurs to ground water monitoring wells located in or near farmed properties by tenant or their agents.
12. **DELIVERY OF WATER:** When the water supply and the capacity of the ditch is such that a rotation basis of delivery is necessary, a system of rotation may be utilized at the discretion of Lessor and may be changed in any section at the discretion of the Lessor. Lessor shall have full authority to stop water delivery if needed for plant operation or on account of any violation of the rules and regulations.
13. **WASTE OF WATER:** Any Lessee over irrigating or wasting water on roads, vacant lands or land previously irrigated, either willfully or carelessly or on account of defective or unclean ditches, poor equipment, or unlevelled land to an unreasonable depth, will be refused the use of water until such conditions are remedied to the satisfaction of Lessor.
14. **FLOOD RISK:** Tenant acknowledges that he is fully acquainted with the demised premises, all facilities affecting the demised premises, and the possibility that the leased premises could be flooded from many causes including, without limitation, the following:

- A. Levee overtopping and levee failure due to natural causes such as winds, tides, barometric pressure changes, rainfall or its runoff, earthquakes, levee settlement, and rodents.
- B. Levee overtopping and levee failure due to man-related causes including negligence of Lessor, any reclamation district or improper levee maintenance, flood fighting and/or patrol, dredging, water releases, obstruction of water flows, and water diversions.
- C. Failure of the drainage system due to natural or man-related causes including negligence of Lessor, any reclamation district, and other governmental agency.
- D. Failure to construct, repair, maintain, or operate levees, drainage, or irrigation facilities, or other facilities, whether due to limited funding or otherwise.
- E. Some localized flooding may occur as a result of Lessee being required to accept industrial wastewater, treated domestic effluent, and biosolids.

Tenant hereby expressly assumes the risk of damage arising out of the above and hereby waives the right (including the right on the part of any insurer through subrogation) to make any claim pertaining to the same as against the State of California, the United States, all reclamation districts, the counties, all other agencies of government, and Lessor and their officers, agents, and employees.

- 15. **ASSIGNMENT AND SUBLETTING:** Lessee shall not assign, encumber, convey, or otherwise hypothecate this Lease, in whole or any part, without first obtaining the written consent of Lessor. Lessee shall be permitted to sublet the properties to a responsible person, firm, or corporation, but any such subletting or use by another person, firm, or corporation shall in no way release Lessee from the obligation, conditions, and terms of this Lease. Lessor shall furnish in writing to Lessor the name of any subtenant, and any sublease entered into by Lessee shall incorporate the terms, provisions, and conditions of this Lease.
- 16. **ENTRY BY LESSOR:** Lessor shall have the right at all reasonable times during the term of this Lease to enter said leased premises for the purpose of examining or inspecting the same.
- 17. **REPAIRS:** Lessee shall be solely responsible for all repairs to the properties. Lessee shall notify Lessor, in writing, of any alterations or additions to the leased premises and major alterations or any alteration that would interfere with Lessor's wastewater discharges on the leased premises shall be first approved by Lessor before the same is made. All alterations, additions, or improvements made in, to, or on the demised premises shall, immediately upon the installation thereof, become and be the property of the Lessor and shall remain upon and be surrendered with the premises.

Lessee shall be responsible to Lessor for all damages caused by willful neglect or careless acts and upon his failure to repair such damage after notification by Lessor, such repairs shall be made at his expense by Lessor.
- 18. **ENFORCEMENT OF RULES:** Refusal to comply with the rules and regulations, and the requirements hereof or the interference with the discharge of the duties of Lessor shall be sufficient cause for shutting off the water. Water will not again be furnished until full compliance with all requirements of the rules and regulations or contract agreement.
- 19. **SURRENDER THE PREMISES:** Lessee shall, at the termination of the term hereby created, or upon the earlier termination hereof for any reason, or upon the extension of the term herein set forth, quit and surrender said premises in good order, condition, and repair reasonable wear and tear and act of God or fire excepted.

20. FEES: Lessee shall pay all personal taxes, licenses fees, or other fees or taxes, levied by any governmental agency which may be imposed upon the business of Lessee or its subtenant which are attributable to Lessee's use of the premises.

If any of the above charges are assessed against the real property, and because of said assessment, the Lessor pays the same, which Lessor will have the right to do regardless of the validity of any such levy, the Lessee upon demand will repay to the Lessor all taxes and other assessments so levied against the Lessor which are due by the Lessee.

Lessor shall pay all real estate taxes and fees for special district assessments of the real property.

21. UTILITIES: Lessee agrees to pay, during the term hereof, all utilities of any nature whatsoever used upon said leased premises except for the run-off collection system located on the property. In the event Lessee creates excessive runoff by over irrigation, Lessee may be required to pay the cost of runoff collection.
22. WASTE: Lessee shall not maintain or commit, nor suffer to be maintained or committed, any nuisance or waste in or about said leased premises, nor do or permit anything to be done in or about said premises, nor keep anything therein, which will in any way conflict with any law, ordinance, rule, or regulation affecting the occupancy and use of said premises, which have been or may hereafter be enacted or promulgated by any public authority.
23. MECHANIC'S LIEN: Lessee agrees to keep said premises free from all liens and claims of mechanics, laborers, material suppliers, and others for work done, and material furnished, and Lessee shall not create or suffer to be created any lien or encumbrance on said premises.
24. PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE: Lessee agrees to indemnify and hold harmless Lessor from and against all claims of whatever nature arising from any act, omission, or negligence of Lessee or Lessee'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 demised premises where such accident, damage, or injury, including death, or is claimed to have resulted, from any act or omission on the part of Lessee or Lessee'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. Lessee agrees to maintain in full force during the term hereof a policy of public liability insurance under which the Lessee is named as insured, and containing an additional named insured endorsement naming City of Lodi, its Elected and Appointed Boards, Commissions, Officers, Agents and Employees as additional insured, and under which the insurer agrees to indemnify and hold Lessee and Lessor 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 demised premises, where such accident, damage, or injury, including death, results, or is claimed to have resulted, from any act or omission on the part of Lessee, or Lessee's agents or employees. The minimum limits of such insurance shall be \$1,000,000.00 (One Million Dollars) per occurrence. In addition to the additional named insured endorsement on Lessee's policy of insurance, said insurance policy shall be endorsed to include the following language:

"Such insurance as is afforded by the endorsement for additional insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi and Appointed Boards, Commissions, Officers, Agents, Employees, and Volunteers shall be excess only and not contributing with the coinsurance afforded by this endorsement."

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

25. **BANKRUPTCY, RECEIVERSHIP, AND INSOLVENCY:** If Lessee 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 this leasehold, and such bankruptcy, insolvency, or receivership proceeding shall not be dismissed within ninety (90) days, then Lessor may, without notice or demand, terminate this Lease and forthwith reenter and repossess the properties, and remove all persons therefrom, and under no circumstances shall this Lease be assignable or transferable by operation of law.
26. **EMINENT DOMAIN:** If the whole or any portion of the premises hereby leased shall be taken by any public authority under the power of eminent domain, whether by negotiation or otherwise, then the term of this Lease shall cease as of the date possession is taken by such authority as to that portion taken, and the rental thereafter due or payable shall be reduced for the portion taken at the rental rate per acre then in effect. All damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the leased premises, shall be the property of Lessor. Provided, however, that Lessor shall not be entitled to any award made to Lessee for loss of business, business leasehold improvements, and crops.
27. **ATTORNEY'S FEES:** In each suit brought for the recovery of any rent due hereunder, or for the recovery of the possession of said demised premises, or for the breach, or to restrain the breach, of any of the terms, conditions, or covenants of this Lease, the prevailing party shall be entitled to a reasonable sum as and for attorney's fees therein, the amount of which shall be determined by the court in such suit and added to and become a part of the judgment therein.
28. **WAIVER:** Failure of Lessor to insist upon performance of any of the terms or conditions of this Lease 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 Lessee's obligations to such future performance shall continue in full force and effect. The receipt by Lessor of rent, with the knowledge of the breach of any agreement or condition hereof, shall not be determined to be a waiver of any such breach.
29. **ACCEPTANCE OF LEASEHOLD ESTATE:** Lessee has examined the leased premises, knows the conditions thereof, and accepts possession thereof in their condition.
30. **TERMINATION OF LEASE:**
- A. By Lessee. Lessee shall be permitted to terminate this Lease at its option in the event governmental laws, rules, or regulations, including, but not limited to, those promulgated by the California Regional Water Quality Control Board or the California Department of Health Services, prohibit the growing of any crop on the properties. In the event Lessee terminates this Lease as provided above, crop payments shall be due for crops harvested prior to the date of termination.
- Lessee shall also be permitted to terminate this Lease for any reason whatsoever if written notice is given to Lessor six (6) months prior to the end of any individual year covered under this lease. Lessee shall be responsible for all crop payments due for the entire calendar year in which such notice is given.
- B. By Lessor. Lessor may terminate this lease if it determines, in its sole discretion, that the demised premises are necessary for any City function or any other purpose

approved by the City Council. In such cases, the Lessor shall give to the Lessee six (6) months written notice thereof, and crop payments shall be due for crops harvested prior to date of termination.

31. ACCESS: Lessee shall be permitted reasonable access over adjacent City property owned by Lessor for ingress and egress purposes.
32. CONTRACT: This written agreement constitutes the entire contract between the Lessee and Lessor, and no representation or agreement, unless expressed herein, shall be binding on the Lessor or Lessee.
33. BINDING ON HEIRS: This Lease shall include and inure to and bind the heirs, executors, administrators, successors, and assigns of the respective parties hereto, but nothing in this paragraph contained shall be construed to modify or impair in any manner any of the provisions and restrictions of this Lease relating to the assignment of this Lease, or of any interest therein, or to the subletting or underletting of said leased premises or any part thereof.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease on the date and year first above written.

CITY OF LODI, a municipal corporation
Hereinabove called "Lessor"

Hereinabove called "Lessee"

By _____
BLAIR KING, City Manager

By _____
LIMA RANCH

RANDY JOHL
City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney



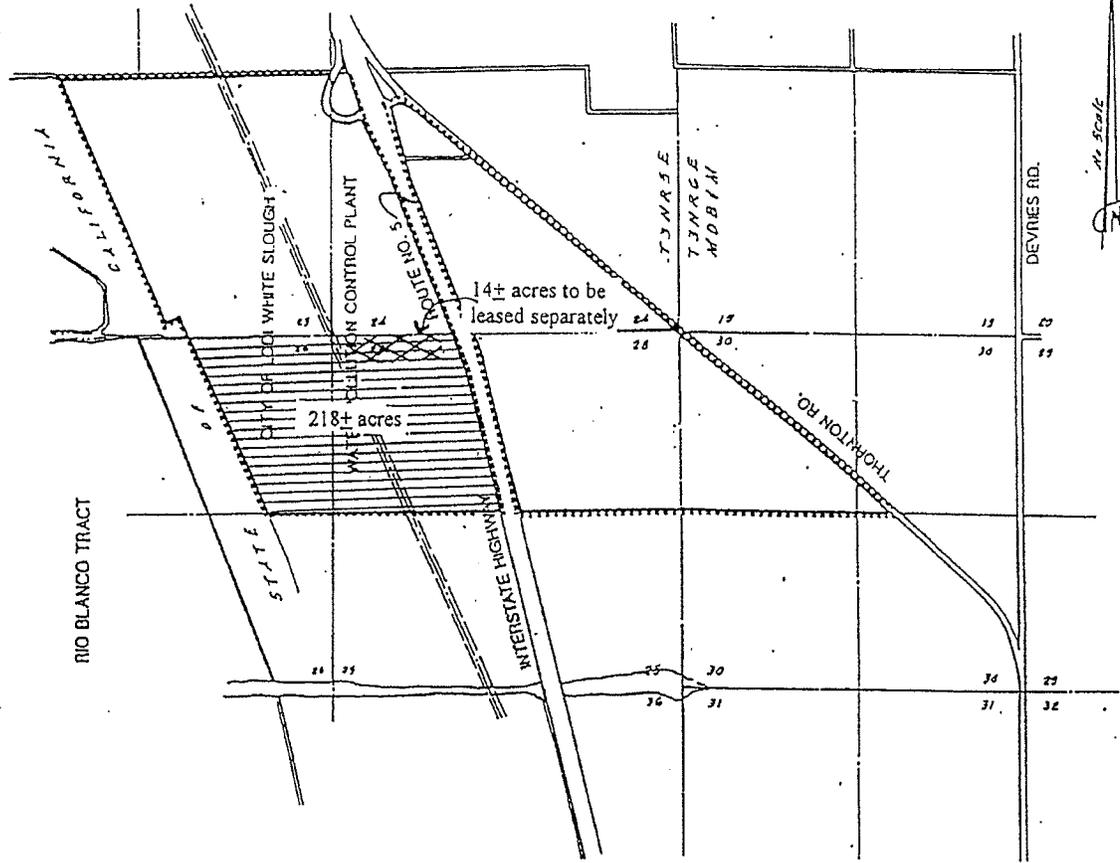


CITY OF LODI

PUBLIC WORKS DEPARTMENT

EXHIBIT A

Lease for 219± acres agricultural land at White Slough Water Pollution Control Facility



NOT TO SCALE

The property to be leased is described as that real property situated in the City of Lodi, County of San Joaquin, State of California described as follows:

A portion of the North half of Sections 25 and 26, Township 3 North, Range 6 East, Mount Diablo Base and Meridian, being more particularly described as follows:

Beginning at a point on the northerly line of said Section 25; distant along said line North 89°22'52" West, 3407.31 feet from the Northeast corner of said Section 25, said point being also the northwesterly corner of that parcel of land deeded to the State of California and recorded November 3, 1970 in Book 3455, page 428, San Joaquin County Records; thence along the westerly line of said parcel the following four courses: (1) South 19°12'22" East, 122.94 feet; (2) South 15°29'46" East, 364.22 feet; (3) South 13°21'29" East, 2,225.73 feet; (4) South 13°02'23" East, 29.34 feet to a point in the South line of the North half of said Section 25; thence westerly, along the South line of the North half of said Sections 25 and 26 to the southeasterly corner of that parcel of land described as Unit 9 in deed to the State of California and recorded December 14, 1970 in Book 3467, page 349, San Joaquin County Records; thence North 22°22'15" West, along the easterly line of said parcel, 2950.74 feet to a point in the North line of said Section 25; thence easterly, along the North line of Section 25 and Section 26 to the point of beginning.

Containing 234.7 acres, more or less.

Except therefrom 16± unfarmable acres.

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE LODI CITY COUNCIL
EXTENDING THE WHITE SLOUGH WATER POLLUTION
CONTROL FACILITY AGRICULTURAL LEASES

=====

WHEREAS, the City has two agricultural lease parcels at the White Slough Water Pollution Control Facility (WSWPCF) which total approximately 877 acres; and

WHEREAS, the two current tenants' (Kirschenman Farms with 659+ acres and Lima Ranch with 218+ acres) leases are set to expire on December 31, 2008; and

WHEREAS, both tenants have performed well during the current lease; and

WHEREAS, the amended leases incorporate several new amendments mandated by the City's new State Regional Water Quality Control Board (SRWQCB) discharge permit adopted November 3, 2007, mandating better control on loading rates of biosolids and improved monitoring and reporting requirements; and

WHEREAS, the tenants are in agreement with the new requirements regarding more comprehensive crop planting, irrigation, and harvesting reporting to enable the City to better monitor field conditions and report to the SRWQCB on a monthly basis.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the agricultural leases expiring December 31, 2008, with Kirschenman Farm and Lima Ranch be extended for the period January 1, 2009 through December 31, 2013; and

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to execute the lease agreements on behalf of the City of Lodi.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-_____ was passed and adopted by the Lodi City Council in a regular meeting held April 16, 2008, by the following votes:

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

RANDI JOHL
City Clerk

2008 - _____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Quarterly Report of Purchases Between \$5,000 and \$20,000

MEETING DATE: April 16, 2008

PREPARED BY: Randy Lipelt Buyer

RECOMMENDED ACTION: Information only. This report is made to the City Council in accordance with Lodi Municipal Code §2.12.060.

BACKGROUND INFORMATION: During the 1st calendar quarter of 2008, the following purchases were awarded. Background information for each purchase is attached as Exhibits A through KK

Exh	Date	Contractor	Project	Award Amt.
A	1/09/08	PreSort Center of Stockton	Lodi Redevelopment Newsletter	\$8,331.48
B	1/16/08	Anrak Corporation	Annual Grinder Rental	\$17,400.00
C	1/17/08	Intraline Inc	Electric Inventory Replenishment	5,655.58
D	1/28/08	R2 Engineering	Moyno Pump Repair	\$8,434.84
E	1/28/08	Pennington Crossarm	Electric Inventory Replenishment	\$5,104.12
F	1/31/08	Ferguson Enterprises	Water Inventory Replenishment	\$5,865.86
G	1/31/08	Intraline Inc.	Electric Inventory Replenishment	\$12,024.90
H	2/01/08	Cal Chem LLC	White Slough Polymer Purchase	\$5,249.58
I	2/04/08	Coombs-Hopkins	White Slough UV Replacement	\$18,252.00
J	2/05/08	Stanley Electric Motor Co.	Lodi Lake Storm Pump Motor Rebuild	\$5,283.98
K	2/05/08	Penske Utility Rental	Killelea Substation	\$5,172.00
L	2/08/08	A.M. Stephens Construction	Time Sensitive Grading Work West Side Levee of Lodi Lake	\$12,250.00
M	2/12/08	Engineered Glass Walls Inc	Security Window for Police Jail Door	\$7,023.92
N	2/11/08	General Pacific Inc	Polyphase Meters	\$9,589.75
O	2/11/08	AFL Telecommunications LLC	Killelea Substation	\$7,695.01
P	2/14/08	Republic Sales & Manufacturing	White Slough Digester Mixing System Blower Purchase	\$8,272.58
Q	2/14/08	Jeff Case Construction	930 Pearwood Circle Brick Wall	\$5,000.00
R	2/15/08	BCD		\$15,000.00
S	2/19/08	ELSCO	Replacement Batteries for Dual Light Inverter System at Parking Structure	\$6,867.16
T	2/21/08	DLT Solutions, Inc	Renewal of Autodesk Software for Engineering Department	\$8,235.36
U	2/25/08	General Pacific	Metering AMR	\$12,589.13
V	2/26/08	Matt McCarty Construction	Installation of City Hall Lobby Security Gates	\$6,196.18
W	2/29/08	General Pacific, Inc	Electric Inventory Replenishment	\$7,708.05
X	3/03/08	All-Phase Electrical Supply	Electric Inventory Replenishment	\$8,265.18
Y	3/07/08	Huskie Tools, Inc		\$5,434.59
Z	3/10/08	General Pacific Inc	Electric Inventory Replenishment	\$9,259.16
AA	3/12/08	General Pacific Inc	Solid State Meters	\$10,344.00
BB	3/13/08	Tri-American Inc	Purchase 4 pallets Roadsaver Low Tack	\$5,215.12
CC	3/13/08	Intraline Inc	Electric Inventory Replenishment	\$5,661.18
DD	3/13/08	Ferguson Water Works	Water/Wastewater Inventory Replenishment	\$7,689.05
EE	3/13/08	Commerce Printing Services	The City of Lodi Community Arts Directory Winter/Spring 2008 Issue	\$6,275.36

APPROVED: _____
BLAIR KING, CITY MANAGER

FF	3/14/08	Envelope Products Company	Utility Bill Envelopes	\$5,164.89
GG	3/17/08	GE Digital Energy	Fiber Optic System	\$14,787.40
HH	3/18/08	D&V Machine Shop & Pump	White Slough Irrigation Pump Repair	\$9,312.12
II	3/19/08	Applied Metering Technologies	Electric Meter AMR Project	\$10,869.28
JJ	3/20/08	Coombs-Hopkins & DC Frost	White Slough UV Lamp Replacement	\$19,338.12
KK	3/26/08	Global Machinery West	Reynolds Ranch	\$5,333.63

FISCAL IMPACT:

Varies by project. All purchases were budgeted in the 2007-2008 Financial Plan.

