



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

AGENDA – REGULAR MEETING

Date: August 3, 2016

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

For information regarding this Agenda please contact:

Jennifer M. Ferraiolo
City Clerk
Telephone: (209) 333-6702

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

C-1 Call to Order / Roll Call

C-2 Announcement of Closed Session

- a) Actual Litigation: Government Code §54956.9; Two Applications; Jose Paulino Badel v. City of Lodi; WCAB Case No. ADJ7028008 (DOI: 4/29/2000) and ADJ2864729 (DOI: 11/12/2003) (CM)
- b) Threatened Litigation: Government Code §54956.9(b); One Application; Potential Suit by Jose Paulino Badel against City of Lodi; WCAB Claim No. CLCC-323880 (DOI: 2/27/2003) (CM)
- c) Actual Litigation: Government Code §54956.9; One Application; Stephen Maynard v. City of Lodi; SCAB Case No. ADJ10074514 (DOI: 5/23/2014) (CM)

C-3 Adjourn to Closed Session

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

C-4 Return to Open Session / Disclosure of Action

A. Call to Order / Roll Call

B. Presentations – None

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

- C-1 Receive Register of Claims in the Amount of \$4,336,188.86 (FIN)
- C-2 Approve Minutes (CLK)
 - a) July 6 and July 20, 2016 (Regular Meetings)
 - b) July 19, 2016 (Shirtsleeve Session)
- C-3 Approve Specifications and Authorize Advertisement for Bids for Compressed Natural Gas Fueling Station Upgrades (PW)
- Res. C-4 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Pyro Combustion of California, Inc., of Modesto, for White Slough Water Pollution Control Facility Boiler Maintenance (\$93,220) and Authorizing Public Works Director to Execute Extensions (PW)
- Res. C-5 Adopt Resolution Authorizing City Manager to Execute Addendum No. 2 to Improvement Deferral Agreement for 1230 South Central Avenue (PW)
- Res. C-6 Adopt Resolution Authorizing City Manager to Execute Supplement No. 1 to Amended and Restated Northern California Power Agency Joint Powers Agreement, Adding City of Shasta Lake as a Party (EU)
- Res. C-7 Adopt Resolution Approving City of Lodi Storm Water Enforcement Response Plan and Administrative Penalty Schedule (PW)
- C-8 Receive Report Regarding Communication Pertaining to Assembly Bill 2586 (Gatto) Parking (CLK)

- Res. C-9 Adopt Resolution Authorizing City Manager to Execute Amendment to Agreement with DSA Technologies for the Purchase of Network Switches for Fiber Optic Network from DSA Technologies, of Elk Grove (\$67,595.76) (CM)

D. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

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

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

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

G. Public Hearings – None

H. Communications – None

I. Regular Calendar – None

J. Ordinances

- Ord. J-1 Ordinance No. 1927 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 – Electrical Service – By Repealing and Re-Enacting Sections 13.20.190, 'Schedule EA – Residential Service,' and 13.20.210, 'Schedule EM – Mobilehome Park Service,' in Their Entirety" (CLK)
(Adopt)

K. Adjournment

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

Jennifer M. Ferraiolo
City Clerk

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 72 hours prior to the meeting date. Language interpreter requests must be received at least 72 hours in advance of the meeting to help ensure availability. Contact Jennifer M. Ferraiolo at (209) 333-6702. Solicitudes de interpretación de idiomas deben ser recibidas por lo menos con 72 horas de anticipación a la reunión para ayudar a asegurar la disponibilidad. Llame a Jennifer M. Ferraiolo (209) 333-6702.

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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Register of Claims through July 14, 2016 in the total amount of \$4,336,188.86

MEETING DATE: August 3, 2016

PREPARED BY: Internal Services Director

RECOMMENDED ACTION: Receive the attached Register of Claims for \$4,336,188.86

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$4,336,188.86 through 7/14/16. Also attached is Payroll in the amount of \$1,327,454.87

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: As per attached report.

Jordan Ayers
Internal Services Director

JA/nes

Attachments

APPROVED: _____
Stephen Schwabauer, City Manager

Council Report

City of Lodi, CA - v10.5 Live

7/1/2016 through 7/14/2016

Fund			Amount
100 - General Fund			1,718,173.24
120 - Library Fund			13,726.22
140 - Expendable Trust			33,025.65
200 - Parks Rec & Cultural Services			23,200.72
205 - Boating & Waterways Grant			485.00
301 - Gas Tax-2105 2106 2107			9,443.74
303 - Measure K Funds			19,233.06
307 - Federal - Streets			46,201.16
350 - H U D			1,714.00
403 - Vehicle Replacement Fund - PD			20,423.90
431 - Capital Outlay/General Fund			14,669.14
500 - Electric Utility Fund			261,346.15
501 - Utility Outlay Reserve Fund			142,659.46
504 - Public Benefits Fund			478,536.68
530 - Waste Water Utility Fund			104,226.64
531 - Waste Wtr Util-Capital Outlay			277,730.80
560 - Water Utility Fund			176,227.96
561 - Water Utility-Capital Outlay			831,945.39
591 - Southern Plume			4,800.00
600 - Dial-a-Ride/Transportation			57,135.39
601 - Transit Capital			21,373.49
650 - Internal Service/Equip Maint			39,103.55
655 - Employee Benefits			28,605.36
660 - General Liabilities			1,725.00
665 - Worker's Comp Insurance			10,477.16
Total			4,336,188.86

Council Report: Payroll City of Lodi, CA - v10.5 Live Pay Period 7/3/2016

Fund	Description	Amount
100	General Fund	753,670.72
120	Library Fund	21,602.86
200	Parks Rec & Cultural Services	108,144.59
214	LPD-OTS Grants	2,147.40
219	LPD-ABC Grant	1,535.18
270	Comm Dev Special Rev Fund	30,493.78
301	Gas Tax-2105 2106 2107	29,210.40
500	Electric Utility Fund	203,779.91
530	Waste Water Utility Fund	126,844.08
560	Water Utility Fund	20,277.49
600	Dial-a-Ride/Transportation	8,732.29
650	Internal Service/Equip Maint	18,560.46
655	Employee Benefits	2,455.71
Report Total		1,327,454.87



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Minutes
a) July 6, 2016 (Regular Meeting)
b) July 19, 2016 (Shirtsleeve Session)
c) July 20, 2016 (Regular Meeting)

MEETING DATE: August 3, 2016

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) July 6, 2016 (Regular Meeting)
b) July 19, 2016 (Shirtsleeve Session)
c) July 20, 2016 (Regular Meeting)

BACKGROUND INFORMATION: Attached are copies of the subject minutes marked Exhibit A through C, respectively.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jennifer M. Ferraiolo
City Clerk

Attachments

APPROVED: _____
Stephen Schwabauer, City Manager

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, JULY 6, 2016**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of July 6, 2017, was called to order by Mayor Chandler at 5:30 p.m.

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

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Council Member Nakanishi arrived at 5:36 p.m.

C-2 Announcement of Closed Session

- a) Actual Litigation: Government Code §54956.9(a); One Case; Andrew Perales v. City of Lodi, et al., U.S. District Court, Eastern District of California; Case No. 2:15-CV-01107-MCE-CKD (CA)
- b) Threatened Litigation: Government Code §54956.9(b); One Case; Potential Suit by Byron D. Tiger against City of Lodi Based on Personal Injury (CA)
- c) Conference with Legal Counsel - Anticipated Litigation - Significant Exposure to Litigation Pursuant to Government Code §§54956.9(d)(2) and 54956.9(e)(1); One Case; Shall Not Be Disclosed, Due to Facts and Circumstances Not Yet Known to Potential Plaintiffs (CA)

C-3 Adjourn to Closed Session

At 5:30 p.m., Mayor Chandler adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:19 p.m.

C-4 Return to Open Session / Disclosure of Action

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

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

A. Call to Order / Roll Call

The Regular City Council meeting of July 6, 2016, was called to order by Mayor Chandler at 7:00 p.m.

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

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

B. Presentations - None

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

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, to approve the following items hereinafter set forth, **except those otherwise noted**, in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-1 Receive Register of Claims in the Amount of \$6,141,430.44 (FIN)

Claims were approved in the amount of \$6,141,430.44.

C-2 Approve Minutes (CLK)

The minutes of June 7, 2016 (Shirtsleeve Session), June 14, 2016 (Shirtsleeve Session), and June 21, 2016 (Shirtsleeve Session) were approved as written.

C-3 Adopt Resolution Authorizing City Manager to Accept Donation from the Lodi Police Partners' Foundation for the Purchase of a Vehicle and Appropriating Funds (\$20,463.90) (PD)

Adopted Resolution No. 2016-111 authorizing the City Manager to accept donation from the Lodi Police Partners' Foundation for the purchase of a vehicle and appropriating funds in the amount of \$20,463.90.

C-4 Adopt Resolution Awarding Bids for Purchase of Polemount Transformers from HEES Enterprises, of Astoria, Oregon (\$67,836.96) and Central Moloney, of Pine Bluff, Arkansas (\$14,590.80) (EU)

Adopted Resolution No. 2016-112 awarding bids for the purchase of polemount transformers from HEES Enterprises, of Astoria, Oregon, in the amount of \$67,836.96, and Central Moloney, of Pine Bluff, Arkansas, in the amount of \$14,590.80.

C-5 Adopt Resolution Awarding Bids for Purchase of Padmount Transformers from Central Moloney, of Pine Bluff, Arkansas (\$46,548); Pacific Utilities, of Concord (\$12,722.40); and HEES Enterprises, of Astoria, Oregon (\$141,963.84) (EU)

Adopted Resolution No. 2016-113 awarding bids for the purchase of padmount transformers from Central Moloney, of Pine Bluff, Arkansas, in the amount of \$46,548; Pacific Utilities, of Concord, in the amount of \$12,722.40; and HEES Enterprises, of Astoria, Oregon, in the amount of \$141,963.84.

C-6 Adopt Resolution Awarding Contract for Kofu Park Americans with Disabilities Act Improvements Project to A. M. Stephens Construction Company, Inc., of Lodi (\$92,050) (PW)

Adopted Resolution No. 2016-114 awarding the contract for Kofu Park Americans with Disabilities Act Improvements Project to A. M. Stephens Construction Company, Inc., of Lodi, in the amount of \$92,050.

C-7 Adopt Resolution Awarding Contract for Blakely Park Restroom Demolition to Jim Thorpe Oil, Inc., of Lodi (\$23,924) (PRCS)

Adopted Resolution No. 2016-115 awarding the contract for Blakely Park Restroom Demolition to Jim Thorpe Oil, Inc., of Lodi, in the amount of \$23,924.

C-8 Accept Improvements Under Contract for Michael David Winery Force Main Project (PW)

Accepted the improvements under contract for Michael David Winery Force Main Project.

C-9 Adopt Resolution Authorizing City Manager to Execute Agreement with Lodi Unified School District for Two School Resource Officers (\$301,410) (PD)

This item was removed from the Consent Calendar at the request of Mayor Pro Tempore Kuehne for discussion purposes.

In response to Mayor Pro Tempore Kuehne, Police Chief Tod Patterson stated that he did not have specific numbers on the level of police activity at the schools, but explained that officers are called to the school by school administration quite often or are already on the school site when asked to counsel a student or sit in on a meeting. He stated that patrol staff picks up the slack because School Resource Officers (SRO) are extremely busy at the schools. Chief Patterson stated that staff plans to track data going forward to record specific numbers. In further response, Chief Patterson stated the SROs are a deterrent to crime at the schools; they handle traffic enforcement; teach the Gang Reduction, Intervention, and Prevention Program; coach and mentor students to keep them out of trouble; and have a superb relationship with the City's Outreach Worker.

Council Member Mounce stated that both she and Council Member Johnson serve on the Lodi Unified School District 2x2 Committee and the subject of the SROs is a consistent topic of discussion. She stated that the School District appreciates having these officers on site because their presence makes a difference in the number of fights and general protection of the school. The officers work with the Outreach Worker on gang activity and have built relationships with the students that help deter bad behavior going forward. She believed this was a good investment for the youth of this community.

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, to adopt Resolution No. 2016-123 authorizing the City Manager to execute agreement with Lodi Unified School District for two School Resource Officers in the amount of \$301,410.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-10 Adopt Resolution Authorizing City Manager to Execute Agreement with CDW-G, of Chicago, Illinois, to Consolidate PD.LODI.GOV and LODI.GOV Domains (\$26,280) (CM)

Adopted Resolution No. 2016-116 authorizing the City Manager to execute agreement with CDW-G, of Chicago, Illinois, to consolidate PD.LODI.GOV and LODI.GOV domains in the amount of \$26,280.

C-11 Adopt Resolution Authorizing City Manager to Execute Second Phase Agreement for Renewable Energy Power Purchase Agreement with Northern California Power Agency (EU)

This item was removed from the Consent Calendar at the request of a member of the public.