FUNDING:

Funding as indicated on Exhibits.

James R. Krueger, Deputy City Manager

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Lodi redevelopment newsletter
DEPARTMENT: Administration/City Manager
CONTRACTOR PreSort Center of Stockton
AWARD AMOUNT: \$8,331.48
DATE OF RECOMMENDATION: January 9, 2008

BIDS OR PROPOSALS RECEIVED:
\$8,331.48 from PreSort Center of Stockton based on
U.S. Postal Service actual charge

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:
\$8,331.48 is the cost of mailing 23,143 redevelopment newsletter citywide at the presorted
first class rate of 36 cents each through the U.S. Postal Service.

FUNDING:

Prepared by: Jeff Hood
Title: Communications Specialist
Reviewed by: Blair King

Purchase Order No. 17284

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Annual Grinder Rental
DEPARTMENT: Public Works
CONTRACTOR ANRAK Corporation
AWARD AMOUNT: \$17,400
DATE OF RECOMMENDATION: January 16, 2008

BIDS OR PROPOSALS RECEIVED:
ANRAK Corp. \$17,400 Month & Mob.
Nixon Egli \$27,000 Month

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This is an annual maintenance item. This is a rental of a \$250,000 pavement cold planer used for removal of base material for the purpose of installing new compacted material, pavement mill and fill. This piece of equipment is becoming scarcer to rent, only two companies can be found for quotes. ANRAK consistently remains far cheaper than it's only competitor and has provided outstanding service in addition to the lower price for the past 3 years.

FUNDING: Streets Operating

Prepared by: Curtis Juran

Title: Assistant Streets & Drainage
Manager

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric
CONTRACTOR Intraline Inc
AWARD AMOUNT: \$5,655.58
DATE OF RECOMMENDATION: January 17, 2008

BIDS OR PROPOSALS RECEIVED:

Intraline Inc	\$5,655.58
All-Phase Electric Supply	\$6,814.11
Platt Electric Supply	\$6,457.24

“NO BID” or NO RESPONSE RECEIVED:

Rexel Norcal Valley
HD Supply-Benicia
HD Supply-Portland

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Electric Inventory. These lamps are used exclusively for Cherokee Lane. Phillips is the only approved manufacture that works with the ballast assemblies in the lights. Intraline Inc is the responsible low bidder, and was awarded the Purchase Order based on these facts.

FUNDING: 160.1496

Prepared by: Randy

Title: Buyer

Reviewed by: George Morrow

Purchase Order No.: 17301

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough Moyno Pump Repair
DEPARTMENT: Public Works
CONTRACTOR R2 Engineering Inc.
AWARD AMOUNT: \$8,434.84
DATE OF RECOMMENDATION: January 28, 2008

BIDS OR PROPOSALS RECEIVED:
R2 Engineering Inc. \$8,434.84

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

There are a total of 10 Moyno pumps operating at the treatment plant. Their purpose is to pump sludge from the primary sedimentation basins to the digesters. Of the 10 pumps, three need repairs that include new stators (stators are a hard rubber part that makes up one of the positive displacement pump components). The maintenance needed is the result of normal wear and tear. The fourth stator will be inventoried as a spare.

No other bids were pursued as R2 Engineering, Inc. is the sole source of replacement parts for the Moyno brand of positive displacement pumps.

The dollar amount shown above is for parts needed to repair three of the ten moyno pumps used at the White Slough Water Pollution Control Facility with one stator being stored as a spare.

Evaluations by staff indicate a need to repair additional Moyno pumps in the near future.

The cost for the repairs will be included in the 2008/2009 budget.

FUNDING: 170403.7331

Prepared by: Charles Swimley

Title: Water Services Manager

Reviewed by: _____

Purchase Order No. 17310

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric
CONTRACTOR Pennington Crossarm Company
AWARD AMOUNT: \$5,104.12
DATE OF RECOMMENDATION: January 18, 2008

BIDS OR PROPOSALS RECEIVED:
Pennington Crossarm Company \$5,104.12

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Electric Inventory. These crossarms will be used in the maintenance of the City of Lodi’s electric system. Pennington Crossarm is a sole supplier to the City of Lodi. They were awarded the Purchase Order based on these facts.

FUNDING: 160.1496

Prepared by: Randy

Title: Buyer

Reviewed by: George Morrow

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Water Inventory
DEPARTMENT: Water
CONTRACTOR Ferguson Enterprises Inc
AWARD AMOUNT: \$5,865.86
DATE OF RECOMMENDATION: January 31, 2008

BIDS OR PROPOSALS RECEIVED:

Ferguson Enterprises Inc	\$5,865.86
Buttes/Center State Pipe	\$6,284.42
Groeniger	\$6,141.75
Corix/Ed Walsh	\$6,605.08

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Water Inventory. These items are used in the City of Lodi water system. They can be used for repair or in new construction. Ferguson was the responsible low bidder and was awarded the Purchase Order based on this fact.

FUNDING: 180.1496

Prepared by: Randy

Title: Buyer

Reviewed by: _____

Purchase Order No.: 17329

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric
CONTRACTOR Intraline Inc
AWARD AMOUNT: \$12,024.90
DATE OF RECOMMENDATION: January 31, 2008

BIDS OR PROPOSALS RECEIVED:
Intraline Inc. \$12,024.90

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Electric Inventory. This Purchase Order is for the correct size for the 1100 EPR cable. The previous purchase did not fit the 1100, we will be returning the wrong size that was purchased. The amount of the credit will be \$9,339.43. There will be some return shipping charges off of the credit amount. The company has agreed to not charge a restocking charge at this time.

These items were quoted originally on Quote 2482. The original Purchase Order was 17306.

FUNDING: 160.1496

Prepared by: Randy

Title: Buyer

Reviewed by: _____

Purchase Order No.: 17331

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough Polymer Purchase

DEPARTMENT: Public Works

CONTRACTOR Cal Chem, LLC

AWARD AMOUNT: \$5,249.58

DATE OF RECOMMENDATION: 2/1/08

BIDS OR PROPOSALS RECEIVED:
Cal Chem, LLC \$0.87/lb.

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Significant foaming in the facility's activated sludge process has caused process problems within the tertiary removal system. These problems are making it necessary to feed larger amounts of polymer than anticipated in order to maintain discharge requirements.

Given the supply of polymer on hand, there wasn't time to go to request bids and an immediate purchase was necessary.

Although the supplier name has changed, this the same product used last year that effectively controlled the effluent quality problems associated with foaming in the secondary process. The vendor has held the same price per pound as last year.

Staff is soliciting quotes from vendors for any future polymer purchases that may be required.

FUNDING: 170403.7355

Prepared by: Charles Swimley

Title: Water Services Manager

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough UV Lamp Replacement
DEPARTMENT: Public Works
CONTRACTOR Coombs-Hopkins & DC Frost
AWARD AMOUNT: \$18,252.00
DATE OF RECOMMENDATION: February 4, 2008

BIDS OR PROPOSALS RECEIVED:
Coombs-Hopkins & DC Frost \$18,252.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

UV lamps are used in the wastewater treatment process to disinfect treated wastewater before it is discharged to Dredger Cut or used by our customers (NCPA and San Joaquin Vector Control District). Coombs-Hopkins & DC Frost are the manufacturers representatives for Trojan Technologies Inc. who is the manufacturer of our UV system and the sole supplier for all the parts utilized in their system . The UV lamps being purchased will be part of ongoing operations and maintenance costs as they near their operational life expectancy of 12,000 hours. Future purchases will follow as the remaining lamps reach the end of their useful lives. The lamp replacement costs have been anticipated and are included in the 2007-2008 Wastewater Budget.

FUNDING: 170403.7331

Prepared by: Del Kerlin

Title: W. T. Superintendent

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Lodi Lake Storm Pump Motor Rebuild
DEPARTMENT: PUBLIC WORKS, STREETS & DRAINAGE
CONTRACTOR Stanley Electric
AWARD AMOUNT: \$5,283.98
DATE OF RECOMMENDATION: February 20, 2008

BIDS OR PROPOSALS RECEIVED:
Stanley Electric \$5,283.98

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

The City of Lodi Streets & Drainage pump motor #4 at the Lodi Lake storm pump station failed due to age. This pump & motor, installed in 1959, are Department of Defense surplus items. Due to the age and design of this motor, the only options were to replace the entire pump and motor at a cost estimated to be \$20,000 or to rebuild the existing motor. Stanley electric had the expertise and the time to rebuild the motor for a cost of \$5,283.98. This was done as an emergency repair.

FUNDING: Streets & Drainage Operating

Prepared by: Curtis Juran

Title: Assistant Streets & Drainage Manager

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Killelea Substation
DEPARTMENT: Electric
CONTRACTOR Penske Utility Rental
AWARD AMOUNT: \$5,172.00
DATE OF RECOMMENDATION: January 31, 2008

BIDS OR PROPOSALS RECEIVED:

Penske Utility Rental	\$5,172.00
Terex	\$8,219.17
Global Machinery Intl West	\$6,217.18

“NO BID” or NO RESPONSE RECEIVED:

Altec

BACKGROUND INFORMATION & BASIS FOR AWARD:

55' material handler bucket truck needed to complete sub station project

FUNDING:

Prepared by: _____

Title: _____

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Time Sensitive Grading Work along West Side Levee of Lodi Lake

DEPARTMENT: Public Works

CONTRACTOR A. M. Stephens Construction Company, Inc.

AWARD AMOUNT: \$12,250.00

DATE OF RECOMMENDATION: 2/11/08

BIDS OR PROPOSALS RECEIVED:

A. M. Stephens Construction, Inc. \$12,250.00
Quote dated 2/5/08

“NO BID” or NO RESPONSE RECEIVED:
Not applicable

BACKGROUND INFORMATION & BASIS FOR AWARD: Perform time sensitive maintenance grading work along west side levee of Lodi Lake. Work is time sensitive as it must be completed during time frame for new Federal Emergency Management Agency flood insurance rate maps. Work to be done per City of Lodi construction specifications.

FUNDING: 182005.1825.2200

Prepared by: Wes Fujitani

Title: Senior Civil Engineer

Reviewed by: _____

Purchase Order #17350

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Security Window for the Lodi Police Department Jail Door Window (Damaged)
DEPARTMENT: Public Works
CONTRACTOR Engineered Glass Walls, Inc.
AWARD AMOUNT: \$7,023.92
DATE OF RECOMMENDATION: 2/11/08

BIDS OR PROPOSALS RECEIVED:

Engineered Glass Walls, Inc. Quote
Dated 1/23/08 revised on 2/5/08 \$7,023.92
30% Payment required for specialty
glass order with purchase order.

“NO BID” or NO RESPONSE RECEIVED:

Not applicable, sole supplier

BACKGROUND INFORMATION & BASIS FOR AWARD.

Damaged jail door window at the Lodi Police Department that needs to be replaced with a 24 7/8 x 35 1/2 x 15/16 glass switch light security material. Quote includes materials, labor, and tax. This is a crucial replacement for jail security.

FUNDING: 100200.7334

Prepared by: Dennis Callahan

Title: Fleet and Facilities Manager

Reviewed by: _____

Purchase Order: 17356

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Polyphase Meters
DEPARTMENT: Electric
CONTRACTOR General Pacific Inc
AWARD AMOUNT: \$9,589.75
DATE OF RECOMMENDATION: February 11, 2008

BIDS OR PROPOSALS RECEIVED:
General Pacific Inc \$9,589.75

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:
Sole Supplier-Standardized Solid State Meters Resolution # 99-124

FUNDING: 161651.1841.1700
Prepared by: Allen Aadland
Title: Electrical Technician
Reviewed by: _____

Purchase Order No.: 17358

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Killelea Substation
DEPARTMENT: Electric
CONTRACTOR AFL Telecommunications c/o Stephens McCarthy & Lancaster
AWARD AMOUNT: \$7,695.01
DATE OF RECOMMENDATION: February 11, 2008

BIDS OR PROPOSALS RECEIVED:
AFL Telecommunications c/o Stephens McCarthy & Lancaster \$7,695.01

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Sole Supplier
This is the Vendor that supplied the original equipment for the fiber optic system.
Material needed for completion of fiber optic system for Killelea Substation

FUNDING: 161677.1831.1700

Prepared by: Allen Aadland

Title: Electrical Technician

Reviewed by: _____

Purchase Order No.: 17359

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough Digester Mixing System Blower Purchase
DEPARTMENT: Public Works
CONTRACTOR Republic Sales & Manufacturing
AWARD AMOUNT: \$8,272.58
DATE OF RECOMMENDATION: 2/14/08

BIDS OR PROPOSALS RECEIVED:

Republic Sales & Manufacturing	\$8,272.58
Flow USA	\$9,753.55

“NO BID” or NO RESPONSE RECEIVED:

Accurate Air Engineering

BACKGROUND INFORMATION & BASIS FOR AWARD:

The Roots Blower being requested is intended to provide redundancy in the event of a Mechanical failure of one of the “duty” blowers. The blowers are used to mix the contents of the digesters ensuring proper operation of the anaerobic digestion system. Having backup mixing capabilities is needed to ensure the digesters meet regulatory requirements. Due to the corrosive nature of the use environment these blowers must operate, they typically only have a lifespan of 2-3 years before replacement is necessary.

FUNDING: 170403.7331

Prepared by: Del Kerlin

Title: Wastewater Treatment
Superintendent

Reviewed by: Richard Prima

Purchase Order No.: 17366

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: 930 Pearwood Circle—Brick Wall
DEPARTMENT: Public Works
CONTRACTOR Jeff Case Construction
AWARD AMOUNT: \$5,000.00
DATE OF RECOMMENDATION: 2/14/08

BIDS OR PROPOSALS RECEIVED:

Jeff Case Construction	\$5,000.00
Brian Gibson	\$9,500.00
Larry Layman	\$15,080.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Jeff Case Construction was the low bidder. This contractor is currently the low bid city contractor for sidewalk work and has insurance requirements on file. Case Construction has done this type of repair for the City in the past.

The damage to this wall is from a traffic accident. The responsible party will be billed when the work is completed.

FUNDING: 3215012.7720

Prepared by: George M Bradley

Title: Streets & Drainage Manager

Reviewed by: Richard Prima

Purchase Order No.: 17367

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME:

DEPARTMENT: Administration

CONTRACTOR Business Computer Design Int'l, Inc

AWARD AMOUNT: \$15,000.00

DATE OF RECOMMENDATION: 02-22-08

BIDS OR PROPOSALS RECEIVED:

Business Computer Design Int'l, Inc.	\$15,000.00
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“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Sole source provider, re-instating past service. This is efficiency tools currently used in production systems. They were stopped two years ago. This is to re-instate the tools so that current production systems can be maintained and new systems can be written more effeciently.

FUNDING:

Prepared by: Tyson Mordhorst

Title: Sr. Programmer/Analyst

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Replacement Batteries for Dual Light Inverter System
Serial#LDL10.0K0264 at Lodi Parking Structure, 2 North
Sacramento Street

DEPARTMENT: Public Works

CONTRACTOR Emergency Lighting Equipment Service Company, Inc.
(ELESCO)

AWARD AMOUNT: \$6,867.16

DATE OF RECOMMENDATION: 2/19/08

BIDS OR PROPOSALS RECEIVED:

Quote for replacement batteries for dual light inverter system serial #LDL10.0K0264 at Lodi Parking Structure. \$6,867.16
Quote includes supplies, discarding of defective batteries, fuel, cost of delivery, and tax.

“NO BID” or NO RESPONSE RECEIVED:

Not Applicable, Sole Supplier of these battery pack emergency lighting system at Lodi Parking Structure

BACKGROUND INFORMATION & BASIS FOR AWARD.

Sole Supplier for the required batteries that are needed at the Lodi Parking Structure.

FUNDING: 125079.7331

Prepared by: Dennis Callahan

Title: Fleet and Facilities Manager

Reviewed by: _____

Purchase Order No. 17373

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Renewal of Autodesk Software for Engineering Development
DEPARTMENT: Public Works
CONTRACTOR DLT Solutions
AWARD AMOUNT: \$8,235.36
DATE OF RECOMMENDATION: 2/21/08

BIDS OR PROPOSALS RECEIVED:

Quotes from DLT Solution by Olisa Uzoewulu for subscription renewals for Autodesk Software for Engineering Department

“NO BID” or NO RESPONSE RECEIVED:

Not Applicable; Sole Supplier and the only one who supplies Autodesk Software.

BACKGROUND INFORMATION & BASIS FOR AWARD:

Yearly subscription renewals for Auto Cad and Map Guide Software. Engineering Department needs 2008 version of the Autodesk Software.

FUNDING: 103021.7369 (50%); 170401.7369 (25%); 180451.7369 (25%)

Prepared by: Wally Sandelin

Title: City Engineer/deputy PW Director

Reviewed by: Wally Sandelin

Purchase Order No.: 17381

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Metering AMR
DEPARTMENT: Electric
CONTRACTOR General Pacific Inc
AWARD AMOUNT: \$12,598.13
DATE OF RECOMMENDATION: 2/25/08

BIDS OR PROPOSALS RECEIVED:
General Pacific \$12,598.13

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:
Sole Supplier, Upgrade to existing FC 200 Handheld for Meter Reading

FUNDING: 1611201.7719
Prepared by: Allen Aadland
Title: Electrical Technician
Reviewed by: Allen Aadland

Purchase Order No.: 17392

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: INSTALLATION OF CITY HALL LOBBY SECURITY GATES

DEPARTMENT: Public Works

CONTRACTOR MATT McCARTY CONSTRUCTION

AWARD AMOUNT: \$6,196.18

DATE OF RECOMMENDATION: 2/26/08

BIDS OR PROPOSALS RECEIVED:

Bid Proposal received from Matt McCarty Construction dated 2/25/08 for City Hall Lobby Security Gates for the amount of \$6,196.00 (Miscalculation in tax was noted by 18 cents).