Margaret Foley expressed confusion about who was purchasing from whom and the purpose of the contract. City Manager Schwabauer stated that Lodi Electric Utility (LEU) is purchasing from Northern California Power Agency (NCPA).

Electric Utility Director Elizabeth Kirkley further explained that NCPA is entering into an agreement with LEU, along with other interested NCPA agencies, to procure renewable energy

resources in response to the State mandate to attain a 33 percent renewable energy level by the year 2020. She stated this is the lowest-cost method to procure those resources.

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, to adopt Resolution No. 2016-124 authorizing the City Manager to execute Second Phase Agreement for Renewable Energy Power Purchase Agreement with Northern California Power Agency.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-12 Adopt Resolution Authorizing City Manager to Execute Amendment No. 1 to Professional Services Agreement with Terracon, Inc., Formerly Known as Neil O. Anderson & Associates, Inc., of Lodi, for Construction Testing and Inspection Services (\$50,000) (PW)

Adopted Resolution No. 2016-117 authorizing the City Manager to execute Amendment No. 1 to Professional Services Agreement with Terracon, Inc., formerly known as Neil O. Anderson & Associates, Inc., of Lodi, for construction testing and inspection services in the amount of \$50,000.

C-13 Adopt Resolution Ratifying the Lodi Police Department's Application Submission for Lodi's Share of the 2016 Edward Byrne Memorial Justice Assistance Grant (\$22,863) (PD)

Adopted Resolution No. 2016-118 ratifying the Lodi Police Department's application submission for Lodi's share of the 2016 Edward Byrne Memorial Justice Assistance Grant in the amount of \$22,863.

C-14 Authorize City Manager to Apply for a Community Grant from Wal-Mart (FD)

This item was removed from the Consent Calendar at the request of a member of the public.

Margaret Foley questioned the purpose of the grant.

Fire Chief Larry Rooney stated this is a community grant from Wal-Mart to support the Vial of Life Program, which encourages individuals to keep a vial in the refrigerator with a list of medications, medical conditions, and any information responding firefighters should know when arriving on scene. The grant amount is at the discretion of Wal-Mart. In further response to Ms. Foley, Chief Rooney confirmed that the vials are not purchased through Wal-Mart.

Council Member Johnson made a motion, second by Mayor Pro Tempore Kuehne, to authorize the City Manager to apply for a community grant from Wal-Mart.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-15 Adopt Resolution Authorizing City Manager to Accept Funding Allocation from California Office of Emergency Services, Approving Expenditures, and Appropriating Funds (\$364,000) (PD)

Adopted Resolution No. 2016-119 authorizing the City Manager to accept funding allocation from California Office of Emergency Services, approving expenditures, and appropriating funds in the amount of \$364,000.

C-16 Adopt Resolution Authorizing City Manager to Donate One Retired 1920's Seagrave Fire Engine to the Lodi Fire Department Association, Inc., and Authorizing City Manager to Execute Hold Harmless Agreement (FD)

Adopted Resolution No. 2016-120 authorizing the City Manager to donate one retired 1920's Seagrave Fire Engine to the Lodi Fire Department Association, Inc., and authorizing the City Manager to execute Hold Harmless Agreement.

C-17 Adopt Resolution Rescinding Resolution 2002-161 in Its Entirety, Which Establishes a \$100 Deposit for Posting of Temporary Political Signs (CLK)

Adopted Resolution No. 2016-121 rescinding Resolution 2002-161 in its entirety, which establishes a \$100 deposit for posting of temporary political signs.

C-18 Adopt Resolution Making Determination Net Energy Metering Aggregation (NEMA) Results in Cost Shift to Customers Without Eligible On-Site Renewable Generation and to Prohibit NEMA in the Lodi Electric Utility Service Territory (EU)

This item was removed from the Consent Calendar at the request of a member of the public.

Margaret Foley requested clarification on the purpose of this agenda item.

Electric Utility Director Elizabeth Kirkley stated that utilities are required by law to allow customers to install one solar installation per meter on their property. There is an option for customers to request a larger solar system, which would offset more than one meter. If the customer generates more energy than what they use, the utility is required to pay them at a retail rate versus the wholesale rate that Lodi Electric Utility paid for the energy. That is a cost shift because Lodi is paying higher prices for solar generation and this option would increase the cost shift even more.

Mayor Pro Tempore Kuehne made a motion, second by Council Member Nakanishi, to adopt Resolution No. 2016-125 making determination Net Energy Metering Aggregation (NEMA) results in cost shift to customers without eligible on-site renewable generation and to prohibit NEMA in the Lodi Electric Utility service territory.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-19 Adopt Resolution Declaring Intention to Annex Territory (The Vine Subdivision) to Community Facilities District No. 2007-1 (Public Services) and to Levy a Special Tax to Pay for Certain Services (Annexation No. 4); and Set Public Hearing for August 17, 2016 (PW)

Adopted Resolution No. 2016-122 declaring intention to annex territory (The Vine Subdivision) to Community Facilities District No. 2007-1 (Public Services) and to levy a special tax to pay for certain services (Annexation No. 4); and set public hearing for August 17, 2016.

C-20 Set Public Hearing for July 20, 2016, to Consider Adopting Resolution Approving the Planning Commission's Recommendation to Authorize Six Low-Density Residential Growth Management Allocations for the 950 South Garfield Subdivision (CD)

Set public hearing for July 20, 2016, to consider adopting resolution approving the Planning Commission's recommendation to authorize six Low-Density Residential Growth Management Allocations for the 950 South Garfield Subdivision.

C-21 Set Public Hearing for July 20, 2016, to Consider Introducing an Ordinance Amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by Repealing and Re-Enacting Sections 13.20.190, "Schedule EA (Residential Service)," and 13.20.210, "Schedule EM (Mobile Home Park Service)," in Their Entirety (EU)

Set public hearing for July 20, 2016, to consider introducing an ordinance amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by repealing and re-enacting Sections 13.20.190, "Schedule EA (Residential Service)," and 13.20.210, "Schedule EM (Mobile Home Park Service)," in their entirety.

- D. Comments by the Public on Non-Agenda Items
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Jane Lea, who resides near Lodi Lake, commented on the Fourth of July celebration at the lake, stating there were problems with the detour and one-way traffic, trash on the streets following the event, and the uptick in illegal fireworks. Council voted five years ago to allow safe and sane fireworks for the benefit of non-profit organizations, and she believes that the City now has an unenforceable ordinance. Ms. Lea stated this year seemed to be the worst with illegal fireworks beginning at 7 a.m. and lasting until late in the night and aerial fireworks displays coming from every portion of town, including the Woodbridge area. Illegal fireworks put public property at risk and have negative effects on military veterans who suffer from Post Traumatic Stress Disorder, animals who are frightened by the sounds, and those trying to sleep because they work the next day. She requested that Council rescind the fireworks ordinance.

Council Members Nakanishi and Mounce and Mayor Chandler all agreed that Council should revisit the fireworks ordinance before the next Fourth of July.

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

Mayor Pro Tempore Kuehne reported that he attended the National Association of Regional Councils (NARC) conference in Salt Lake City at the request of San Joaquin Council of Governments and stated he was pleased to learn that Lodi is already participating in the Complete Streets guidelines, which is the gold standard for bike and pedestrian paths. He reported that, at the Local Agency Formation Commission level, discussions are taking place about consolidating fire districts and the San Joaquin County Grand Jury released a report on the matter. While at the NARC conference, Mayor Pro Tempore Kuehne stated he learned that the Salt Lake City homeless program that Lodi was going to emulate has not been successful. Several Salt Lake City representatives indicated that the program, designed to reduce homelessness, cost millions of dollars and proved to be a failure; however, he hopes to learn from their mistakes.

Council Member Mounce reported that last week she attended the League of California Cities Executive Forum, at which there was a session on team building. The current League President from Rancho Cucamonga shared that his Council conducts a team-building session every year with an outside facilitator. Even though they do not always agree, they are respectful of one another and work well together. She requested Council consider team-building sessions using the same facilitator as Rancho Cucamonga. Additional breakout sessions from the Forum included discussions on: 1) leadership, at which it was pointed out that it is healthy to have differing opinions in order to better represent a community; and 2) economic changes, including the future costs related to the California Public Employees Retirement System. Council Member Mounce reported that at the League Board meeting she was nominated as President of the League and that she will be sworn in at the Annual League Conference in October. Further, Council Member

Mounce stated that it has been 60 years since the motto "In God We Trust" was adopted and 10 years since Lodi adopted the motto and displayed the plaque in the Carnegie Forum lobby. Council Member Mounce welcomed the new Lodi News-Sentinel reporter, Danielle Vaughn.

Mayor Chandler also welcomed Ms. Vaughn, stating she interviewed him recently via phone and he found her to be bright and accurate with quotes. Mayor Chandler congratulated Council Member Mounce on her leadership role at the League and in her representation of Lodi. He stated that the July 1 Celebrate America event at Hutchins Street Square was a lovely evening on the lawn and he was proud of the Fire Department with its flag raising and of student Davis Mahoney who sang the National anthem that night. He stated that Kiwanis once again hosted the pancake breakfast at the Fourth of July event at Lodi Lake and that Kiwanis donated and built the new shade structure for \$65,000 over a ten-day period. Mayor Chandler stated that Kiwanis presented a proclamation to the City at the event, officially presenting the shade structure to the City of Lodi Parks and Recreation Department for the enhancement of Lodi Lake Park and the community's use, which he forwarded to the City Clerk for display at the City.

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

None.

G. Public Hearings - None

H. Communications

H-1 Appointments to the Lodi Arts Commission, Planning Commission, and Library Board of Trustees; and Re-Post for Vacancies on the Lodi Arts Commission and Greater Lodi Area Youth Commission (CLK)

City Clerk Ferraiolo reported that the Mayor recommended appointments to the Lodi Arts Commission, Planning Commission, and Library Board of Trustees and requested that Council concur with the appointments and direct the City Clerk to post for the remaining vacancies on the Lodi Arts Commission and the Greater Lodi Area Youth Commission.

Council Member Mounce stated that she appreciates that the Mayor interviewed the applicants and trusts he demonstrated good faith and responsibility in making his decision without playing politics. She expressed her disappointment that the Mayor was not reappointing long-term Planning Commissioner Wendel Kiser. She stated that Mr. Kiser is a stellar commissioner, has great attendance, works in construction, and is dedicated to the City and she hoped he was not passed over because he ran for City Council at the last election or because she endorsed him. Council Member Mounce believed that Mr. Kiser does not always stand with the majority and may not represent the opinion of the Chamber of Commerce, but he brings a different view to the Commission, and, when making appointments, the overall make-up of a commission should be considered to ensure every opinion is represented and reflective of the community.

MOTION: Council Member Mounce made a motion to postpone the appointments to the Planning Commission.

SECOND: Council Member Nakanishi stated he believes appointments should be the Mayor's prerogative, but Mr. Kiser has served on the Commission for 10 to 15 years and has performed well in his capacity; therefore, he seconded the motion for discussion purposes.

DISCUSSION: Council Member Mounce recounted that when she was Mayor in 2012, one of her recommended appointments was rejected by Council because it was felt the candidate did not have the background and experience to serve on the committee and later during that term, her recommendation to replace a long-term member of the Recreation Commission was rejected by Council because it did not want to penalize a member who contributed significantly to the Commission. That appointment was postponed long enough for the next Mayor, Alan Nakanishi, to make the appointment. She believed Mr. Kiser was the right choice for the Planning Commission and she would like him to have the opportunity to serve another term.

Council Member Johnson countered that his recollection of the rejected appointments differed from that of Council Member Mounce. He recalled that he initiated the motion to reject one of the recommendations because the individual's application only listed high school graduation as experience and there was no mention of capabilities that qualified the individual to serve on the Lodi Budget/Finance Committee. He felt the application contained little information to determine whether or not the individual was capable of contributing to the Committee. With regard to the long-standing Recreation Commissioner, he stated that Council Member Mounce previously insisted that all applicants be interviewed, but, in this case, roughly half of the 13 applicants were not interviewed. He believed at the time that it was impossible to determine who was qualified and who was not, and he suggested that the process be held over to the next meeting, at which time the new Mayor would make the recommendation. If the new Mayor, after conducting interviews, made the same recommendations, he would have supported the motion. Council Member Johnson further added that Council Member Mounce strongly advocates diversification on commissions, and this nomination would add two women to the Planning Commission, each of whom would have differing opinions and diverse input.

Council Member Mounce countered that diversity should not come at the cost of losing historical information and dedication.

Mayor Pro Tempore Kuehne appreciated the time and effort the Mayor expended to ensure each applicant was interviewed and the value of his selections. He believed the Mayor did his due diligence and stated he would support the recommendations.