“NO BID” or NO RESPONSE RECEIVED:

Not applicable

BACKGROUND INFORMATION & BASIS FOR AWARD:

Request for Quotes for City Hall Lobby Security Gates was sent to 13 bidders. On February 25, 2008, only two sealed bids were received with Matt McCarty Construction being the low bidder. Bid consists of supplying and installing all materials necessary to complete the gates and wingwalls to enclose the space from the wall to the counter of each department. (Public Works and Building and Planning Departments)

FUNDING: 103511.7334

Prepared by: Dennis Callahan
Title: Fleet and Facilities Manager

Reviewed by: _____

Purchase Order: 17409

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric
CONTRACTOR General Pacific Inc
AWARD AMOUNT: \$7,708.05
DATE OF RECOMMENDATION: February 29, 2008

BIDS OR PROPOSALS RECEIVED:

General Pacific Inc	\$7,708.05
All Phase Electric Supply (wire only)	\$8,221.54
Intraline Inc	\$8,838.84
HD Supply Portland	\$8,468.08
HD Supply Benicia	\$11,017.00
Buckles Smith Electric Company	\$9,867.75

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Electric Inventory. The wire is for running services to residences and businesses. The wire sealing kits are used in the primary underground system. These items are Inventory replenishment. The Purchase Order was awarded to General Pacific based on them being the low responsible bidder.

FUNDING: 160.1496

Prepared by: Randy

Title: Buyer

Reviewed by: _____

Purchase Order No.: 17417

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric
CONTRACTOR All-Phase Electrical Supply
AWARD AMOUNT: \$8,265.18
DATE OF RECOMMENDATION: March 3, 2008

BIDS OR PROPOSALS RECEIVED: only	Total	Streetlight
All Phase Electric Supply	\$8,265.18	\$7,347.48
Buckles Smith Electric Company	\$8,653.21	\$7,477.88
GEXPRO No Bid on glue	\$8,326.92	\$8,019.84
HD Supply Benicia Streetlight Only		\$7,725.68

“NO BID” or NO RESPONSE RECEIVED:

General Pacific Inc
Intraline Inc
Rexel Norcal Valley
HD Supply Portland
Kortick Mfg
WESCO

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Electric Inventory. The PVC glue and 2” PVC Conduit is for Inventory replenishment. It will be used for maintenance on the Electric System. The streetlight material is for use on the streetlight system. The Holophane streetlights are used in the newer subdivisions. These are for Inventory replenishment. All-Phase Electrical Supply was awarded the bid based on them being the low responsible bidder. The total amount includes the PVC glue, 2” PVC conduit and the streetlight material. The Streetlight is for streetlight material only.

FUNDING: 160.1496

Prepared by: Randy

Title: Buyer

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME:

DEPARTMENT: **Electric**

CONTRACTOR **Huskie Tools Inc**

AWARD AMOUNT: **\$5,434.59**

DATE OF RECOMMENDATION: **Feb 27, 2008**

BIDS OR PROPOSALS RECEIVED:

SOLE SOURCE

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

1. Battery compatible with existing C/M tools.
2. 2” pull-pin jaw opening will accommodate larger wire sizes.
3. Same tool used by neighboring electric utility companies.

4. Can be used on 60 kV overhead splice, jumper and tension sleeves.

FUNDING:

Prepared by: Lance Mauck

Title: Acting Electrical Apparatus
Mechanic

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric
CONTRACTOR General Pacific Inc
AWARD AMOUNT: \$9,259.16
DATE OF RECOMMENDATION: March 11, 2008

BIDS OR PROPOSALS RECEIVED:
General Pacific Inc \$9,259.16

“NO BID” or NO RESPONSE RECEIVED:
HD Supply Benicia
Intraline Inc
Rexel Norcal Valley
HD Supply Portland
Kortick Mfg
WESCO
Ace Supply Company Inc.
GEXPRO
All Phase Electrical Supply Company

BACKGROUND INFORMATION & BASIS FOR AWARD:
These items are for the Electric Inventory. These items are for use on the Electric System in new construction and maintenance. General Pacific was awarded the bid based on them being the low responsible bidder.

FUNDING: 160.1496
Prepared by: Randy
Title: Buyer
Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Solid State Meters
DEPARTMENT: Electric Utility
CONTRACTOR General Pacific
AWARD AMOUNT: \$10,344.00
DATE OF RECOMMENDATION: 3/12/08

BIDS OR PROPOSALS RECEIVED

General Pacific

\$10,344.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This is a sole supplier based on the idea of Standardized Solid State Meters
Resolution: 99-124

FUNDING: 160613.7712

Prepared by: Allen Aadland

Title: Electrical Technician

Reviewed by: _____

Purchase Order No.: 17422

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Purchase of 4 pallets Roadsaver Low Tack
DEPARTMENT: Public Works
CONTRACTOR Tri-American Inc.
AWARD AMOUNT: \$5,215.12
DATE OF RECOMMENDATION: 3/13/08

BIDS OR PROPOSALS RECEIVED
Sole Supplier \$5,215.12

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This is a standard purchase of hot melt crack fill material for day to day operations in street maintenance. Combining manufactures in the past has caused equipment malfunctions.

FUNDING: 3215031.7352

Prepared by: Curtis Juran

Title: Asst. Streets & Drainage Manager

Reviewed by: Richard Prima

Purchase Order No.: 17465

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric
CONTRACTOR Intraline Inc.
AWARD AMOUNT: \$5,661.18
DATE OF RECOMMENDATION: March 13, 2008

BIDS OR PROPOSALS RECEIVED:

Intraline Inc	\$5,661.18
All Phase Electric Supply Company	\$5,678.43

“NO BID” or NO RESPONSE RECEIVED:

HD Supply Benicia
Rexel Norcal Valley
HD Supply Portland
Kortick Mfg
WESCO
Ace Supply Company Inc.
GEXPRO
General Pacific Inc.

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Electric Inventory. These items are for use on the City of Lodi streetlight system. These lights and photo cells will be used for new installation and maintenance of the system. Intraline Inc was the low responsible bidder.

FUNDING: 160.1496

Prepared by: Randy

Title: Buyer

Reviewed by: _____

Purchase Order No.: 17467

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: The City of Lodi-Community Arts Directory/Winter/Spring
2008 Issue

DEPARTMENT: Division of Arts & Culture/Community Center

CONTRACTOR Commerce Printing Services

AWARD AMOUNT: \$6,275.36

DATE OF RECOMMENDATION: 3/13/08

BIDS OR PROPOSALS RECEIVED

Folger Graphics	\$7,434.75
Parks Quality Printing & Lithography	\$9,427.01
Commerce Printing Services	\$6,275.36

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Commerce Printing offers printing, duplication and tax at the lowest price.

FUNDING: 108028.7301

Prepared by: Diane C. Amaral

Title: Administrative Clerk

Reviewed by: _____

Purchase Order No.: 17478

EXHIBIT EE

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Water/Wastewater Inventory
DEPARTMENT: Public Works
CONTRACTOR Ferguson Water Works
AWARD AMOUNT: \$7,689.05
DATE OF RECOMMENDATION: March 13, 2008

BIDS OR PROPOSALS RECEIVED:

Ferguson Water Works	\$7,689.05
Groeniger & Company	\$9,218.56

“NO BID” or NO RESPONSE RECEIVED:

Center State Pipe
Ed Walsh

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Water & Wastewater Inventories. They will be used in new construction. They will also be used for maintenance of the City of Lodi water and wastewater system. Ferguson Water Works was the low responsible bidder.

FUNDING: 180.1496/170.1496

Prepared by: Randy

Title: Buyer

Reviewed by: _____

Purchase Order No.: 174

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Utility Bill Envelopes
DEPARTMENT: Financial Services/Revenue
CONTRACTOR Envelope Products Company
AWARD AMOUNT: \$5,164.89
DATE OF RECOMMENDATION: March 14, 2008

BIDS OR PROPOSALS RECEIVED:

Envelope Products Company	\$5,164.89
Response Envelope	\$5,236.65
CENVEO	\$5,657.52

“NO BID” or NO RESPONSE RECEIVED:

None

BACKGROUND INFORMATION & BASIS FOR AWARD:

This purchase will replenish the inventory of Utility Bill Envelopes, #9 & #11's stored at the MSC warehouse for Pre-Sort to pick up for utility bill mailing.

Award based on low bid.

FUNDING: 100505.7301

Prepared by: Sherry Moroz

Title: Purchasing Technician

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: GE Digital Energy
DEPARTMENT: Electric
CONTRACTOR GE Digital Energy
AWARD AMOUNT: \$14,787.40
DATE OF RECOMMENDATION: 3/17/08

BIDS OR PROPOSALS RECEIVED
GE Digital Energy \$14,787.40

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:
Sole Supplier, Replace parts for JunglrMux Fiber Optic System

FUNDING: 161677.1829.1700
Prepared by: Allen Aadland
Title: Electrical Technician
Reviewed by: Allen Aadland

Purchase Order No.: 17514

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough Irrigation Pump Repair
DEPARTMENT: Public Works
CONTRACTOR D & V Machine Shop and Pump Inc.
AWARD AMOUNT: \$9,312.12
DATE OF RECOMMENDATION: 3/18/08

BIDS OR PROPOSALS RECEIVED

D & V Machine Shop & Pump Inc.	\$9,312.12
Moorman Water System Inc.	*\$6,230.00

*Although Moorman submitted a lower dollar quote, it's felt their quote should be deemed non-responsive as they did not include a price to rebuild the impeller, which was replaced twice, or quote a new one.

“NO BID” or NO RESPONSE RECEIVED:

Goehring Pump and Irrigation

BACKGROUND INFORMATION & BASIS FOR AWARD:

The White Slough Irrigation structure and pumps were installed during the 1975 construction project. There is one small and three large pumps at this structure, which are needed to supply irrigation water to our tenant throughout the growing season. Irrigation pump #1 is one of the larger pumps and has not had a major overhaul since installed. This pump is in need of significant repairs as noted in the attached quote. Since the quote was submitted it's been determined the current impeller can be repaired and a new one is not needed.

FUNDING: 170403.7331

Prepared by: Del Kerlin

Title: W.T. Superintendent

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Meter AMR Project
DEPARTMENT: Electric
CONTRACTOR Applied Meter Technologies
AWARD AMOUNT: \$10,087.50
DATE OF RECOMMENDATION: 3/19/08

BIDS OR PROPOSALS RECEIVED

Applied Metering Technologies	\$12.50 meter	\$10,087.50
Republic ITS	\$14.00 meter	\$11,298.00
Accu-Read Inc.	\$19.00 meter	\$15,333.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Low Bid

FUNDING: 161651.1831.1700

Prepared by: Allen Aadland

Title: Electrical Technician

Reviewed by: Allen Aadland

Purchase Order No.: 17534

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough UV Lamp Replacement
DEPARTMENT: Public Works
CONTRACTOR Coombs-Hopkins & DC Frost
AWARD AMOUNT: \$19,338.12
DATE OF RECOMMENDATION: 3/20/08

BIDS OR PROPOSALS RECEIVED
Coombs-Hopkins & DC Frost \$19,338.12

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

UV lamps and ballast are used in the wastewater treatment process to disinfect treatment wastewater before it is discharged to Dredger Cut or used by our customers (NCPA and San Joaquin Vector Control District). Coombs-Hopkins & DC Frost are the manufacture’s representative for Trojan Technologies Inc. who is the manufacturer of our UV system. They are the sole supplier for all the parts utilized in their system. The UV lamps being purchased will be part of ongoing operational and maintenance costs as they near their operational life expectancy of 12,000 hours. Future purchases will follow as the remaining lamps reach the end of their useful lives. The lamp replacement costs have been anticipated and are included in the 2007-2008 Wastewater Budget.

FUNDING: 170403.7331
Prepared by: Del Kerlin
Title: W.T. Superintendent
Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Reynolds Ranch
DEPARTMENT: Electric Utility
CONTRACTOR Global Machinery West LLC
AWARD AMOUNT: \$5,333.63
DATE OF RECOMMENDATION: 3/26/08

BIDS OR PROPOSALS RECEIVED

Global Machinery West	\$5,333.63
-----------------------	------------

“NO BID” or NO RESPONSE RECEIVED:

Allquip
Penske
Terex

BACKGROUND INFORMATION & BASIS FOR AWARD:

Global Machinery West is the only responsible bidder for this equipment. They were awarded the Purchase Order based on this information.

FUNDING: 160651.7322

Prepared by: Smatsky

Title: _____

Reviewed by: Karen

Purchase Order No.: 17556



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Appoint Public Works Director as Alternate to Northeastern San Joaquin County Groundwater Banking Authority

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Appoint the Public Works Director as Alternate to Northeastern San Joaquin County Groundwater Banking Authority.

BACKGROUND INFORMATION: On February 7, 2001, City Council approved the Joint Powers Agreement for the Northeastern San Joaquin County Groundwater Banking Authority (GBA) and appointed Richard Prima, Public Works Director, as an alternate to that Board. As the alternate position has traditionally been held by the Public Works Director, staff feels it would be appropriate to appoint the Public Works Director as the replacement alternate.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

FWS/pmf

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Ratifying Employment Agreement Entered into Between City Manager Blair King and Chief of Police David Main

MEETING DATE: April 16, 2008

PREPARED BY: City Manager

RECOMMENDED ACTION: Adopt resolution ratifying the terms of the employment agreement entered into between City Manager Blair King and Chief of Police David Main.

BACKGROUND INFORMATION: Lodi Municipal Code Section 2.12.060 vests with the City Manager the power to select subordinate staff. Based upon an open and competitive selection process, the City Manager selected David Main to serve as the Chief of Police.

The City Manager wishes to provide the terms and conditions related to employment that extends beyond the Manager's authority and therefore requires ratification by the City Council. Of particular interest to the Council is the following:

- The proposed Employment Agreement provides for a six-month severance if the Chief of Police is terminated without cause;
- The second year of the agreement allows for a ten percent (10%) pay differential between the Chief of Police and the Police Department's next highest paid executive or mid-management position (this does not necessarily mean a 10% pay increase), plus up to a five percent (5%) increase at the Manager's discretion;
- Employee will be provided a vehicle; and
- A one-time uniform allowance consistent with Police Mid-Managers that will not recur in any subsequent contracts.

A copy of the Employment Agreement is attached.

FISCAL IMPACT: A well-qualified, competent Chief of Police is a significant asset. The first year's salary falls within the current approved range for the position. The salary represents a five percent (5%) increase for Mr. Main.

FUNDING AVAILABLE: Funding is available for the Chief of Police in the Police Department budget.

Kirk Evans, Budget Manager

Blair King
City Manager

BK
Attachment

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2008-____

A RESOLUTION OF THE LODI CITY
COUNCIL RATIFYING THE CHIEF OF POLICE
EMPLOYMENT AGREEMENT

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby Ratify the Employment Agreement entered into between the City Manager and Chief of Police David Main; and

BE IT FURTHER RESOLVED that the term of the Agreement shall be for a period of two (2) years, commencing April 17, 2008 through April 16, 2010.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 16, 2008, by the following vote:

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

RANDI JOHL
City Clerk

2008-____

EMPLOYMENT AGREEMENT

**Executive Management
Exempt Service**

Police Chief

THIS AGREEMENT entered into on _____, by and between the CITY OF LODI, a municipal corporation (hereinafter referred to as "City") and David J. Main, an individual (hereinafter referred to as "Employee").

WHEREAS, City desires to employ the services of Employee as Police Chief; and

WHEREAS, Employee desires to serve as Police Chief for the City beginning April 17, 2008; and

WHEREAS, City and Employee agree in writing to the terms and conditions of employment as Police Chief; and

WHEREAS, Employee and City agree and acknowledge that Employee's employment as Police Chief is his sole and exclusive employment with City, and that their employment relationship is governed solely and exclusively by this Agreement.

NOW, THEREFORE, in consideration of the promises and conditions set forth herein, the parties mutually agree as follows:

1. **Employment:** City agrees to employ Employee as Police Chief, in accordance with the following provisions:

(a) Employee shall serve as Police Chief, and shall be responsible for managing and directing the operations of the Police Department.

(b) Employee shall perform his duties to the best of his ability in accordance with the highest professional and ethical standards of the profession and shall comply with all general rules and regulations established by the City.

(c) Employee shall not engage in any activity which is or may become a conflict of interest, prohibited contract, or which may create an incompatibility of office as defined under California law. Employee shall comply fully with his reporting and disclosure obligations under regulations promulgated by the Fair Political Practices Commission (FPPC).

(d) Employee agrees to remain in the exclusive employ of the City during the term of this Agreement. Employee shall dedicate his full energies and qualifications to his employment as Police Chief, and shall not engage in any other employment except as may be specifically approved in writing in advance by the City Manager.

2. **Maintenance of Professional Expertise:** To promote continued professional growth and benefit to the City, Employee shall, at City expense and consistent with budgetary

constraints: maintain professional licenses and POST certifications, maintain membership in professional organizations related to Police administration and related professional disciplines; attend workshops, seminars and other similar activities designed to advance Employee's professional development; and, represent the City in professional associations and other organizations.

3. **Term:** The term of the Agreement shall be for a period of two (2) years, commencing April 17, 2008, until April 16, 2010 unless terminated by either party in accordance with the provisions set forth in Paragraph 4. The Agreement (or any renewal of this Agreement) shall be automatically renewed, unless either party gives a written notice that the contract will not be renewed at least six months prior to the expiration of this Agreement (or any subsequent renewal). In the event this written notice is given, Employee shall not be entitled to severance pay as provided in Paragraph 5 herein.

4. **Resignation or Termination:**

(a) Employee may resign at any time and agrees to give City at least 30 days advance written notice of the effective date of his resignation. In such event, Employee shall not be entitled to severance pay as provided in Paragraph 5 herein.

(b) The parties recognize and affirm that Employee may be terminated by the City Manager with cause, which shall mean gross insubordination, incapacity, dereliction of duty, conviction of any felony or any crime involving acts of moral turpitude or involving personal gain to him, or material breach of this Agreement. In such event, Employee shall not be entitled to severance pay as provided in Paragraph 5 herein.

(c) The parties recognize and affirm that Employee may be terminated by the City Manager without cause. In such event, Employee shall be entitled to severance pay as provided in Paragraph 5 herein.