Mayor Chandler described his process and method for determining his nominations. There was a strong pool of candidates for the Planning Commission with eight applicants and a wide range of backgrounds. In reviewing applications, he considered each candidate's occupation, experience, education, and volunteer service. During the interview process, he considered each candidate's reason and motivation for serving on the Commission. He also spoke with staff and past members of the Commission and reviewed Planning Commission minutes for context. The two nominees that stood out were Crystal Kirst and Tiffany Gomes because they were the best-qualified candidates due to their occupations, licenses pertinent to Planning Commission operations, experience, and their desire to serve. Both candidates have received service awards and community recognition; their applications were organized and extensive; they paid attention to detail; and their vision for the future was strong on economic development. Mayor Chandler stated, at Council Member Mounce's request, he conducted a second review of the applications and his notes prior to the meeting, and he is even more convinced of his recommendations.

Council Member Mounce appreciated that Mayor Chandler conducted phone interviews, stating that she always did her due diligence with the interview process, but she did not stop the process because applicants failed to return her call for an interview. She stated that she believes Mr. Kiser has done an amazing job on the Planning Commission, he has a contractor's license, is a contributing member of the community, and brings a different view to the Commission. She further stated there appears to be too many economic and Chamber representatives on the Commission and that Mr. Kiser brings a slow growth concept to the Planning Commission, which a majority of the community supports. Council Member Mounce expressed concern that Mr. Kiser is being passed up for this reappointment because he was an opponent in the last election and that the Mayor informed Mr. Kiser he would be reappointed.

Mayor Chandler stated he was disappointed in the implication that this recommendation has anything to do with the election and confirmed that he did not make any assurances to Mr. Kiser that he would be reappointed.

SECOND WITHDRAWN: Council Member Nakanishi stated he supports the Mayor's recommendation and **withdrew** his second on the motion to postpone the Planning Commission appointments; therefore, the motion **failed**.

Council Member Johnson made a motion, second by Mayor Pro Tempore Kuehne, to make the following appointments and direct the City Clerk to re-post for the following vacancies:

Appointments:

Lodi Arts Commission

Richard Vasquez, term to expire July 1, 2019

Planning Commission

Tiffany Gomes, term to expire June 30, 2020

Crystal Kirst, term to expire June 30, 2020

Library Board of Trustees

Terry Costa, term to expire June 30, 2019

Scot Martin, term to expire June 30, 2019

Postings:

Lodi Arts Commission

2 vacancies, terms to expire July 1, 2019

(open until filled)

Greater Lodi Area Youth Commission

5 Student vacancies, terms to expire May 31, 2018

1 Adult Advisor vacancy, term to expire May 31, 2019

(30-day posting)

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

NOTE: Council Member Mounce remained silent on the vote (per Lodi Municipal Code Section 2.04.140, her vote is recorded as a "yes" vote).

I. Regular Calendar

- I-1 Introduce Ordinances Enacting a Special Transactions and Use Tax for Parks and a Special Transactions and Use Tax for Public Safety (Police and Fire), to be Collected and Administered by the State Board of Equalization, Subject to Adoption by the Electorate; Adopt Resolutions Calling for an Election to Ask the Voters of the City of Lodi to (i) Approve a Special Transactions and Use Tax for Parks in the Amount of One-Eighth Cent per Dollar (0.125 Percent) for a Period of 15 Years, with the Use of the Tax Revenue to be Used Exclusively for Parks Repairs, Maintenance, Improvements, and Upgrades, and to be Reviewed by an Independent Citizens Oversight Committee, and (ii) Approve a Special Transactions and Use Tax for Public Safety in the Amount of One-Quarter Cent per Dollar (0.25 Percent) for 15 Years, with the Use of the Tax Revenue to be Used Exclusively for Increased Staffing and Training of Police and Fire Personnel, and to be Reviewed and Reported on by an Independent Citizens Oversight Committee and Further Requesting that the Board of Supervisors for the County of San Joaquin Consolidate the Election with the Established Election to be Held on November 8, 2016, and Direct the Registrar of Voters to Conduct the Election of the City's Behalf (CM)

City Manager Schwabauer presented a PowerPoint presentation regarding the proposed transactions and use tax measures for Parks and Public Safety (Police and Fire). Specific topics of discussion included recommended action, previous Council direction, reasons behind the proposed measure, use of funds, Parks community survey in 2015, and outcomes without the additional revenue.

Police Chief Tod Patterson reported that the main function of the Police Department is patrol, which ideally should be covered by 36 officers. Presently, however, there are 28 officers working patrol, and the Department is forced to move officers around to ensure adequate coverage. There are currently no traffic or bike patrol units because those officers are assigned to cover patrol, and officers are forced to work multiple beats at a time. The Police Department is experiencing the highest call volume it has ever seen, and each call generally ties up two officers. Chief Patterson compared data from 2011 to present, stating there has been a 10.2 percent increase in calls for service in the first six months of 2016; a 12.9 percent increase in officer-related shootings; a 272 percent increase in calls relating to transients; and a 2-minute increase in response time for high priority calls and a 15-minute increase for non-priority calls, which is of great concern to the Department. With what the Department is currently facing, the proposed sales tax measure would provide additional officers to deal with the increased demand for service.

Fire Chief Larry Rooney reported that, without additional funding, the Fire Department does not have adequate fire coverage for the downtown area because it is without a fire engine. Currently, a fire truck is utilized to respond to calls, and the fire captains are forced to make decisions on whether to use the engine or ladder truck, which puts a significant amount of stress on the engine. Downtown is one of Lodi's jewels, but it has aging buildings with basements, many of which lack adequate fire protection, unlike the newer portions of town that are built with full fire-protection systems. Firefighters are required to log a certain amount of training hours, particularly specialized training for hazmat and technical rescue, but the training budget has been cut by \$20,000 a year, which only allows for basic-level training. Chief Rooney stated the Department is doing what it can to ensure officers are trained, mostly through overtime hours, but it is important to meet the mandated training requirements. The spending plan presented by the Fire Department would not increase the impact on the California Public Employees Retirement System (Cal-PERS) obligation, but it will put the fire engine back in service and provide additional training to Fire personnel.

Parks, Recreation, and Cultural Services Director Jeff Hood reported that capital improvement projects for the Department are only possible because of grant money, donations, Hutchins Street Square Foundation funding, public benefits funds, and Community Development Block Grant funding. Unfortunately, many of the grant submissions are unsuccessful, such as attempts to fund erosion repairs at Lodi Lake and repairs to the south side parking lot at Lodi Lake. Many of the playgrounds are more than 30 years old and are in need of repair, and some of the playground equipment has been moved out of parks entirely due to safety concerns. Staffing levels have decreased by 30 percent, while new park land has been added that requires maintenance, improvements, and repair. If the proposed spending plan does not move forward, the Department will only be able to proceed with the tasks listed in the first column of the plan over the next 15 years.