(d) In the event of termination and in recognition of Employee's professional status and integrity, Employee and the City Manager shall prepare a joint public statement to be made by the City Manager. This employment relationship is based on the mutual respect between the parties and a desire to maintain the highest degree of professionalism. In communicating with third parties about the parties' employment relationship and the circumstances under which it may have been severed, the parties shall (a) protect and advance their mutual respect and professionalism, and (b) refrain from making statements that would negatively impact either party.

(e) Employee may choose to resign or retire his office instead of being terminated if agreed to by the City Manager. In such an event the public announcement, as provided for in Paragraph 4 (d) above, will note Employee has resigned or retired. The provisions of Paragraph 4 (d) shall remain applicable.

5. **Severance Pay:** If Employee is terminated by the City Manager without cause while still willing and able to perform the duties of Police Chief, City agrees to pay Employee a cash payment equal to six (6) months' aggregate salary and the City's cost of six (6) months' health insurance benefits only (no other benefits will be accrued or converted to a cash equivalent) subject to reduction as set forth in this Paragraph 5. The severance payment will be paid in installments coinciding with the City's regular paydays during the severance period and subject to customary withholdings. In the event Employee retains new employment during the six-month severance period, any remaining severance payment will be forfeited as of the date Employee begins his new employment. To be eligible for such severance pay, Employee shall fulfill all of his obligations under this Agreement, and shall sign an Acknowledgment and

Release of Claims against the City in a form acceptable to the City Attorney. Payment under this Paragraph 5 will release City from any further obligations under this Agreement, or any other transaction between the parties.

6. **Employment as Department Head is Sole Employment with City:** Employee further represents and acknowledges that his employment as Police Chief is his sole and exclusive employment with the City. Employee has no right to any other exempt position with the City or to any employment in the classified service.

7. **Salary:**

- (a) City agrees to pay Employee \$137,118 in salary per annum for his services, payable in installments at the same time as other employees of the City are paid and subject to customary withholding.
- (b) After one year, and subject to a satisfactory performance evaluation, a salary increase will be granted by the City Manager to establish a ten percent (10%) differential between the police chief and the next highest paid police captain, including incentive pay ("Second Year's Base Salary"). In addition, the City Manager will have discretion to grant an additional five percent increase over the Second Year's Base Salary.

8. **Benefits:** The City shall provide Employee the same benefits as provided to management employees in accordance with the terms of the Executive Management Statement of Benefits dated 1998 and as they may be amended, increased or decreased, except as modified herein. These are the sole and exclusive benefits to be provided to Employee. Any improvement or modification of such benefits may only be made by written instrument signed by the City Manager. As used herein, benefits include, but are not limited to: vacation, sick leave, holidays, administrative leave, retirement, vision insurance, health insurance, dental insurance, long-term disability insurance and life insurance. Employee's vacation leave shall be calculated based upon his actual years of service with the City, increasing from there as provided in the Executive Management Statement of Benefits. Moreover, Employee shall retain all sick leave and vacation leave he has accrued as Police Captain but at his new pay rate and entitled to sick leave conversion based upon his initial date of employment with the City. Employee will also earn and accumulate sick leave at the same rate as a Lodi Police Captain. Employee may participate in City's deferred compensation program. City contributes up to a maximum of three percent (3%) of base salary.

9. **Performance Evaluation:** The City Manager shall review and evaluate the performance of Employee each year and set goals and objectives for the ensuing year. Such review and evaluation shall be in accordance with specific criteria developed in the performance plan in consultation with Employee and the City Manager.

10. **Assignment:** Employee shall not assign any of the duties and responsibilities, or obligations of this Agreement except with the express written consent of the City Manager.

11. **Authority to Work in the United States:** Employee represents, under penalty of perjury, that he is authorized to work in the United States. In accordance with §274A (8 USC 1324) of the Immigration Reform and Control Act of 1986 before this Agreement can become effective, Employee must provide documentary evidence to City consistent with the Act, that he is legally entitled to work in the United States, and must execute the verification required by that Act.

12. **Cell Phone/Vehicle/Uniform Allowance:** Employee will be provided with a Cell Phone for employment related use at the City's expense on terms consistent with other Executive Managers. Employee will also be provided with a vehicle for work related use. Employee will also be provided with a one time uniform allowance of \$950.00 that will not recur in any subsequent renewals of this contract.

13. **Notice:** All notices required herein shall be sent first class mail to the parties as follows:

To CITY: Blair King, City Manager
City of Lodi
P. O. Box 3006
Lodi, CA 95241-1910

To EMPLOYEE: David J. Main
2439 Inglewood Drive
Lodi, California 95242

Notice shall be deemed effectively served upon deposit in the United States mail.

14. **Entire Agreement:** This Agreement contains the entire agreement between the parties hereto. No promise, representation, warranty, or covenant not included in this Agreement has been or is relied on by any party hereto. This Agreement may only be amended by written instrument signed by Employee and the City Manager and specifically approved by the City Council in open session.

15. **Severability:** If any provision of this Agreement is invalid or unenforceable, it shall be considered deleted herefrom and the remainder of this Agreement shall be unaffected and shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year written above.

CITY OF LODI, a municipal corporation

EMPLOYEE

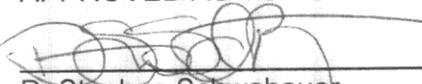
Blair King
City Manager

David J. Main

ATTEST:

By: _____
Randi Johl, J.D.
City Clerk

APPROVED AS TO FORM:



D. Stephen Schwabauer
City Attorney



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolutions of the City of Lodi and the Lodi Redevelopment Agency to Set Public Hearings for May 28, 2008, or Alternative Date as May be necessary, to Consider the Lodi Community Improvement Project Redevelopment Plan.

MEETING DATE: April 16, 2008

PREPARED BY: City Manager

RECOMMENDED ACTION: 1) Adopt a Resolution of the Redevelopment Agency of the City of Lodi ratifying May 28, 2008 as the date to conduct a public hearing to consider adoption of the Lodi Community Improvement Project.

2) Adopt a Resolution of the Lodi City Council ratifying May 28, 2008 as the date to conduct a public hearing to consider adoption of the Lodi Community Improvement Project.

BACKGROUND INFORMATION: State law requires that both the Redevelopment Agency and City Council conduct public hearings prior to consideration of a Redevelopment Plan. The typical approach in cities where the members of the legislative body are also members of the agency is for the agency and City Council to conduct a joint public hearing on the Plan.

Tentative schedules for consideration of the Plan targeted June 4, 2008 as the hearing date. However, to accommodate Council schedules, it is recommended that a special meeting be held on May 28, 2008.

Notice of the hearing must be published at least once a week for four successive weeks prior to the hearing (a full 28 days must elapse from the date of the first publication of the notice to the date of the hearing).

As a result of prior actions taken to provide for the hearing, the Council and Agency are asked to ratify the date.

The Lodi Chamber of Commerce has announced that it will sponsor a community forum, tentatively scheduled for May 6th, to discuss redevelopment prior to the public hearing date.

FISCAL IMPACT: State law imposes high requirements for notice with regard to redevelopment plans. Costs will be higher than a typical public hearing.

FUNDING: Not applicable.

Blair King, City Manager

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. RDA2008-_____

A RESOLUTION OF THE REDEVELOPMENT AGENCY
OF THE CITY OF LODI CONSENTING TO A JOINT
PUBLIC HEARING TO CONSIDER ADOPTION OF THE
LODI COMMUNITY IMPROVEMENT PROJECT

=====

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated proceedings for the consideration of the adoption of the Lodi Community Improvement Project (the "Project"); and

WHEREAS, Section 33355 of the Community Redevelopment Law authorizes a joint public hearing on the proposed Redevelopment Plan with the consent of the Agency and the City Council of the City of Lodi.

NOW, THEREFORE, the Redevelopment Agency of the City of Lodi does hereby resolve as follows:

Section 1. The Agency hereby consents to a joint public hearing on the proposed Lodi Community Improvement Project Redevelopment Plan for the Project, and requests the City Council to call a joint public hearing of the Agency and the City Council on May 28, 2008, or on an alternative date as may be necessary, at 7:00 p.m. in the Carnegie Forum, 305 West Pine Street, Lodi, California, to consider and act upon the proposed Lodi Community Improvement Project Redevelopment Plan and all documents and evidence pertaining thereto.

Section 2. The Secretary of the Agency shall, in cooperation with the Clerk of the City of Lodi, prepare, publish, and mail such notices and documents and do all other acts as may be necessary to carry out the purposes of this resolution.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. RDA2008-_____ was passed and adopted by the Members of the Redevelopment Agency in a regular meeting held April 16, 2008 by the following vote:

AYES: MEMBERS –

NOES: MEMBERS –

ABSENT: MEMBERS –

ABSTAIN: MEMBERS –

Attest:

JOANNE MOUNCE
Chairperson

RANDI JOHL
Secretary

RDA2008-_____

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LODI CONSENTING TO A JOINT PUBLIC
HEARING TO CONSIDER ADOPTION OF THE LODI
COMMUNITY IMPROVEMENT PROJECT

=====

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated proceedings for the consideration of the adoption of the Lodi Community Improvement Project (the "Project"); and

WHEREAS, Section 33355 of the Community Redevelopment Law authorizes a joint public hearing on the proposed Redevelopment Plan with the consent of the Agency and the City Council of the City of Lodi.

NOW, THEREFORE, the Lodi City Council of the City of Lodi does hereby resolve as follows:

Section 1. The Lodi City Council hereby consents to a joint public hearing on the proposed Lodi Community Improvement Project Redevelopment Plan for the Project, and requests the Lodi Redevelopment Agency to call a joint public hearing of the Agency and the City Council on May 28, 2008, or on an alternative date as may be necessary, at 7:00 p.m. in the Carnegie Forum, 305 West Pine Street, Lodi, California, to consider and act upon the proposed Lodi Community Improvement Project Redevelopment Plan and all documents and evidence pertaining thereto.

Section 2. The City Clerk of the City of Lodi shall, in cooperation with the Secretary of the Agency, prepare, publish, and mail such notices and documents and do all other acts as may be necessary to carry out the purposes of this resolution.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-_____ was passed and adopted by the Members of the Lodi City Council in a regular meeting held April 16, 2008 by the following vote:

AYES: MEMBERS –

NOES: MEMBERS –

ABSENT: MEMBERS –

ABSTAIN: MEMBERS –

Attest:

JOANNE MOUNCE
Mayor

RANDI JOHL
City Clerk

2008-_____

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: Public Hearing to Consider the Annual Report for Sidewalk Repairs and to Confirm the Report as Submitted by the Public Works Department

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Conduct a public hearing to consider the Annual Report for Sidewalk Repairs and to confirm the Report as submitted by the Public Works Department. Following the public hearing, the Council will be asked to confirm the Report, determine method of payment, assess the cost of repairs to the affected properties, and order the preparation of a Notice of Lien to be filed with the tax collector.

BACKGROUND INFORMATION: Streets and Highway Code Section 5616 requires that a public hearing be held to hear and approve the report of cost of repairs and to hear protests which may be raised by property owners. If necessary, property owners were given up to three repair notices over a three-month period. If repairs were not executed, then the City's contractor would repair the sidewalk as needed.

City of Lodi's Curb, Gutter & Sidewalk Maintenance Policy, adopted by Resolution 2005-218 on October 5, 2005, provides three alternatives for the cost of repairs. Those alternatives are: 1) City will advance funds for installation or maintenance without interest if the property owner agrees to make payments over the course of 12 months and upon execution of a written payment agreement with the City; 2) property owners meeting low-income eligibility per the City's SHARE Program may elect to defer maintenance costs until transfer of ownership with execution of a payment agreement with a fixed interest; or 3) the City Manager is authorized to establish procedures to implement this policy and execute payment agreements pertaining to this policy and file liens and assessments with the County Tax Collector and/or Recorder as appropriate to secure payment.

In a continuing effort to improve the City's sidewalk system to encourage walking, improve safety by reducing the number of defects in the sidewalk, and reduce the City's liability exposure and cost, and in accordance with the City's sidewalk maintenance program, property owners with the worst sidewalk offsets, according to our sidewalk survey, were notified of their responsibility to correct this condition. Some owners took care of the repairs immediately, some asked for assistance, and three owners did not perform the repairs as needed.

This is the second annual report for sidewalk repairs. The first report was presented to Council on October 17, 2007. At that public hearing, Council directed the City Manager to cause a property lien to be filed with the County Tax Collector's Office for the property that did not perform the needed repairs.

APPROVED: _____
Blair King, City Manager

Public Hearing to Consider the Annual Report for Sidewalk Repairs and to Confirm the Report as Submitted by the Public Works Department

April 16, 2008

Page 2

The following is a listing of the properties that received sidewalk repair notifications:

Street Address	Cost Estimate	Work Accomplished
641 North Pacific Avenue	\$3,067.08	Property owner hired contractor. Work completed 11/30/07.
1800 Holly Drive	\$4,855.16	Property owner hired contractor. Work completed 1/22/08.
599 Sandpiper Circle	\$3,422.46	Property owner hired contractor. Work completed 11/9/07.
944 South Crescent Avenue	\$1,639.63	Property owner hired contractor. Work completed 11/30/07.
1524 West Elm Street	\$5,041.72	Property owner hired contractor. Work completed 12/15/07.
300 East Pine Street	\$2,679.16	Property owner hired contractor. Work completed 11/30/07.
309 Westwood Avenue	\$6,635.39	Property owner hired contractor. Work completed 11/30/07.
1007 Black Diamond Way	\$356.15	Property owner hired contractor. Work completed 1/16/08.
1015 Black Diamond Way	\$318.45	Property owner hired contractor. Work completed 2/4/08.
729 Westwood Avenue	\$2,931.19	Property owner hired City. Work completed 12/5/07.
210 Cross Street	\$1,225.18	Property owner hired City. Work completed 11/30/08.
1606 South Church Street	\$4,096.70	Property owner hired City. Work completed 1/18/08.
314 La Setta Drive	\$3,970.71	Failed to perform. Courtesy Notice sent 10/3/07, Formal Notice sent 10/24/07, Second Formal Notice sent 12/4/07. City completed repairs, billed owner 1/15/08.
1518 West Elm Street	\$1,447.28	Failed to perform. Courtesy Notice sent 11/8/07, Formal Notice sent 12/4/07, Second Formal Notice sent 1/8/08. City completed repairs, billed owner 2/12/08.
1512 West Elm Street	\$2,301.15	Failed to perform. Courtesy Notice sent 11/8/07, Formal Notice sent 12/4/07, Second Formal Notice sent 1/8/08. City completed repairs, billed owner 2/12/08.

The property owner of 314 La Setta Drive was billed on January 15, 2008 for the \$3,971 cost of repair; the property owner of 1518 West Elm Street was billed on February 12, 2008 for the \$1,447 cost of repair; and the property owner of 1512 West Elm Street was billed on February 12, 2008 for the \$2,301 cost of repair. As of this date, the three property owners have not responded.

The total estimated cost for repairs to the above 15 properties was \$43,987.

Based on previous cases, the Council had determined that the collection method for cost of repairs to sidewalks would be to turn a Notice of Lien over to the Tax Collector. It is staff's recommendation that this practice be continued.

FISCAL IMPACT: Depending on Council's action, \$7,719, which includes the City's administrative time, could be restored to the Street Fund.

FUNDING AVAILABLE: An accounts receivable will be created in the Street Fund that will retire as the payments are received from the property owners.

Kirk Evans, Budget Manager

F. Wally Sandelin
Public Works Director

Prepared by George M. Bradley, Streets and Drainage Manager

FWS/GMB/dsg

cc: Property Owners (1512 West Elm Street, 1518 West Elm Street, 314 La Setta Drive)



**Please immediately confirm receipt
of this fax by calling 333-6702**

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

**SUBJECT: PUBLIC HEARING TO CONSIDER ANNUAL REPORT FOR
SIDEWALK REPAIRS AND TO CONFIRM THE REPORT AS
SUBMITTED BY THE PUBLIC WORKS DEPARTMENT**

PUBLISH DATE: SATURDAY, APRIL 5, 2008

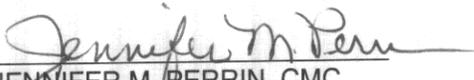
LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, APRIL 3, 2008

ORDERED BY: RANDI JOHL
CITY CLERK


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS Faxed to the Sentinel at 369-1084 at _____(time) ON _____(date) _____(pages)
Phoned to confirm receipt of all pages at _____(time) _____JLT _____DRC _____JMP (initials)



DECLARATION OF POSTING

PUBLIC HEARING NOTICE TO CONSIDER ANNUAL REPORT FOR SIDEWALK REPAIRS AND TO CONFIRM THE REPORT AS SUBMITTED BY THE PUBLIC WORKS DEPARTMENT

On Friday, April 4, 2008, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider Annual Report for Sidewalk Repairs and to Confirm the Report as submitted by the Public Works Department (attached and marked as Exhibit A) was posted at the following locations:

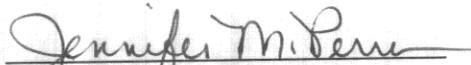
Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 4, 2008, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



DECLARATION OF MAILING

PUBLIC HEARING NOTICE TO CONSIDER ANNUAL REPORT FOR SIDEWALK REPAIRS AND TO CONFIRM THE REPORT AS SUBMITTED BY THE PUBLIC WORKS DEPARTMENT

On Thursday, April 3, 2008, in the City of Lodi, San Joaquin County, California, I deposited in the United States mail, envelopes with first-class postage prepaid thereon, containing a Notice of Public Hearing to consider Annual Report for Sidewalk Repairs and to confirm the Report as submitted by the Public Works Department, attached hereto Marked Exhibit A. The mailing list for said matter is attached hereto, marked Exhibit B.

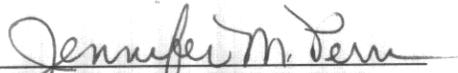
There is a regular daily communication by mail between the City of Lodi, California, and the places to which said envelopes were addressed.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 3, 2008, at Lodi, California.

ORDERED BY:

RANDI JOHL
CITY CLERK, CITY OF LODI


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: April 16, 2008

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

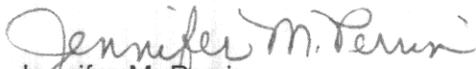
NOTICE IS HEREBY GIVEN that on **Wednesday, April 16, 2008**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Annual Report for Sidewalk Repairs and to confirm the Report as submitted by the Public Works Department

Information regarding this item may be obtained in the Public Works Department, 221 West Pine Street, Lodi, (209) 333-6706. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 W. Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:


 Jennifer M. Perrin
 Deputy City Clerk

Dated: April 3, 2008

Approved as to form:



D. Stephen Schwabauer
City Attorney

EXHIBIT B

PUBLIC HEARING TO CONSIDER THE ANNUAL REPORT FOR SIDEWALK REPAIRS AND TO CONFIRM THE REPORT AS SUBMITTED BY THE PUBLIC WORKS DEPARTMENT

Mailing List

Elizabeth Castillo
1512 W. Elm Street
Lodi, CA 95242

Leona Miller
3102 Hermitage Road
Pebble Beach, CA 93953

Garry Wilson
1518 W. Elm Street
Lodi, CA 95242



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Public Hearing to Consider Adopting Resolution Adjusting CPI-Based Water and Wastewater Rates

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Conduct a public hearing to consider adopting a resolution adjusting CPI-based water and wastewater rates.