Mayor Chandler expressed concern that the public may misunderstand the measure and believe it will address the Cal-PERS issue. Mr. Schwabauer stated the City is faced with a significant pension issue and confirmed that, if dollars were not obligated to fulfill the Cal-PERS obligation, they could be assigned to Parks and Public Safety programs. The City Council is not capable of solving the pension crisis that faces California cities because it is State law that defines participation and how much cities will pay and what benefits they will receive. It is possible to leave Cal-PERS on a forward basis, but not backwards because those benefits were already earned and are protected. In order to leave on a forward basis, the City would be required to pay back the unfunded liability, but not at the normal rate. The potential bill for leaving Cal-PERS could be \$100 million, which would require a pension bond with interest; however, in reality, the bill would likely be \$300 million because there is no discount rate and the interest is added. If Cal-PERS were to lose the money, the City would still be required to pay back that money. Mr. Schwabauer used Stockton as an example of a city that attempted to leave Cal-PERS under that scenario and the resulting devastation after Cal-PERS lost its money. He stated that, bottom line, it is possible to leave Cal-PERS legally, but it would be difficult, complicated, and a significant financial commitment and risk to the City, all of which is outside of Lodi's abilities. He explained that the proposed sales tax measure is structured so that dollars are only spent on

additional officers, not for the Cal-PERS crisis, and there is a contingency built into the ordinance should the general fund not be able to support an economic crisis.

In response to Council Member Mounce, Mr. Schwabauer explained this is a special tax, which means the dollars can only be used on the outlined program, and it requires four votes of the City Council to place it on the ballot and a supermajority vote (2/3 vote) of the electorate to pass.

Mayor Pro Tempore Kuehne explained that the Council's vote tonight does not approve a tax increase; it is a vote to place the measure on the ballot and give the citizens an opportunity to decide to increase the sales tax or not, in return for improved parks and additional officers. Mr. Schwabauer explained that State law sets forth a specific procedure that must be followed for sales tax initiatives, stating it must have a 4/5 vote of the Council to place it on the ballot. He stated that Council is obligated to pass the sales tax initiative prior to placing the measure on the ballot; otherwise, the State Board of Equalization could rule that the tax, if passed by the voters, is not legal. In that case, the City would lose the new tax and could potentially lose its existing tax.

In response to Council Member Nakanishi, Mr. Schwabauer, using the citizen-driven sales tax initiative from 2008, explained that if the measure had passed on the ballot without Council's approval, the State Board of Equalization would have opined that Lodi had an illegal sales tax and would, therefore, not allow the tax from the initiative and likely retain the one cent tax Lodi currently receives and pass it onto the County instead.

Mayor Pro Tempore Kuehne stated that Lodi is on the low side of the tax bracket in San Joaquin County. He stated he does not take this decision lightly and pointed out that Lodi needs additional Police and Fire personnel, Lodi Lake is deteriorating, and if the City does not take action, there is little that can be done to correct it.

Jim Shoemaker expressed opposition to the sales tax measure and suggested that instead an item be placed on the ballot to lower taxes, starting with the Electric Utility rates. With regard to crime statistics and fewer officers, Mr. Shoemaker suggested issuing conceal carry permits, deputizing volunteers in the Police Department, and utilizing a volunteer Fire Department as a supplement. On the Parks side, he suggested that local business entities aid in the erosion repair at Lodi Lake, stating that trucks could dump rocks into the Lake to halt the erosion. Mr. Shoemaker stated he believes there are viable alternatives for consideration before placing a sales tax measure on the ballot. He further questioned what will happen in 15 years when the sales tax sunsets.

Rob Shepard, representing the Booster of Boys/Girls Sports Organization, expressed support for the ballot measure, stating the City has a number of ballparks, diamonds, and fields that are slowly deteriorating and this money would improve lighting and sprinkler systems at parks and add efficiencies. Lodi hosts a number of tournaments that bring other teams to the community's facilities. He stated staff does a valiant job maintaining the facilities, but there are a number of issues that need to be addressed and this measure will benefit the City.

Alex Aliferis expressed opposition to the proposed sales tax measure and provided statistics on California taxes, stating it is the highest in the nation, along with the gas tax, cap and trade tax, development impact fees, permit costs, and the Proposition 13 tax. He stated that young people cannot afford to buy a house with those taxes and fees. Further, he stated that the average California firefighter is paid 60 percent more while police officers are paid 68 percent more; electric costs are significantly higher, especially commercial rates; and businesses are leaving California because of the high rates and spiraling pension costs. He, too, questioned what will happen when the tax sunsets in 15 years and whether the officers hired with the funding will be laid off or if the sales tax would be extended. With regard to Parks, he questioned where the deferred maintenance is in its budget and stated that, despite previous cuts, salaries and pensions have increased. He stated that he believed the public wants lower taxes and pension reform.

Greg Goehring expressed opposition to the proposed sales tax measure, stating that Lodi should appreciate and hold onto its low sales tax relative to other counties. He stated that the pension

system is the problem because those dollars that could be used on officers and parks are designated to Cal-PERS. He believed Lodi did not have a revenue problem; rather, it has a pension problem. Mr. Goehring stated that it is unlikely both measures will receive the 2/3 majority vote to pass and pointed out that Council Members were elected to solve problems in Lodi in a fiscally-conservative manner, not to raise taxes on citizens. If the measure is defeated, the City will continue to be faced with the same problems: spiraling pension costs, inadequate funding for Parks, and staffing and training issues in Police and Fire. He agreed with Mr. Shoemaker that the City needs to discover alternative solutions before raising taxes.

RECESS

At 8:37 p.m., Mayor Chandler called for a recess; the meeting reconvened at 8:44 p.m.

Ed Miller expressed support for placing the sales tax measures on the ballot, stating that citizens should have the opportunity to decide the future of parks and public safety. He stated he was uncertain how Parks will get out of the red without the measure and that he is a supporter of Police and Fire as long as it does not deepen the unfunded Cal-PERS liability.