BACKGROUND INFORMATION: In the spring of 2004, following City-wide notification, the Council approved rate increases for water and wastewater services. The public notification and resolution passed at that time included provisions for future rate adjustments based on the Consumer Price Index (CPI).

Resolution No. 2004-77 states that the index to be used shall be the San Francisco-Oakland-San Jose CPI for all items (unadjusted). The City has been using the December index for the past few years. The price index for December 2006 was 210.4 and 218.485 for December 2007, which translates to an increase of 3.84%. The rate increase (as shown on the attached tables) is on all water and wastewater service charges. The increase amount for a three-bedroom home is \$1.49 for water and \$1.03 for wastewater. Note this adjustment applies to the total water rate. Previous adjustments did not include the PCE/TCE charge since when it was initially adopted as a phased-in rate increase, it included an allowance for inflation. The effective date of the increase is July 1, 2008.

FISCAL IMPACT: There would be an increase in the annual water and wastewater fund revenue, which is needed to help keep up with cost of service increases and new mandated costs.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by Rebecca Areida, Management Analyst

FWS/RA/pmf

Attachments

cc: Steve Mann, Information Systems Manager
Charles Swimley, Water Services Manager

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE LODI CITY
COUNCIL ADJUSTING CPI-BASED WATER
AND WASTEWATER RATES

=====

WHEREAS, in the spring of 2004, subsequent to City-wide notification, the City Council approved rate increases for water and wastewater services ; and

WHEREAS, the adoption of Resolution No. 2004-77 included provisions for future rate adjustments based on the Consumer Price Index (CPI); and

WHEREAS, Resolution No. 2004-77 states that the index to be used shall be the San Francisco-Oakland-San Jose CPI for all items (unadjusted) and the rate increase shall not exceed the percentage change in the CPI index since the previous adjustment. The price index for December 2006 was 210.4 and 218.485 for December 2007, which translates to an increase of 3.84%. The rate increase (as shown on the attached tables marked Exhibit A) is on all water and wastewater service charges. The increase for a three-bedroom house is \$1.49 for water and \$1.03 for wastewater. The effective date of the increase is July 1, 2008.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve adjusting CPI-based water and wastewater rates as outlined above and on Exhibit A attached, with the effective date of the increase to be July 1, 2008.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 16, 2008, by the following vote:

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

RANDI JOHL
City Clerk

2008-_____

City of Lodi Water Utility
Proposed Water Rates

Single-Family Residential	Current Rates				Rates Effective 07/01/2008			
	Base	Infr.	PCE/TCE	Monthly Total	Base	Infr.	PCE/TCE	Monthly Total
1 BR - House	\$14.42	\$5.24	\$7.29	\$26.95	\$14.97	\$5.44	\$7.57	\$27.98
2 BR - House	17.31	6.30	8.76	32.37	17.97	6.54	\$9.10	33.61
3 BR - House	20.75	7.54	10.50	38.79	21.55	7.83	\$10.90	40.28
4 BR - House	24.93	9.07	12.61	46.61	25.89	9.42	\$13.09	48.40
5 BR - House	29.90	10.88	15.13	55.91	31.05	11.30	\$15.71	58.06
6 BR - House	35.88	13.05	18.16	67.09	37.26	13.55	\$18.86	69.67
7 BR - House	43.05	15.66	21.78	80.49	44.70	16.26	\$22.62	83.58
Multi-Family Residential								
1 BR - APT	\$12.37	\$4.50	\$6.26	\$23.13	\$12.85	\$4.67	\$6.50	\$24.02
2 BR - APT	14.83	5.40	7.51	27.74	15.40	5.61	\$7.80	28.81
3 BR - APT (1)	17.8	6.48	9.01	33.29	18.48	6.73	\$9.36	34.57
Flat Rate Commercial/Industrial Customers - Varies, Increase all by 3.84%								
Metered Rate (2)	Base	Infr. \$/ccf	PCE/TCE	Total	Base	Infr. \$/ccf	PCE/TCE	Total
Commodity Charge per 100 cu. Ft.	\$0.517	\$0.243		\$0.760	\$0.537	\$0.252		\$0.789
monthly charge								
Comm. 5/8"	\$15.13		\$9.56	\$24.69	\$15.71		\$9.93	\$25.64
Comm. .75"	16.63		10.50	27.13	17.27		\$10.90	28.17
Comm. 1"	24.94		15.76	40.70	25.90		\$16.37	42.27
Comm. 1.5"	33.25		21.01	54.26	34.53		\$21.82	56.35
Comm. 2"	41.57		26.27	67.84	43.17		\$27.28	70.45
Comm. 3"	58.21		36.77	94.98	60.45		\$38.18	98.63
Comm. 4"	74.83		47.28	122.11	77.70		\$49.10	126.80
Comm. 6"	108.09		68.30	176.39	112.24		\$70.92	183.16
Comm. 8"	141.37		89.25	230.62	146.80		\$92.68	239.48
Comm. 10"	174.64		110.25	284.89	181.35		\$114.48	295.83
Construction Water Charges								
per 100 cu. Ft.	\$0.760				\$0.789			

(1) plus 20% for each additional bedroom

(2) Monthly total for metered commercial customers depends on amount of water used

City of Lodi Wastewater Utility
Proposed Wastewater Rates

Residential	Current Rates			Rates Effective 07/01/2008		
	Base	Infr.	Monthly Total	Base	Infr.	Monthly Total
1 BR	\$11.40	\$4.63	\$16.03	\$11.84	\$4.81	\$16.65
2 BR	15.20	6.17	21.37	15.78	6.41	22.19
3 BR	19.00	7.71	26.71	19.73	8.01	27.74
4 BR	22.80	9.26	32.06	23.67	9.62	33.29
5 BR	26.60	10.80	37.40	27.62	11.22	38.84
6 BR	30.40	12.34	42.74	31.56	12.82	44.38
7 BR	34.20	13.88	48.08	35.51	14.42	49.93

Moderate Strength (annual per SSU)	\$256.44	\$266.28
High Strength User:		
Flow (per MG, annual basis)	2,164.00	2,247.10
BOD (per 1,000 lbs., annual basis)	357.12	370.83
SS (per 1,000 lb., annual basis)	223.29	231.86
Grease Inceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	189.09	196.35
Septic (only) Holding Tank Waste Outside City limits (per 1,000 gal.)	401.41	416.82
Disposal to Storm Drain System (per MG)	198.61	206.24
Disposal to Industrial System:		
Flow (per MG, annual basis)	2,992.75	n/a rates adusted annually per
BOD (per 1,000 lbs., annual basis)	18.82	LMC § 13.12.210
Winery Waste (per 1,000 gal.)	191.47	198.82



Please immediately confirm receipt of this fax by calling 333-6702

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: NOTICE OF PUBLIC HEARING TO CONSIDER ADOPTING RESOLUTION ADJUSTING CONSUMER PRICE INDEX-BASED WATER AND WASTEWATER RATES

PUBLISH DATE: SATURDAY, APRIL 5, 2008

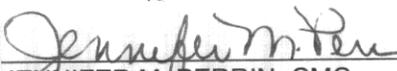
LEGAL AD

TEAR SHEETS WANTED: Three (3) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, APRIL 3, 2008

ORDERED BY: RANDI JOHL
CITY CLERK


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS Faxed to the Sentinel at 369-1084 at _____(time) on _____(date) _____(pages)
Phoned to confirm receipt of all pages at _____(time) _____JLT _____DRC _____JMP (initials)



DECLARATION OF POSTING

NOTICE OF PUBLIC HEARING TO CONSIDER ADOPTING RESOLUTION ADJUSTING CONSUMER PRICE INDEX-BASED WATER AND WASTEWATER RATES

On Friday, April 4, 2008, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider adopting resolution adjusting Consumer Price Index-based water and wastewater rates (attached and marked as Exhibit A), was posted at the following locations:

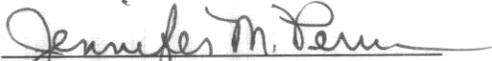
Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 4, 2008, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



CITY OF LODI
Carnegie Forum
 305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: April 16, 2008

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl,
City Clerk

Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, April 16, 2008**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Adopting resolution adjusting Consumer Price Index-based water and wastewater rates

Information regarding this item may be obtained in the Public Works Department, 221 West Pine Street, Lodi, (209) 333-6706. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:

Jennifer M. Perrin
 Deputy City Clerk

Dated: April 3, 2008

Approved as to form:

D. Stephen Schwabauer
 City Attorney



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Post for Two Vacancies on the Lodi Arts Commission

MEETING DATE: April 16, 2008

PREPARED BY: City Clerk

RECOMMENDED ACTION: Direct the City Clerk to post for two vacancies on the Lodi Arts Commission.

BACKGROUND INFORMATION: The City Clerk's Office received letters of resignation from Lodi Arts Commissioners, Petra Gillier and Karen Mattei (on file in the City Clerk's Office). It is, therefore, recommended that the City Council direct the City Clerk to post for the vacancies below:

Lodi Arts Commission

Petra Gillier Term to expire July 1, 2009

Karen Mattei Term to expire July 1, 2011

Government Code Section 54970 et seq. requires that the City Clerk post for vacancies to allow citizens interested in serving to submit an application. The City Council is requested to direct the City Clerk to make the necessary postings.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

RJ/JMP

APPROVED: _____
Blair King, City Manager



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Provide Staff Direction Regarding Water and Wastewater Rate Revenue Accounting

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

- RECOMMENDED ACTION:** Direct the City Manager to:
- Rebalance operations and capital sub-funds within the water and wastewater utilities
 - Place water/wastewater rate revenue into operations sub-fund and transfer to capital as needed through the budget process
 - Simplify billing by combining the separate “infrastructure charge” with the base charge but keep the water PCE/TCE charge separate
 - Update revenue/rate models in FY 08/09

BACKGROUND INFORMATION: In 2001, the City Council approved significant water and wastewater rate increases, in a large part, to address capital maintenance needs for these utilities. At Council’s direction, the increase was itemized separately on customer bills as “replacement program”.

As City staff implemented this specific direction and attempted to implement our interpretation of the Council’s intentions, this revenue has been tracked separately and placed into the capital “sub-funds” within the respective utility enterprise funds. However, that rate increase was not solely intended to be for capital replacement. Increased operations costs, building an overall reserve within the enterprises, and meeting upcoming regulatory requirements were also part of the analysis that resulted in the rate increases, as described in the attached presentation.

Normally, staff would make these adjustments within the enterprise funds without specific Council direction. However, given that there is an impression that all the “infrastructure replacement” revenue is for one specific purpose, staff is presenting this for public information and for further Council direction.

FISCAL IMPACT: No direct impacts, however, implementing the recommendations will make future rate and revenue analysis and presentation more efficient.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

FWS/pmf
Attachment

APPROVED: _____
Blair King, City Manager

Water Services Infrastructure Replacement Charges & Fund Balance

City Council
April 16, 2008

1

Water Services Funds

- Water and Wastewater enterprise funds both have “sub-funds” for Operations, Capital and Development Impact Mitigation Fees (IMF)
- State law requires separate fund for IMF
(not discussed further in this presentation)
- Standard practice provides separation of Operation and Capital funds

2

Historical Background

- All revenue from rates went to Operating fund
- Transfers to Capital fund would be made periodically as needed
- Council directed in 2001 that the rate increase be identified specifically on the bill for infrastructure replacement (not included in Resolution)
- Following 2002 rate increase, the “infrastructure” revenue was placed directly in the capital sub-fund

3

The Problem

- Both Funds have a large cash imbalance between operating (negative) and capital (positive)
 - Water Operating: (\$8.5 million)
 - Water Capital: \$7.5 million
 - Sewer Operating: (\$8.8 million)
 - Sewer Capital: \$11.3 million

4

The Cause

- **Not all of the 2002 rate increase was for capital expenses**
- Motion to approve rate increase included identification on bill, but was not discussed earlier
- Operating costs have increased greater than anticipated
- All “infrastructure” revenue placed in capital sub-fund

5

The Fix

- Make transfers to rebalance operations and capital sub-funds within the water and wastewater utilities
- Place all rate revenue into operation sub-fund, transfer to capital as needed through budget process
- Simplify billing – combine “infrastructure charge” with base charge (keep water PCE/TCE charge separate)
- Options presented at end of presentation

6

Rate Issues

- Historically, the City went many years between rate increases
- Rate adjustments were not planned very far in advance
- Policies regarding internal charges (cost of services) and in-lieu transfer to the General Fund have varied considerably
- Reserve targets were not established

Water Services Rate Increase History

Water		Wastewater	
<u>Date</u>	<u>% Chg.</u>	<u>Date</u>	<u>% Chg.</u>
Jul-07	13%	Jul-07	3.4%
Jul-06	13%	Jul-06	2.0%
Jan-06	13%	Jul-05	25%
May-05	2.2%	May-04	25%
May-04	35%	Jul-02	35%
Jul-02	25%	Jan-02	35%
Jan-02	25%	Feb-91	15%
Jun-95	18%	Jan-90	15%
Aug-91	5%	Oct-88	15%
Mar-89	69%	Oct-87	15%
Jun-76	50%	Oct-86	15%
Jun-65	100%	Jan-78	
Aug-55			

Progress!

- Transfers to General Fund now cost of service formula based
- Revenue models developed periodically to help establish rate adjustments
- Annual adjustments based on CPI
- Policy to establish reserves

9

2001 Rate Issues

- Reserves
- Infrastructure Replacement
- Regulatory & Other Requirements
- Operations & Maintenance Cost
- Range of Revenue Requirements Discussed

10

Reserves

- Exhibit from 2001
- Reserves too low
- Financing issues

Water/Wastewater Reserves

- Present City Policy – Minimum of 15% of annual operating expenses.
- AWWA – 5% annual surplus revenue over total expenses; six to twelve months of O&M expenses, plus one year's debt service.
- City of Tracy – 25% of annual operating plus one year's debt service.
- City of Stockton – 25% of annual operating plus capital reserve (unspecified amount)
- State Of California (Loan Fund Revenue Guidelines – 10% to 50% of annual operating plus capital reserve
- Consultant (Washington State) – 10% of operating, plus \$250,000 contingency reserve (emergency repairs), plus one year's capital costs.
- Recommended Reserve for Lodi Water/Wastewater Utilities:
 - 15% of annual operating expenses, plus
 - \$300,000 capital reserve in Water
 - \$600,000 capital reserve in Wastewater

Infrastructure Replacement

- Exhibit from 2001
- Focus on some pipes
- Sewer trunk not included
- PCE/TCE issues

Infrastructure Replacement

- Major City Objective: Provide Resources to Maintain City 's Infrastructure.
- Critical Components of Water/Wastewater System Being Maintained
- Replacement of Underground Facilities – Water Distribution Mains & Services and Wastewater Collection Pipes Is Lagging
 - Replacements Being Done In Conjunction With Other Projects
 - Need to Move Into a Pro-Active Replacement Program Has Been Recognized
 - Staffing Now In Place to Begin Program
 - New Budget (2 – Year) Includes \$300,000 (W) & \$200,000 (WW) per year
 - ✓ Will replace about 2,400 Ft. of pipe
 - ✓ W/WW systems have about 2 Million feet of pipe
 - ✓ 2,400 Ft. represents 0.12% of the system's total footage
 - ✓ At that rate of replacement, a pipe installed today would have to last 824 years before it gets replaced
 - Replacement on a 100-year cycle would require funding of \$2.2 Million per year for water & \$1.8 Million for sewer
 - Replacement on a 75-year cycle would require funding of \$3.0 Million for water and \$2.4 Million for sewer

Regulatory & Other Requirements

- Exhibit from 2001
- Wastewater treatment costs
 - higher than anticipated
 - \$400 k Fed. grant used for pipes
- Water costs (PCE/TCE)
 - wildly higher than anticipated
 - getting under control now
- Water meter mandate not considered

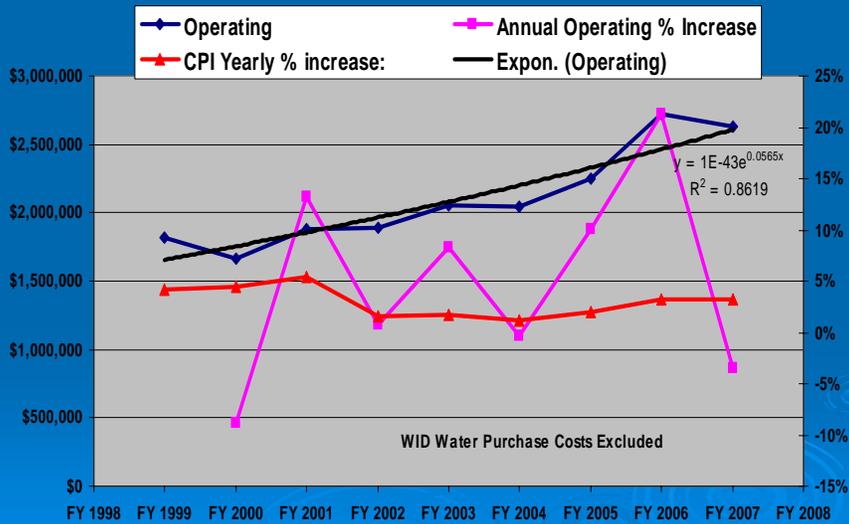
Regulatory and Other Requirements

- Wastewater
 - Meet New Discharge Permit Requirements
 - ✓ Estimates in \$34 Million Range
 - ✓ Other Agencies Seeing Additional Requirements & Cost
 - ✓ Some Portion of Cost Will Be Allocated To New Development
 - ✓ Possible Offsets – Grants & Project Partners
 - Energy Cost ? ? ?
 - General Cost of Living/Operations
- Water
 - Regulatory Requirements
 - ✓ Contaminants – DBCP, PCE/TCE, others
 - ✓ Naturally Occurring Elements – Radon, Arsenic
 - ✓ Fluoridation & Chlorination
 - ✓ Cost Impact Will Depend on Levels Established & Grant Funding
 - Provide Additional Supply
 - ✓ Wide Range of Potential Costs -
 - \$35+ M. for Surface Water Transport & Treatment (If Available)
 - \$2 to \$4 M. for Prelim. Engineering & Permits for County Project
 - ✓ Conservation
 - ✓ Possible Offsets – Grants & Project Partners
 - Energy Cost ? ? ?
 - General Cost of Living/Operations