Pat Patrick, President and CEO of the Lodi District Chamber of Commerce, stated that the Chamber membership has yet to take a formal position on the proposed ballot measure, but he reported that many of the members are less than supportive of the proposal, especially on the heels of a minimum wage increase. He stated it is difficult being in business in California and this increase, although not significant, will bend the backs of business owners that are already bent from the high cost of doing business. Mr. Patrick stated that the Chamber does not support faster growth than the current 2 percent rate, but the cost of City business is growing faster than the City's growth rate. He was supportive of growing the tax base and bringing in more jobs and expressed concern that some Council Members voted against Reynolds Ranch and developing out the corners of town. He believed Council's established number one goal of economic development and job creation should be the priority.

Steve Dutra, City of Lodi Park Superintendent, stated that in 1980 Lodi had 24 field staff and now there are 11 and there were 80 to 100 acres less to maintain and fewer facilities to operate at that time. He stated it is difficult to maintain the current parks systems, protect the assets, and provide the expected services. Mr. Dutra stated he was uncertain whether the sales tax measure was the ideal answer, but he was certain the funds will help toward improving the parks system and providing the services the public expects.

Mr. Schwabauer, in response to some of the public comments, stated that he could not recommend utilizing sworn volunteers in the Police Department because of the liability issue, the public's expectations of response to a threat that has increased the challenge of the job, and the significant amount of training that officers are required to receive. The City would put itself at risk associated with the financial cost of a potential lawsuit. Mr. Schwabauer stated there are specific programs that allow citizens to assist the Police Department, which the City welcomes because it reduces the amount of work on officers, but sworn civilians is not recommended. With regard to dumping gravel and rock in the Lake to halt erosion, Mr. Schwabauer stated there was a time when that was possible, but today's State regulations do not allow that, and it would cost the City millions of dollars in fines. He stated the only solutions are ones that can be accomplished legally and financially that are possible within the imposed requirements. Mr. Schwabauer pointed out there was a proposition on the ballot regarding green power, which the majority of citizens voted in favor of, and now utilities must buy green power, which drives up the cost of power. Mr. Schwabauer provided a detailed description on the breakdown of property and sales tax, stating that Lodi receives roughly \$9 million a year in property taxes and \$11 million in sales tax, for a total of \$20 million a year; however, the Police and Fire Department budgets total \$27 million a year. Other sources of revenue are necessary to make up the difference, but the Electric Utility in-lieu tax of \$7 million is still inadequate to pay Police and Fire services completely. In summary, Mr. Schwabauer explained that the actual amount of taxes each household pays for services is not enough to maintain the level of service that citizens expect.

Council Member Nakanishi stated he would not support the proposed sales tax measure and believed it was not prudent to increase taxes especially if another recession hits, which could

force cities to downsize and turn to a tax increase at that time for relief. To date, Lodi has avoided tax increases because of good fiscal spending. Council Member Nakanishi suggested an alternative is to utilize the economic reserve fund to pay for Lodi's needs, along with other options.

Council Member Mounce stated she is not an advocate of sales tax or rate increases, adding that she has not voted in favor of the small increases on solid waste, water, and wastewater. She stated it is a difficult decision on whether or not to put this measure on the ballot; however, she is frustrated with the unfunded State mandates and the lack of choices cities have on certain matters, and this measure would give citizens a choice if they want to pay more for improved police and fire protection and safer parks. Council Member Mounce recalled that she strongly urged Council to place the redevelopment issue on the ballot to give citizens a voice in the matter; instead, the community qualified it for the ballot where it ultimately failed. She stated she was thankful the measure failed because, after the Governor ended redevelopment, the City could have gone bankrupt. She further explained that she voted no on the Reynolds Ranch Project based on housing concerns, not economic, and she voted against Wal-Mart because the square footage, most of which is for grocery products, would not generate enough sales tax to support even one Police Officer. She stated she stands by her votes and pointed out that Council needs her support on this matter if it wants the measure on the ballot. She stated she would support the proposal so that the public can choose the future of the community.

Mayor Chandler agreed, stating he normally would not support an increase in taxes and would rather grow the economy, but this decision should go to the vote of the people.

Council Member Johnson stressed that cities are faced with the same problem: the State legislature is forcing unfunded mandates on cities. This measure is an opportunity for citizens to vote one way or another. In response to Council Member Mounce's comments, Council Member Johnson stated he was a proponent of redevelopment, but once it was voted down by the public, he did not lament over it for years. With regard to the vote on Reynolds Ranch, he stated the issue started out as job creation and a way to grow the economy, not housing. The City recently lost General Mills, but new owners are working to retenant the site and Cepheid is expanding in town. He stressed that Lodi needs to be prepared when new businesses come into town in order to generate new jobs. He stated the sales tax measure is not the ideal solution, but he believed Council should vote to place the measure on the ballot and let the people decide whether to vote for it or not.

Mayor Pro Tempore Kuehne concurred he does not look favorably on increasing taxes, but Lodi is in an unfortunate position. Lodi is becoming a tourist destination, which will help to grow the sales tax revenue and this opportunity should not be missed. Mayor Pro Tempore Kuehne thanked Mayor Chandler for helping put Lodi on the map as a wine region and stressed the recent boom in bicycle tourism and the Amgen tour have all helped to increase the revenue stream without having to grow the community. The deterioration of parks and the lack of staffing and training in Police and Fire is a current reality, which is why the proposal includes a sunset because good management and improved tourism may help increase the revenue stream into the future.

In response to Mayor Chandler, Mr. Schwabauer confirmed that the proposal includes a citizens oversight committee. Staff and Council will be obligated to report to the committee, which will be appointed by Council, the amount of income raised by the measure and the amount of expenditures made. The committee will then issue a report that either indicates the funds were spent consistent with the plan or not. This is an opportunity to hold the City's feet to the fire.