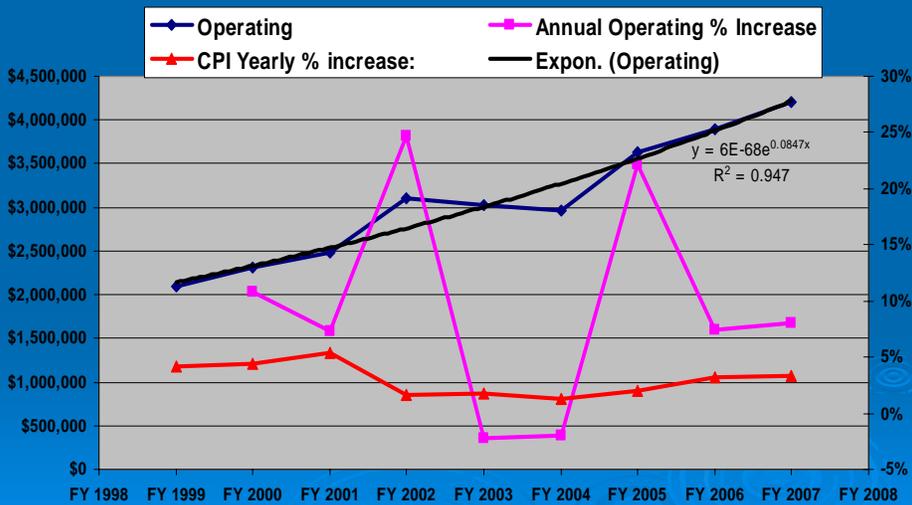
Operations & Maintenance Costs

- Vary from year to year
- Have exceeded inflation (+ 3%/year)
 - Water expenses: + 6%/year
 - Wastewater expenses: + 8%/year

Water - Operating Expenses



Wastewater Operating Expenses



Range of Revenue Requirements

- Exhibit from 2001
- Actual revenue lower:
 - Water – avg. \$2.0 M/yr
 - Wastewater – avg. \$2.3 M/yr
- Infrastructure replacement expenditures have been approx. \$850,000 per year in each utility

Increased Revenue Requirements		
\$ Per Year		
<i>Water Utility</i>		
<u>Component</u>	<u>Recommended Program</u>	<u>Potential Program</u>
Sustain Fund Balance w/Reserve	\$45,000	\$ 45,000
Replace Infrastructure	\$2,200,000	\$2,200,000
Alternate Water Supplies	\$ 20,000	\$2,000,000
Total:	\$2,265,000	\$4,245,000
<i>Wastewater Utility</i>		
Sustain Fund Balance w/Reserve	\$ 245,000	\$ 245,000
Replace Infrastructure	\$ 2,000,000	\$ 2,000,000
Wastewater Treatment Upgrades	\$ 370,000	\$ 2,380,000
Total:	\$ 2,615,000	\$ 4,625,000
Grand Total:	\$ 4,880,000	\$ 8,870,000

Alternatives

A	B	C
Eliminate itemization of "infrastructure replacement" on bill		Keep separate "infrastructure replacement" charge
Going forward, all rate revenue to one account, transfer cash as needed per annual budget		Keep revenues in separate sub-funds
Transfer between sub-funds to eliminate past deficits	Leave existing sub-funds as-is (will balance over time)	Raise rates to cover operating deficits
Update revenue/rate models in FY 08/09		

Supplemental Information

- Minutes from 2001 Council meeting approving rates
- Water Rate Resolution 2001-231
- Wastewater Rate Resolution 2001-232

19

Minutes
from Oct. 3,
2001 City
Council
meeting

MOTION (#1) / VOTE:

The City Council, on motion of Council Member Hitchcock, Howard second, adopted Resolution No. 2001-231, pursuant to Section 13.08.010 of the Lodi Municipal Code, providing for and establishing rates to be charged for water service, and further directed staff to:

- add a line item on the utility bills identifying the water cost increase with a description specifying its purpose for infrastructure replacement;
- prepare a long-range, ten-year financial model spreadsheet identifying water, sewer, and electric expenses, including the dollar amount for the utility user tax over this period; and
- at the time of settlement related to the PCE/TCE issue, repay the water fund for the previous \$6 million expenditure, using the balance remaining after priority takes.

The above motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Pennino and Mayor Nakanishi

Noes: Council Members – None

Absent: Council Members – Land

MOTION (#2) / VOTE:

The City Council, on motion of Council Member Howard, Hitchcock second, adopted Resolution No. 2001-232, pursuant to Section 13.12.240 of the Lodi Municipal Code, providing for and establishing rates to be charged for sewer services, and further directed staff to:

- add a line item on the utility bills identifying the wastewater cost increase with a description specifying its purpose for infrastructure replacement; and
- prepare a long-range, ten-year financial model spreadsheet identifying water, sewer, and electric expenses, including the dollar amount for the utility user tax over this period.

The above motion carried by the following vote:

Ayes: Council Members – Hitchcock, Howard, Pennino and Mayor Nakanishi

Noes: Council Members – None

Absent: Council Members – Land

RESOLUTION NO. 2001-231

A RESOLUTION OF THE LODI CITY COUNCIL
ADOPTED PURSUANT TO SECTION 13.08.010 OF
THE LODI MUNICIPAL CODE, PROVIDING FOR AND
ESTABLISHING RATES TO BE CHARGED FOR
WATER SERVICE

WHEREAS, pursuant to the requirements of Government Code Section 54354.5, a Public Hearing was held on October 3, 2001, to consider adoption of a Resolution setting and establishing an amended fee schedule for water service rates.

NOW, THEREFORE, BE IT RESOLVED, by the Lodi City Council:

Section 1: The schedule of water service rates for the City of Lodi shall be as shown as follows:

Water Utility	Present Rate	January 2002	July 2002
Residential Flat Rate (per month):			
Single Family Unit (one bedroom)	\$ 8.65	\$ 10.81	\$13.51
(two bedrooms)	\$10.38	\$ 12.98	\$16.22
(three bedrooms)	\$12.45	\$ 15.56	\$19.45
(four bedrooms)	\$14.95	\$ 18.69	\$23.36
(five bedrooms)	\$17.94	\$ 22.43	\$28.04
(six bedrooms)	\$21.53	\$ 26.91	\$33.64
(seven bedrooms)	\$25.82	\$ 32.28	\$40.35
Multiple Family Unit (one bedroom)	\$ 7.42	\$ 9.28	\$11.60
(two bedrooms)	\$ 8.90	\$ 11.13	\$13.91
(three bedrooms)	\$10.68	\$ 13.35	\$16.69
Commercial/Industrial Flat Rate	varies	+ 20% for ea. add'l. bedroom	add 25%
Existing accounts only. New accounts are metered.		add 25%	
Metered Rate	\$ 0.296	per 100 cu. ft. (approx. 40¢ per 1,000 gal.)	
		\$ 0.397	\$0.524
plus monthly base charge:	\$11.43	¾" meter	No change
	\$17.14	1" meter	No change
	\$22.85	1½" meter	No change
	\$28.58	2" meter	No change
	\$40.00	3" meter	No change
	\$51.43	4" meter	No change
	\$74.29	6" meter	No change
	\$97.16	8" meter	No change
Construction Water Charges:	\$ 0.296	per 100 cu. ft. (approx. 40¢ per 1,000 gal.)	
		\$ 0.397	\$ 0.524

Water Rate Resolution from
Oct. 3, 2001 City Council
meeting

Section 2: The rates established by this Resolution shall be effective January 2002 and July 2002, or applied to the next full billing cycle following the effective date.

Section 3: All resolutions and parts of Resolutions in conflict herewith are repealed insofar as such conflict may exist.

Dated: October 3, 2001

I hereby certify that Resolution No. 2001-231 was passed and adopted by the City Council of the City of Lodi in a regular meeting held October 3, 2001, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Pennino and Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Land

ABSTAIN: COUNCIL MEMBERS – None

Susan J. Blackston
SUSAN J. BLACKSTON
City Clerk

RESOLUTION NO. 2001-232

A RESOLUTION OF THE LODI CITY COUNCIL
ADOPTED PURSUANT TO SECTION 13.12.240 OF
THE LODI MUNICIPAL CODE, PROVIDING FOR AND
ESTABLISHING RATES TO BE CHARGED FOR
SEWER SERVICE

WHEREAS, pursuant to the requirements of Government Code Section 54354.5, a Public Hearing was held on October 3, 2001, to consider adoption of a Resolution setting and establishing an amended fee schedule for sewer service rates.

NOW, THEREFORE, BE IT RESOLVED, by the Lodi City Council:

Section 1: The schedule of sewer service rates for the City of Lodi shall be as shown as follows:

Wastewater Utility	Present Rate	January 2002	July 2002
Disposal to Domestic System:			
Residential (per month) 1 Bedroom	\$ 5.34	\$ 7.21	\$ 9.73
2 Bedrooms (basis for 1 Sewage Service Unit) (SSU)	\$ 7.12	\$ 9.61	\$12.97
3 Bedrooms	\$ 8.90	\$12.02	\$16.23
4 Bedrooms	\$10.68	\$14.42	\$19.47
5 Bedrooms	\$12.46	\$16.82	\$22.71
6 Bedrooms	\$14.24	\$19.22	\$25.95
7 Bedrooms	\$16.02	\$21.63	\$29.20
Moderate Strength (annual per SSU) (Most commercial & industrial unless "high strength")	\$85.42	\$115.32	\$155.68
High strength user:			
Flow (per MG, annual basis)	\$ 411.02	\$554.68	\$749.09
BOD (per 1,000 lbs., annual basis)	\$ 201.14	\$271.54	\$366.58
SS (per 1,000 lbs., annual basis)	\$ 164.42	\$221.97	\$299.66
Grease Interceptor and Septic Holding Tank Waste within City Limits (per 1,000 gal.)	\$62.96	\$85.00	\$114.75
Septic (only) Holding Tank Waste Outside City Limits (per 1,000 gal.)	\$ 133.67	\$180.45	\$243.61
Disposal to Storm Drain System (per MG)	\$66.13	\$89.28	\$120.53

Wastewater Rate Resolution
from Oct. 3, 2001 City
Council meeting

Section 2: The rates established by this Resolution shall be effective January 2002 and July 2002, or applied to the next full billing cycle following the effective date.

Section 3: All resolutions and parts of Resolutions in conflict herewith are repealed insofar as such conflict may exist.

Dated: October 3, 2001

I hereby certify that Resolution No. 2001-232 was passed and adopted by the City Council of the City of Lodi in a regular meeting held October 3, 2001, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Pennino and Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Land

ABSTAIN: COUNCIL MEMBERS – None

Susan J. Blackston
SUSAN J. BLACKSTON
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Introduce Ordinance Repealing and Reenacting Ordinance No. 964 in its Entirety, Regarding a Specific Plan for South Hutchins Street Between West Kettleman Lane and West Harney Lane to Revise the Reverse Frontage Fence Design

MEETING DATE: April 16, 2008

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Introduce an ordinance repealing and reenacting Ordinance No. 964 in its entirety, regarding a specific plan for South Hutchins Street between West Kettleman Lane and West Harney Lane to revise the reverse frontage fence design.

BACKGROUND INFORMATION: An ordinance adopting a specific design for South Hutchins Street between West Kettleman Lane and West Harney Lane was submitted to Council and adopted on November 17, 1971 (Attachment A). The design specified street width and related details, reverse frontage condition, and the design of the reverse frontage fence. The ordinance refers to specific plan drawings 71D57, 71D58, and 71D59 for the design standard. The drawings show a fence consisting of slump block pilasters on sixteen-foot centers with wooden grape stakes between the pilasters. This design became the standard in other areas of Lodi, such as Turner Road and Stockton Street and West Century Boulevard, but those areas are not covered by specific ordinance. These fences are failing due to age, dirt mounded against the wood portions of the fence, and frequent vandalism. The escalating cost of replacing the wooden grape stakes have made it economically more feasible to remove the wooden sections and replace them a section at a time with concrete slump blocks (Attachment B) when a full sixteen-foot section warrants replacement, and staff is proposing to make this change. A cost comparison from the last informal bid resulted in replacing a sixteen-foot section with the current wood design at a cost of \$1,500 or with the new masonry design for \$1,900. Although the masonry costs \$400 more, the overall strength of the design will eliminate the ongoing maintenance needed for the wood. This design will also withstand grade differences with the adjacent yards, which have proven detrimental to the existing wood fences.

The modification of the ordinance will allow sections of any reverse frontage City fence to be changed from a grape stake to the slump block design, as approved by the Public Works Director. This would only be done when the section of fence has sustained enough damage that a full sixteen-foot section would be replaced. Staff would also allow a property owner to pay to have the fence replaced should they want to incur the cost to change the fence for security or aesthetics reasons, if it does not fall under the City's replacement criteria. The downside of this change is that the now similar-looking fences will have different looking sections as they are replaced.

FISCAL IMPACT: Replacement with concrete block will reduce ongoing costs.

FUNDING AVAILABLE: Funding would come from the Street Operating Fund, as annually budgeted.

Kirk Evans, Budget Manager

F. Wally Sandelin
Public Works Director

Prepared by Curtis Juran, Assistant Streets and Drainage Manager
cc: George M. Bradley, Streets and Drainage Manager

APPROVED: _____
Blair King, City Manager

ORDINANCE NO. _____

AN UNCODIFIED ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI, REPEALING AND REENACTING ORDINANCE 964 IN ITS ENTIRETY SETTING FORTH A SPECIFIC PLAN FOR SOUTH HUTCHINS STREET BETWEEN WEST KETTLEMAN LANE AND WEST HARNEY LANE

=====

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

Ordinance 964, adopted November 17, 1971, is hereby repealed in its entirety and re-enacted to read as follows:

Section 1. - Authority. Pursuant to the provisions of Chapter 3 (commencing at Section 65450) of Title 7 of the Government Code of the State of California and pursuant to that certain General Plan, as amended, for the City of Lodi adopted by City Council Resolution No. 1885 on October 5, 1955, a Specific Plan for South Hutchins Street between West Kettleman Lane and West Harney Lane is hereby adopted.

The Specific Plan adopted hereby includes the regulations prescribed by this Ordinance and includes drawings 71D57, 71D58 and 71D59 on file with the Public Works Department.

Section 2. - Purpose. It is hereby declared that this Specific Plan is adopted to provide for and protect the health, safety, convenience and welfare of the citizens of the City of Lodi.

Section 3. - Description. Drawings 71D57, 71D58 and 71D59 display the Plan view of South Hutchins Street between West Kettleman Lane and West Harney Lane. However, the design standards set forth in Drawings 71D57, 71D58 and 71D59 may be modified to the extent required as a result of dilapidation, budget, and new technology within the discretion of the Public Works Director.

Section 4. - Regulations. The minimum front yard or street side yard required for buildings or structures by Section 27 of the Lodi Municipal Code (Zoning Ordinance) as amended, shall be measured from the future right-of-way line as depicted on Drawings 71D57, 71D58 and 71D59.

Section 5. - Homeowners. Homeowners with the Specific Plan may repair or replace their own fences in advance of the City schedule at their own expense to the standard established in Section 3.

Section 6. - Violation. Any person whether as principal, agent, employee or otherwise violating or causing or permitting or assisting in any use of land which is in violation of the provisions of this Ordinance shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not more five hundred dollars (\$500) or by imprisonment in the County Jail for a term of not more than six (6) months or by both such fine and imprisonment.

Section 7. - All Ordinances and parts of Ordinances in conflict herewith are hereby repealed insofar as such conflict may exist.

SECTION 8. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 9. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 10. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 11. This ordinance shall be published pursuant to law and shall become effective thirty (30) days from the date of passage and adoption.

Approved this ____ day of _____, 2008

JOANNE MOUNCE
Mayor

ATTEST:

RANDI JOHL
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was introduced at a regular meeting of the City Council of the City of Lodi held _____, 2008, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2008, by the following vote:

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

I further certify that Ordinance No. ____ was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

RANDI JOHL
City Clerk

Approved to Form:

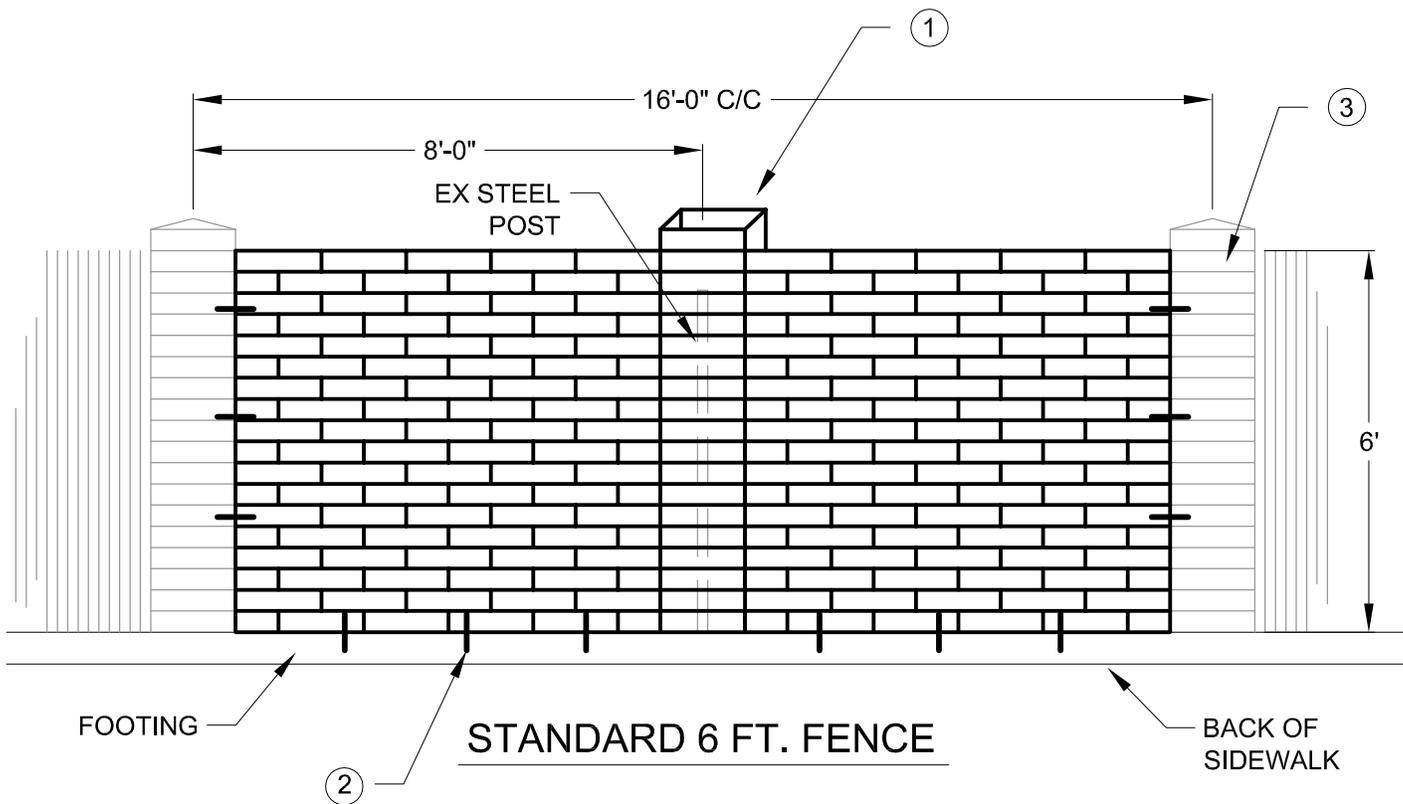
D. STEPHEN SCHWABAUER
City Attorney



CITY OF LODI

PUBLIC WORKS DEPARTMENT

HUTCHINS STREET HARNEY - KETTLEMAN FENCE UPGRADE



CONSTRUCTION NOTES:

1. BUILD PILASTER AROUND EX STEEL POST.
2. DOWEL #4 VERT. 24" OC INTO FOOTING, #4 OC TO TOP.
3. DOWEL #4 HORIZ. 24" OC INTO EX PILASTER, #4 CONTINUING THRU NEW PILASTER - END TO END.
4. REPLACE WOODEN STAKES WITH SLUMP BLOCK.
5. POUR SOLID.



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt State Mandated Rules for Owner Participation, Re-entry, and Relocation Methods for the Lodi Community Improvement Project

MEETING DATE: April 16, 2008

PREPARED BY: City Manager

-
- RECOMMENDED ACTION:**
- 1) Adopt a Resolution of the Redevelopment Agency Approving Rules to Aid in the Participation of Property Owners and Re-entry preferences for Property Owners and Business Tenants in the Lodi Community Improvement Project.
 - 2) Adopt a Resolution of the City Council Concurring with the Redevelopment Agency's Adoption of Rules to Aid in the Participation of Property Owners and Re-entry preferences for Property Owners and Business Tenants in the Lodi Community Improvement Project.
 - 3) Adopt a Resolution of the Redevelopment Agency Approving the State of California Relocation Law by reference as the Relocation Method for the Lodi Community Improvement Project.
 - 4) Adopt a Resolution of the City Council Concurring with the Approval of the Redevelopment Agency for Method of Relocation for the Lodi Community Improvement Project.

BACKGROUND INFORMATION: Redevelopment law requires that Redevelopment Agencies adopt several policies prior to the consideration of a Redevelopment Project. One of these laws, (Section 3339 of the Health and Safety Code) requires that the Agency give consideration to the participation in the redevelopment of an area by owners. As a matter of policy, staff assumes and believes that the Agency/Council wants to provide opportunities for participation in the redevelopment of the Project Area by property owners and tenants.

According to Solano Press, *Redevelopment in California* by David Beatty, "Owner Participation rules are usually brief and general". Because the Lodi Improvement Project will not have the power of eminent domain, the Owner Participation Rules are indeed brief.

APPROVED: _____
Blair King, City Manager

In short, it is recommended that the Agency:

- 1) Notify property owners of the opportunity to redevelop their property;
- 2) Property Owners are encouraged to alert the Agency to their interest in developing their property;
- 3) After an initial evaluation of staff, the City Council will be requested to grant authorization to enter into negotiations with a property owner; then
- 4) Based upon available resources and the qualifications of the property owner to achieve the development, an agreement may be brought to the Council for approval.

The Agency is not obligated to enter into an agreement with owners, nor is it limited to current property owners within the proposed project area to provide assistance to. However, encouraging property owners to participate in the revitalization of the area can help to achieve the results desired of stimulating the economy and improving the general health and welfare of the community.

In addition to property owners, the Agency needs to make provisions for any business displaced due to Redevelopment Agency to “re-enter”, or find a new home, within the project area. Because eminent domain will not be a part of this Redevelopment Project, it is unlikely that displacement will occur. However, in consultation with advisors familiar with Redevelopment Law, it is recommended that a procedure be adopted to provide for re-enter. This procedure consists of keeping a registry of any business displaced due to Agency activities and attempting to find a replacement site to allow them to resume business.

The final two Resolutions that the Agency/Council is asked to adopt deal with a very improbable circumstance due to the elimination of eminent domain. But again, in an abundance of caution, it is recommended that the Agency adopt relocation rules. It is recommended that the Agency adopt and the Council concur with the adoption of the State of California Relocation Law (Government Code Section 7260 et seq.) and adhere to the California Relocation Assistance and Real Property Acquisition Guidelines.

FISCAL IMPACT: There are no direct impacts related to adoption of the draft resolutions. Early estimates indicate that the proposed Lodi Community Improvement Project Area could generate \$332 million dollars in tax increment revenue with a Net Present Value of \$131 million.

FUNDING: Not applicable.

Blair King, City Manager

REDEVELOPMENT AGENCY OF THE CITY OF LODI

OWNER PARTICIPATION RULES

FOR THE LODI COMMUNITY IMPROVEMENT PROJECT

1. PURPOSE AND INTENT

These Owner Participation Rules (the "Owner Participation Rules") are promulgated to implement the requirements of the Community Redevelopment Law, California Health and Safety Code Section 33000, et seq., and to implement the provisions of the Redevelopment Plan for the Lodi Community Improvement Project ("Project"), particularly with respect to participation by Owners and extension of reentry preferences to Businesses in the project area of the Project (the "Project Area"). These Owner Participation Rules shall be applicable to the Lodi Community Project, as it now exists and as it may be amended in the future. The objectives of these Owner Participation Rules are (i) to implement the operation of owner participation in connection with the Redevelopment Plan for Project by Owners of real property located within the boundaries of the Project Area by encouraging, soliciting, and, as to participants selected by the Agency, carrying out by agreement participation in the Project Area, and (ii) to extend and establish reasonable preference to persons who are engaged in business in the Project Area to reenter in business within the Project Area. These Owner Participation Rules provide to Owners a reasonable opportunity to identify their interest in owner participation, to submit Development Proposals, to receive good faith consideration by the Agency of complete Development Proposals, and, as selected by the Agency, to participate in the redevelopment in the Project Area. These Owner Participation Rules also allow for negotiations for the redevelopment and participation in the Project Area by persons and entities other than Owners.

Adoption of owner participation and business reentry rules is required notwithstanding the fact that the redevelopment plan for the Project Area (the "Redevelopment Plan") will not contain the power of eminent domain by the Agency.

2. DEFINITIONS

For the purposes of these Owner Participation Rules, the following terms shall have the following definitions:

"Agency" means the Redevelopment Agency of the City of Lodi, a public body, corporate and politic.

"Agreement" means a transactional agreement between the Agency and one or more third parties and includes any owner participation agreement, disposition and development agreement, affordable housing agreement or any other agreement under which the Agency commits to participate and/or provide financial assistance to a proposed development or redevelopment project which does not consist of public improvements.

"Business" or "Businesses" mean any person, persons, corporation, association, partnership, limited liability company, or other entity lawfully engaged in business within the Project Area on the date of adoption of these Owner Participation Rules.

"City" means the City of Lodi, California, a municipal corporation.

“*City Council*” means the legislative body of the City of Lodi.

“*Day*” is defined in the Government Code of the State of California.

“*Development Proposal*” means a complete and detailed proposal for a development or redevelopment project or other participant proposal which is timely submitted to the Agency, in accordance with, and meeting the requirements of, Section 3.2 hereof.

“*Displaced Business*” means a Business, if any, which is displaced directly by Agency action in implementation of a public program or project.

“*Executive Director*” means the Executive Director of the Agency, or his/her designee.

“*Implementation Plan*” means, initially, the Redevelopment Plan, and thereafter each implementation plan as thereafter adopted by the Agency from time to time pursuant to section 33490 of the California Health and Safety Code.

“*Owner*” or “*Owners*” mean any person, persons, corporation, association, partnership, limited liability company or other entity (a) holding fee title of record to real property in the Project Area on the date of adoption of these Owner Participation Rules.

“*Owner Participation Agreement*” means a type of Agreement which is entered into between the Agency and an Owner in accordance with the provisions of the applicable Redevelopment Plan and the Owner Participation Rules as set forth herein.

“*Owner Participation Rules*” means these rules governing owner participation and reentry preferences in the Project Area.

“*Non-Owner*” means any person or entity which is not an Owner in the Project Area, but is interested in the submittal and consideration of a Development Proposal by the Agency.

“*Participant*” means an Owner which has entered into an Owner Participation Agreement with the Agency.

“*Project Area*” means the territory within the boundaries of the Project Area.

“*Project*” means the Lodi Community Improvement Project as adopted and merged and as it may be amended from time to time.

“*Redevelopment Plan*” means the redevelopment plan as shall have been adopted by the City Council establishing the Project, as now adopted and as they may be amended from time to time.

“*Redevelopment Project*” means Lodi Community Improvement Project, which was adopted by the City Council of the City of Lodi by Ordinance No. ____, as may be amended from time to time.

“*Statement of Interest*” means a statement by an Owner that such Owner is interested in participation in the development or redevelopment of property or other form of participation. A Statement of Interest, whether solicited by the Agency or submitted by an Owner of its own initiative, must be in writing, and shall be in substantially the form of the Owner’s Statement of Interest to Participate which is attached and incorporated as Exhibit “A” to these Owner

Participation Rules, and which may be updated from time to time.

“*Statement of Interest in Business Reentry*” means a statement by a Business that such Business is interested in reentry into the Project Area. A Statement of Interest in Business Reentry, whether solicited by the Agency or submitted by a Business of its own initiative, must be in writing, and, shall be in substantially the form of the Statement of Interest in Business Reentry which is attached and incorporated as Exhibit “B” to these Owner Participation Rules, and which may be updated from time to time.

“*Tenant*” means any person, persons, corporation, association, partnership or other entity that rents or leases real property in the Project Area on the date of adoption of these Owner Participation Rules.

3. PROCEDURES FOR OWNER PARTICIPATION

Owners within the Project Area who desire to exercise their participation rights shall follow the procedures which are set forth in this Section 3:

3.1 Solicitation of Participation by the Agency to Owners; Submission of Statement of Interest by Owners.

(a) The Agency, through its staff, shall notify Owners within the Project Area of the opportunity to submit a Statement of Interest and a Development Proposal for the development, or other participation proposal. Such notification shall be made through one of the following methods, any of which shall be deemed sufficient to provide adequate notice:

(i) The Agency shall send notice via First Class mail to the Owners of parcels within the boundaries of the Project Area, or

(ii) The Agency shall cause to be published a legal notice in a newspaper of general circulation notifying Owners in the Project Area of the opportunity to submit a Statement of Interest, a Development Proposal for the development of property, or other participation proposal, or

(iii) The Agency shall cause to be posted on the website maintained by the City a form of notice notifying Owners in the Project Area of the opportunity to submit a Statement of Interest, a Development Proposal for the development of property, or other participation proposal.

(iv) An owner may submit a Statement of Interest to the Agency at any time.

3.2 Submission and Form of Development Proposals.

(a) Development Proposals shall include the following:

(i) Construction and development pro forma, a site plan, developer qualifications, a narrative description of the market support for the proposed project, an operating pro forma, as applicable, evidence of likelihood of obtaining franchise or manufacturer approval (if applicable), and an explanation of the economic benefits to the Agency, City and community of the proposed project.

(b) A Development Proposal submitted by an Owner may provide for an Owner to participate in substantially the same location as the Owner's present use, may provide for expansion of the Owner's present use by retaining all or portions of Owner's property and acquiring adjacent property, may provide for the Owner's participation in a different location within the Project Area from the location in which the Owner's property is currently located, or may propose some other form of participation by the Owner in the redevelopment of the proposed development site.

(c) Owners shall provide such additional information as may be reasonably requested by the Executive Director and Agency staff.

(d) The Agency's staff will be available to discuss owner participation, respond to questions, and assist Owners in the preparation of Development Proposals; provided that the Owner in all instances, and not the Agency staff, shall be responsible for the content, form, and preparation of any Development Proposal.

3.3 Agency Board Evaluation of Development Proposals Submitted by Owners.

(a) The Agency shall consider in good faith and without discrimination all Development Proposals submitted by Owners and determined by Agency staff to be complete at a regular or special Agency meeting. After good faith consideration of any Development Proposal, the Agency may authorize Agency staff to commence negotiations subject to availability of funding, resources, and other limiting factors for the purpose of arriving at an Owner Participation Agreement.

(b) In the exercise of its discretion, the Agency acknowledges that its primary purpose, objective, and duty is to carry out and implement the Redevelopment Plan and to eliminate blight in the interest of the health, safety and welfare of the community; the Agency additionally seeks to expand, preserve and improve the community's supply of affordable housing available subject to enforceable restrictions as provided under sections 33334.2 and 33334.3 of the Health and Safety Code. The Agency's decision to accept, conditionally accept, or reject any Development Proposal will be made in good faith and in consideration of such purpose, objective, and duty.

(c) Development Proposals shall be evaluated by the Agency with consideration of factors determined by the Agency to be relevant in carrying out its duties to implement the applicable Redevelopment Plan and the Implementation Plan, including without limitation the following factors:

(i) Conformity of the Development Proposal, including proposed uses, with the requirements, intent, goals, and objectives of the applicable Redevelopment Plan, the Implementation Plan, the City General Plan, any applicable specific plan, zoning, and other development standards, and other applicable enactments;

(ii) Quality of design and project concept;

(iii) The employment opportunities and economic benefits to the Agency and to the City which can be reasonably expected to result from the implementation of the Development Proposal;

(iv) The qualifications of the developer entity team proposed to develop the project, including financial capacity to undertake the project, prior experience with similar development, quality of prior development projects, degree of site control, ability to obtain financing, ability to abide by Agency design standards and development controls, and readiness to proceed;

(v) The estimated cost, if any, of City and/or Agency financial involvement, including the provision of City and/or Agency public services, subsidies, or public improvements required if the Development Proposal is accepted, and the availability of sufficient Agency and/or City funds to pay such costs;

(vi) The economic benefits to the Agency, the City, and the community, as determined by a cost/benefit analysis, if the Development Proposal were to be approved and the proposed project is implemented;

(vii) The effect of the Development Proposal on elimination of blighting conditions within the Project Area and the upgrading of uses;

(viii) The effect of the Development Proposal on achieving the affordable housing objectives of the Agency;

(ix) The probability of successful implementation of the Development Proposal, including without limitation likelihood of obtaining related approvals (such as approval by tenants, franchisor(s), or manufacturer(s), if applicable), as well as likelihood of economic success;

(x) The time schedule for completion of the proposed project;

(xi) The completeness of the Development Proposal;

(xii) The environmental benefits or impacts of the proposed development, and evaluation of the cost and method of mitigation of such impacts, if any;

(xiii) The impact of the Development Proposal on existing buildings and improvements with historic qualities or architectural qualities which enhance or benefit the Project Area; and

(xiv) The merits of the Development Proposal relative to the merits of other Development Proposals considering available resources.

(d) The Agency reserves the right to reject any and all Development Proposals and/or such other requests as may be made in connection with these Owner Participation Rules.

(e) The Agency does not, by adoption of these Owner Participation Rules, commit any resources or appropriate or approve the expenditure of any moneys or approve any development, redevelopment or renovation.

3.4 Unsolicited Submittal of Statements of Interest and Development Proposals by Owners.

(a) Under these Owner Participation Rules, Owners may submit Statements of Interest to the Agency on their own initiative, rather than through the solicitation of interest by the Agency.

3.5 Concurrent Consideration of Development Proposal(s) Submitted by Non-Owners.

(a) Any Non-Owner may submit to the Agency a Development Proposal for the proposed development of property within a Project Area at the same time that Owners are submitting Development Proposals solicited by the Agency pursuant to these Owner Participation Rules.

(b) The Agency may, but is not required to, evaluate, consider, and take action on such Development Proposal(s) from one or more Non-Owners concurrently with its evaluation, consideration, and action on the Development Proposals solicited by the Agency and submitted by Owners under these Owner Participation Rules.

3.6 Negotiations Toward Execution of Owner Participation Agreement. Subject to authorization of the Agency, Agency staff will, within the limitations of its currently available resources, use good faith efforts to negotiate toward and enter into a mutually acceptable Owner Participation Agreement (or other Agreement, as applicable) with each Owner who has submitted a Development Proposal. Each Agreement shall contain provisions necessary to ensure that the Development Proposal will be carried out with such covenants, conditions and restrictions as the Agency reasonably requires. Each Agreement will require the Participant to execute and record such further documents as the Agency may require in order to ensure conformance with the Community Redevelopment Law and other applicable laws, to provide record notice of covenants, conditions and restrictions which are imposed by the Agreement, and to provide security for the obligations of the Participant. All Agreements with an Owner shall become effective only when duly approved by the Agency Board and executed by the Owner/Participant. Good faith efforts by the Agency shall not be deemed to require or imply that public funds will be made available in connection with the Development Proposal or the activities proposed thereunder.

3.7 Agency Action on Agreement for Development with Non-Owner.

(a) The Agency may enter into an Agreement with any Non-Owner for the development or rehabilitation of property implementing a Development Proposal submitted by a Non Owner.

4. REENTRY PREFERENCES FOR DISPLACED BUSINESSES

Persons who are engaged in business in the Project Area which have been displaced by Agency activities who desire to exercise their reentry preferences shall follow the procedures which are set forth in this Section 4.

4.1 List of Displaced Businesses. The Agency will notify any business which is a Displaced Business (as defined herein) of their right of reasonable preference to reenter in business within the Project Area. Such written request shall be in writing and, if presentable, should be substantially in the form of the Statement of Interest in Business Reentry in the Project

Area which is attached and incorporated as Exhibit "B" to these Owner Participation Rules. The Agency shall maintain a list of such Displaced Businesses who have submitted to the Agency a written request for notice of opportunities to reenter within the Project Area. The Agency may periodically require Displaced Businesses on such list to resubmit requests for notice of reentry opportunities, and may delete Displaced Businesses from such list which do not resubmit such requests.

4.2 Notice of Reentry Opportunities. In the event that the Agency becomes involved with any redevelopment activity through an Owner Participation Agreement or Disposition and Development Agreement in which a Displaced Business might relocate, the Agency, through its staff, shall notify the project proponent in connection with such proposed Owner Participation Agreement or Disposition and Development Agreement as to the Agency's list of the opportunity to reenter in business in the Project Area. Notwithstanding the foregoing, if a Business owner requests that the name of such owner's business not be disclosed in connection with prospective agreements, the Agency staff need not disseminate the name of such business.