Mayor Pro Tempore Kuehne made a motion, second by Council Member Johnson, to introduce Ordinance No. 1925 enacting a special transactions and use tax for Parks and Ordinance No. 1926 enacting a special transactions and use tax for Public Safety (Police and Fire), to be collected and administered by the State Board of Equalization, subject to adoption by the electorate; adopt Resolution No. 2016-126 and 2016-127 calling for an election to ask the voters of the City of Lodi to (i) approve a special transactions and use tax for Parks in the amount of one-eighth cent per dollar (0.125 percent) for a period of 15 years, with the use of the tax revenue

to be used exclusively for Parks repairs, maintenance, improvements, and upgrades, and to be reviewed by an independent citizens oversight committee, and (ii) approve a special transactions and use tax for Public Safety in the amount of one-quarter cent per dollar (0.25 percent) for 15 years, with the use of the tax revenue to be used exclusively for increased staffing and training of Police and Fire personnel, and to be reviewed and reported on by an independent citizens oversight committee and further requesting that the Board of Supervisors for the County of San Joaquin consolidate the election with the established election to be held on November 8, 2016, and direct the Registrar of Voters to conduct the election of the City's behalf.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: Council Member Nakanishi

Absent: None

I-2 Adopt Resolutions Setting Priorities for Filing Written Arguments Regarding the Special Transactions and Use Tax Measures for Parks and for Public Safety (Police and Fire), Directing the City Attorney to Prepare an Impartial Analysis for Each Measure, and Providing for the Filing of Rebuttal Arguments for Each Measure Scheduled for the November 8, 2016 General Municipal Election (CLK)

City Clerk Ferraiolo reported that, with the two special transactions and use tax measures (one for Parks and one for Public Safety) scheduled for the November 2016 election, it was necessary to set priorities for filing written arguments for or against each of the measures, as well as to set the deadlines. The resolutions presented to Council authorizes all members of the City Council to file a written argument in favor of or against each of the measures, directs the City Attorney to prepare an impartial analysis for each measure, and provides for the filing of rebuttal arguments for each measure. The established deadlines are July 20 for filing arguments, which shall not exceed 300 words, and July 29 for filing rebuttal arguments, which shall not exceed 250 words.

In response to Council Member Mounce, Ms. Ferraiolo confirmed the resolution does not require or obligate a Council Member to file a written argument for or against the measures; it only provides authorization should the Council, or an individual member(s), wish to file an argument.

Mayor Pro Tempore Kuehne made a motion, second by Council Member Johnson, to adopt Resolution No. 2016-128 setting priorities for filing written arguments regarding the special transactions and use tax measures for Parks and for Public Safety (Police and Fire) and directing the City Attorney to prepare an impartial analysis for each measure; and Resolution No. 2016-129 providing for the filing of rebuttal arguments for each measure scheduled for the November 8, 2016 General Municipal Election.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

J. Ordinances

J-1 Ordinance No. 1922 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 17 - Development Code - By Repealing and Re-Enacting Chapter 17.34, 'Signs,' in Its Entirety" (CLK)

Mayor Pro Tempore Kuehne made a motion, second by Council Member Mounce, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1922 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal

Code Title 17 - Development Code - By Repealing and Re-Enacting Chapter 17.34, 'Signs,' in Its Entirety," which was introduced at a regular meeting of the Lodi City Council held June 15, 2016,

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

J-2 Ordinance No. 1923 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 9 - Public Peace, Morals, and Welfare - By Repealing Chapter 9.19, 'Political Sign Regulations,' in Its Entirety" (CLK)

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1923 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 9 - Public Peace, Morals, and Welfare - By Repealing Chapter 9.19, 'Political Sign Regulations,' in Its Entirety," which was introduced at a regular meeting of the Lodi City Council held June 15, 2016.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

J-3 Ordinance No. 1924 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 10.44 - Stopping, Standing, and Parking - By Repealing and Re-Enacting Section 10.44.040, 'Parking for Certain Purposes Prohibited - Display of 'For Sale' Signs on Vehicles, Vessels, or Trailers - Restrictions,' in Its Entirety" (CLK)

Mayor Pro Tempore Kuehne made a motion, second by Council Member Johnson, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1924 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 10.44 - Stopping, Standing, and Parking - By Repealing and Re-Enacting Section 10.44.040, 'Parking for Certain Purposes Prohibited - Display of 'For Sale' Signs on Vehicles, Vessels, or Trailers - Restrictions,' in Its Entirety," which was introduced at a regular meeting of the Lodi City Council held June 15, 2016.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 9:21 p.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 19, 2016**

The July 19, 2016, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Jennifer M. Ferraiolo
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, JULY 20, 2016**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of July 20, 2016, was called to order by Mayor Chandler at 6:32 p.m.

Present: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Absent: Council Member Nakanishi

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

C-2 Announcement of Closed Session

- a) Threatened Litigation: Government Code §54956.9(b). Potential Suit by City of Lodi Against San Joaquin County (Real Parties in Interest, North San Joaquin Water Conservation District (NSJWCD) and East Bay Municipal Utility District) Regarding Mitigated Negative Declaration for Demonstration Recharge Extraction and Aquifer Management (DREAM) Project and NSJWCD South System Improvements (CA)

C-3 Adjourn to Closed Session

At 6:32 p.m., Mayor Chandler adjourned the meeting to a Closed Session to discuss the above matter. The Closed Session adjourned at 6:51 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Mayor Chandler reconvened the City Council meeting, and City Attorney Magdich disclosed the following action.

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

A. Call to Order / Roll Call

The Regular City Council meeting of July 20, 2016, was called to order by Mayor Chandler at 7:00 p.m.

Present: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Absent: Council Member Nakanishi

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

B. Presentations - None

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

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, to approve the following items hereinafter set forth, **except those otherwise noted**, in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and

Mayor Chandler
Noes: None
Absent: Council Member Nakanishi

C-1 Receive Register of Claims in the Amount of \$9,966,112.45 (FIN)

Claims were approved in the amount of \$9,966,112.45.

C-2 Approve Minutes (CLK)

The minutes of June 15, 2016 (Regular Meeting), June 28, 2016 (Shirtsleeve Session), July 5, 2016 (Shirtsleeve Session), and July 12, 2016 (Shirtsleeve Session) were approved as written.

C-3 Adopt Resolution Authorizing Purchase of One Meter Test Board from WECO, of Pearl, Mississippi (\$42,434) (EU)

Adopted Resolution No. 2016-130 authorizing purchase of one meter test board from WECO, of Pearl, Mississippi, in the amount of \$42,434.

C-4 Adopt Resolution Authorizing City Manager to Negotiate and Approve Sole-Source Purchase of One Altec Bucket Truck from Global Rental Company, Inc., of Dixon (\$182,520) (EU)

Adopted Resolution No. 2016-131 authorizing the City Manager to negotiate and approve sole-source purchase of one Altec bucket truck from Global Rental Company, Inc., of Dixon, in the amount of \$182,520.

C-5 Adopt Resolution Awarding Contract for 2016-2018 Tree Maintenance to West Coast Arborists, Inc., of Anaheim (\$472,100) (PW)

Adopted Resolution No. 2016-132 awarding the contract for 2016-2018 Tree Maintenance to West Coast Arborists, Inc., of Anaheim, in the amount of \$472,100.

C-6 Adopt Resolution Awarding Contract for 2016 Cherokee Lane Accessibility Improvement