4.3 Agency Extension of Preferences. The Agency shall use good faith efforts to secure reasonable preferential rights for Displaced Businesses in Owner Participation Agreements or Disposition and Development Agreements which provide for the development of structures in which a Displaced Business might relocate. Displaced Businesses which desire to pursue such reentry opportunities may negotiate directly with the owner of the property in which the reentry opportunity is located. The Agency shall use good faith efforts to negotiate or intercede on behalf of the Displaced Business desiring to re-enter; provided that the activities and uses conducted by such Displaced Business are consistent with and further the proposed development, and provided further that such efforts shall not be deemed to require the payment of moneys by the Agency. The ability of Displaced Businesses to re enter will depend, in part, upon the ability of the Displaced Businesses to participate on the basis proposed, including such factors as the ability to pay the requisite rent, the suitability of the proposed use of the Displaced Business for the development under consideration, the Displaced Businesses' readiness to proceed, and other factors. The preferences established by this Section 4 shall not be construed to require the Agency to provide a subsidy or other financial assistance to such Displaced Businesses to enable them to reenter in the Project Area.

5. PROCEDURE FOR AMENDING OWNER PARTICIPATION RULES

The Agency may amend these Owner Participation Rules at a duly noticed regular or special meeting held after their adoption.

EXHIBIT "A"

REDEVELOPMENT AGENCY OF THE CITY OF LODI

OWNER'S STATEMENT OF INTEREST TO PARTICIPATE

I hereby express my interest in participation in the Lodi Community Improvement Project (the "Project") (See attached map for Project Area boundaries):

1. Name _____ Telephone _____

2. Address _____

3. I am the record fee owner of the following property within the Project Area or hold a proprietary interest: _____

I wish to participate in the Project Area checked above as follows:

I wish to construct a new building or other improvements on my present property.

I wish to acquire property within the Project Area and construct a new building or other improvements on the property I acquire. I acknowledge that the Agency does not have the power of eminent domain. (Identify proposed property below)

I wish to acquire property within the Project Area for expansion of my current business. I acknowledge that the Agency does not have the power of eminent domain. (Identify proposed property below)

I wish to rehabilitate my present property.

I wish to acquire property within the Project Area and rehabilitate an existing building or other improvements on the property I acquire. I acknowledge that the Agency does not have the power of eminent domain. (Identify proposed property below)

I wish to sell my present property.

Other; if necessary, continue on additional page(s). Please Describe:

Location of property proposed to be acquired: _____

4. Background, experience, and information concerning you and your proposal (you may include further information, including a site plan, construction and operating pro forma, and other information relevant to your proposed activity, on additional sheets if you desire to do so):

(a) Generally describe background and experience, particularly with respect to development of real property: _____

(b) Describe the development and redevelopment activities you propose and indicate your experience relevant to your proposal _____

(c) Other remarks: _____

5. By my signature below:

- I acknowledge receipt of a copy of the Owner Participation Rules and Reentry Preferences. The Owner Participation Rules and Reentry Preferences describe in detail when and how I may participate in connection with the Project, and the Agency's obligations with respect to my proposal.
- I understand that after I timely submit this Statement of Interest I will be required to submit a detailed "Development Proposal" in order for my Development Proposal to be considered by the Redevelopment Agency of the City of Lodi.
- I understand that submission of this Statement of Interest does not in any way obligate me to participate in the Project Area, or obligate the Redevelopment Agency of the City of Lodi to approve my proposal.

This Statement of Interest is presented to the Agency pursuant to the Owner Participation Rules and Reentry Preferences on the _____ day of _____ 200_.

Signed: _____

Print Name: _____

Title (if applicable): _____

Date: _____

EXHIBIT "B"

REDEVELOPMENT AGENCY OF THE CITY OF LODI

**STATEMENT OF INTEREST IN BUSINESS REENTRY
IN THE PROJECT AREA**

I hereby express my interest in reentering business in the Lodi Redevelopment Project (the "Project") (See attached map for Project Area boundaries):

1. Name _____ Telephone _____

2. Address _____

3. I am the owner of the following Business which was displaced from the Project Area by action of the Redevelopment Agency of the City of Lodi (Identify name and address of displaced Business): _____;

Manner in which displacement occurred: _____

4. I wish to reenter business in the Project Area checked above as follows:

I wish to be notified by the Agency of opportunities to lease finished rental space within the Project Area.

Other. Please Describe (if necessary, continue on additional page(s)):

5. Background, experience, and information concerning you and your interest in reentering business within the Project Area.

(a) Generally describe business background and experience: _____

(b) Describe the business activities you propose and indicate your experience relevant to your proposal _____

(c) Other remarks: _____

6. By my signature below:

- I understand that submission of this Statement of Interest in Business Reentry does not in any way obligate me to reenter business within the Project Area, or obligate the Redevelopment Agency of the City of Lodi to provide any financial or other assistance to me/my business or obtain a business opportunity for me.

Signed: _____

Print Name: _____

Title (if applicable): _____

Date: _____

RESOLUTION NO. RDA2008-_____

RESOLUTION OF THE REDEVELOPMENT AGENCY OF
THE CITY OF LODI APPROVING AND ADOPTING RULES
GOVERNING PARTICIPATION AND RE-ENTRY
PREFERENCES FOR PROPERTY OWNERS, OPERATORS OF
BUSINESSES, AND BUSINESS TENANTS IN THE LODI
COMMUNITY IMPROVEMENT PROJECT AREA

=====

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated proceedings for the consideration of the adoption of the Lodi Community Improvement Project (the "Project"); and

WHEREAS, Section 33345 of the California Redevelopment Law (Health and Safety Code Section 33000 et seq.) provides that a redevelopment agency shall adopt and make available for public inspection rules to implement the operation of owner participation in connection with a redevelopment plan; and

WHEREAS, Health and Safety Code Section 33339.5 provides that a redevelopment agency shall adopt and make available for public inspection rules regarding the extension of reasonable preferences to persons who are engaged in business in the project area to re-enter in business within the redeveloped area if they otherwise meet the requirements prescribed by the redevelopment plan; and

WHEREAS, the Agency desires to adopt rules which would apply to the Lodi Community Improvement Project.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Lodi as follows:

Section 1. The Redevelopment Agency of the City of Lodi hereby approves and adopts the "Rules Governing Participation and Reentry Preferences for the Lodi Community Improvement Project Area" (referred to for convenience as the "Owner Participation Rules") in the form attached hereto as Exhibit "A" and incorporated herein by reference.

Section 2. The Owner Participation Rules shall be effective as of the date of this Resolution.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. RDA2008-_____ was passed and adopted by the Members of the Redevelopment Agency of the City of Lodi in a regular meeting held April 16, 2008, by the following vote:

AYES: MEMBERS –

NOES: MEMBERS –

ABSENT: MEMBERS –

ABSTAIN: MEMBERS –

JOANNE MOUNCE
Chairperson
City of Lodi Redevelopment Agency

Attest:

RANDI JOHL
Secretary
City of Lodi Redevelopment Agency

RDA2008-_____

RESOLUTION OF THE LODI CITY COUNCIL CONCURRING WITH
LODI REDEVELOPMENT AGENCY RESOLUTION NO. RDA2008-_____
APPROVING AND ADOPTING RULES GOVERNING PARTICIPATION AND
RE-ENTRY PREFERENCES FOR PROPERTY OWNERS, OPERATORS OF
BUSINESSES, AND BUSINESS TENANTS IN THE LODI COMMUNITY
IMPROVEMENT PROJECT AREA

=====

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated proceedings for the consideration of the adoption of the Lodi Community Improvement Project (the "Project"); and

WHEREAS, Section 33345 of the California Redevelopment Law (Health and Safety Code Section 33000 et seq.) provides that a redevelopment agency shall adopt and make available for public inspection rules to implement the operation of owner participation in connection with a redevelopment plan; and

WHEREAS, Health and Safety Code Section 33339.5 provides that a redevelopment agency shall adopt and make available for public inspection rules regarding the extension of reasonable preferences to persons who are engaged in business in the project area to re-enter in business within the redeveloped area if they otherwise meet the requirements prescribed by the redevelopment plan; and

WHEREAS, the Lodi City Council concurs with such rules as they apply to the Lodi Community Improvement Project.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council as follows:

Section 1. The Lodi City Council hereby concurs with the Lodi Redevelopment Agency's adoption of the "Rules Governing Participation and Reentry Preferences for the Lodi Community Improvement Project Area."

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 16, 2008, by the following vote:

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

RANDI JOHL
City Clerk

RESOLUTION NO. RDA2008-_____

RESOLUTION OF THE REDEVELOPMENT AGENCY
OF THE CITY OF LODI APPROVING AND ADOPTING A
METHOD OF RELOCATION FOR THE LODI
COMMUNITY IMPROVEMENT PROJECT

=====

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated proceedings for the consideration of the adoption of the Lodi Community Improvement Project (the "Project") and a redevelopment plan (the "Redevelopment Plan") in connection therewith; and

WHEREAS, Section 33352 of the California Redevelopment Law (Health and Safety Code Section 33000 et seq.) provides that, in connection with the consideration of the adoption of a redevelopment plan, there be transmitted as part of the report to the City Council (as legislative body under such Section 33352) a method or plan for relocation, as referenced in Section 33411 of the California Redevelopment Law; and

WHEREAS, Section 33411 of the California Redevelopment Law provides that the Agency "shall prepare a feasible method or plan for relocation of all of the following:

- (a) Families and persons to be temporarily or permanently displaced from housing facilities in the project area; and
- (b) Nonprofit local community institutions to be temporarily or permanently displaced from facilities actually used for institutional purposes in the project area"; and

WHEREAS, the City Council of the City of Lodi (the "City Council") and the governing board of the Agency have each directed that the Redevelopment Plan for the Lodi Redevelopment Project not contain provision for the availability of the power of or use of eminent domain by the Agency. Nevertheless, and upon consultation with advisors familiar with the California Redevelopment Law, including Section 33352(f) thereof, the Agency has determined to adopt and approve the method of relocation contained in the State of California Relocation Law (California Government Code Sections 7260 et seq.), and follow the California Relocation Assistance and Real Property Acquisition Guidelines as contained in the California Code of Regulation, Title 5, Chapter 6 in order to fully implement subsection (f) of Section 33352 of the California Redevelopment Law; and

WHEREAS, the Agency has reviewed the Method of Relocation; and

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Lodi as follows:

Section 1: The Redevelopment Agency of the City of Lodi hereby approves and adopts the State of California Relocation Law (California Government Code Sections 7260 et seq.), and shall follow the California Relocation Assistance and Real Property Acquisition Guidelines as contained in the California Code of Regulation, Title

5, Chapter 6 and is incorporated herein by reference as the Relocation Guidelines for the Project Area.

Section 2: This Resolution shall become effective immediately upon adoption.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. RDA2008-_____ was passed and adopted by the Members of the Redevelopment Agency of the City of Lodi in a regular meeting held April 16, 2008, by the following vote:

AYES: MEMBERS –

NOES: MEMBERS –

ABSENT: MEMBERS –

ABSTAIN: MEMBERS –

JOANNE MOUNCE
Chairperson
City of Lodi Redevelopment Agency

Attest:

RANDI JOHL
Secretary
City of Lodi Redevelopment Agency

RDA2008-_____

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE LODI CITY COUNCIL
CONCURRING WITH THE APPROVAL AND ADOPTION
OF A METHOD OF RELOCATION FOR THE LODI
COMMUNITY IMPROVEMENT PROJECT

=====

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated proceedings for the consideration of the adoption of the Lodi Community Improvement Project (the "Project") and a redevelopment plan (the "Redevelopment Plan") in connection therewith; and

WHEREAS, Section 33352 of the California Redevelopment Law (Health and Safety Code Section 33000 et seq.) provides that, in connection with the consideration of the adoption of a redevelopment plan, there be transmitted as part of the report to the City Council (as legislative body under such Section 33352) a method or plan for relocation, as referenced in Section 33411 of the California Redevelopment Law; and

WHEREAS, Section 33411 of the California Redevelopment Law provides that the Agency "shall prepare a feasible method or plan for relocation of all of the following:

- (a) Families and persons to be temporarily or permanently displaced from housing facilities in the project area; and
- (b) Nonprofit local community institutions to be temporarily or permanently displaced from facilities actually used for institutional purposes in the project area"; and

WHEREAS, the City Council of the City of Lodi (the "City Council") and the governing board of the Agency have each directed that the Redevelopment Plan for the Lodi Redevelopment Project not contain provision for the availability of the power of or use of eminent domain by the Agency. Nevertheless, and upon consultation with advisors familiar with the California Redevelopment Law, including Section 33352(f) thereof, the Agency has determined to adopt and approve the method of relocation contained in the State of California Relocation Law (California Government Code Sections 7260 et seq.), and follow the California Relocation Assistance and Real Property Acquisition Guidelines as contained in the California Code of Regulation, Title 5, Chapter 6 in order to fully implement subsection (f) of Section 33352 of the California Redevelopment Law; and

WHEREAS, the City Council has reviewed the Method of Relocation; and

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council as follows:

Section 1: The Lodi City Council hereby concurs with the Redevelopment Agency's approval and adoption of State of California Relocation Law (California Government Code Sections 7260 et seq.), and adherence to the California Relocation Assistance and Real Property Acquisition Guidelines as contained in the California Code of Regulation, Title 5, Chapter 6 and is incorporated herein by reference as the Relocation Guidelines for the Project Area.

Section 2: This Resolution shall become effective immediately upon adoption.

Dated: April 16, 2008

=====

I hereby certify that Resolution No. 2008-____ was passed and adopted by the Lodi City Council in a regular meeting held April 16, 2008, by the following vote:

AYES: MEMBERS –

NOES: MEMBERS –

ABSENT: MEMBERS –

ABSTAIN: MEMBERS –

RANDI JOHL
City Clerk

2008-____



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Approval of Expenses Incurred by Outside Counsel/Consultants Relative to various litigation cases (\$9,805.79).
MEETING DATE: April 16, 2008 City Council Meeting
PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: That the City Council approve for payment expenses incurred by outside Counsel/Consultants related to various litigation cases in the amount of \$9,805.79.

BACKGROUND INFORMATION: Listed below are invoices from the City's outside counsel, Kronick, Moskovitz, Tiedemann & Girard for services incurred relative to the Lodi First v. City of Lodi; AT&T v. City of Lodi; and Water Supply Issues (not Pce/Tce related), that are currently outstanding and need to be considered for payment.

Kronick Moskovitz Tiedemann & Girard - Invoices Distribution

Matter No.	Invoice No.	Date	Description	100351.7323	Water Acct.
11233.026	238199	03/25/08	Lodi First v. City of Lodi	6,026.29	
11233.029	238199	03/25/08	AT&T v. City of Lodi	112.50	
11233.030	238199	03/25/08	Water Supply Issues-NotPceRelated		3,667.00
Subtotals				<u>\$6,138.79</u>	<u>\$3,667.00</u>

FISCAL IMPACT: Expenses in the amount of \$9,805.79 will be paid out of the General Fund with \$6,026.29 billed to and reimbursed by Walmart for City's defense of the Lodi First litigation.

FUNDING AVAILABLE: General Fund \$9,805.79

Stephen Schwabauer, City Attorney

Approved: _____
Kirk Evans, Budget Manager

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Ordinance No. 1810 Entitled, “An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Section 2.08.020 Relating to City Council Salaries as Authorized by Government Code Section 36516 (a) (3)”

MEETING DATE: April 16, 2008

PREPARED BY: City Clerk

RECOMMENDED ACTION: Motion waiving reading in full and (following reading by title) adopting the attached Ordinance No. 1810.

BACKGROUND INFORMATION: Ordinance No. 1810 entitled, “An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Section 2.08.020 Relating to City Council Salaries as Authorized by Government Code Section 36516 (a) (3),” was introduced at the regular City Council meeting of April 2, 2008.

ADOPTION: With the exception of urgency ordinances, no ordinance may be passed within five days of its introduction. Two readings are therefore required – one to introduce and a second to adopt the ordinance. Ordinances may only be passed at a regular meeting or at an adjourned regular meeting; except for urgency ordinances, ordinances may not be passed at a special meeting. Id. All ordinances must be read in full either at the time of introduction or at the time of passage, unless a regular motion waiving further reading is adopted by a majority of all council persons present. **Cal. Gov’t Code § 36934.**

Ordinances take effect 30 days after their final passage. **Cal. Gov’t Code § 36937.**

This ordinance has been approved as to form by the City Attorney.

FISCAL IMPACT: This will increase the annual cost by \$21,600 upon approval.

FUNDING AVAILABLE: Funding will be made available in the 2008-09 budget.

Kirk Evans, Budget Manager

Randi Johl
City Clerk

RJ/jmp
Attachment

APPROVED: _____
Blair King, City Manager

ORDINANCE NO. 1810

AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF LODI AMENDING LODI MUNICIPAL
CODE SECTION 2.08.020 RELATING TO CITY
COUNCIL SALARIES AS AUTHORIZED BY
GOVERNMENT CODE SECTION 36516 (a) (3)

=====

WHEREAS, Government Code Section 36516 (a) (3) sets forth that a city council may enact an ordinance providing that each member of the city council receive a salary up to and including five hundred dollars (\$500) per month in cities over 50,000 up to and including 75,000 in population; and

WHEREAS, Government Code Section 36516 (c) states that compensation of council members may be increased beyond the amount by an ordinance or by an amendment to an ordinance but the amount of the increase may not exceed an amount equal to five percent (5%) for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance or amendment is enacted. No salary ordinance shall be enacted or amended which provides for automatic future increases in salary.

BE IT ORDAINED BY THE LODI CITY COUNCIL:

SECTION 1. Lodi Municipal Code Section 2.08.020 relating to City Council salaries is hereby amended as authorized by Government Code Section 36516 (a) (3) to read as follows:

Each member of the council of the city shall receive, as salary, the sum of eight hundred sixty dollars per month, as prescribed in Government Code Section 36516 (a) (3) in cities over fifty thousand in population, which shall be effective December 3, 2008, and shall be payable from and after the operative date of the ordinance codified in this chapter at the same time and in the same manner as the salaries are paid to other officers and employees of the city.

SECTION 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 4. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 5. This ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect December 3, 2008.

Approved this 16th day of April, 2008

JOANNE MOUNCE
Mayor

Attest:

RANDI JOHL
City Clerk

=====

State of California
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1810 was introduced at a regular meeting of the City Council of the City of Lodi held April 2, 2008, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held April 16, 2008, by the following vote:

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

I further certify that Ordinance No. 1810 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

RANDI JOHL
City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney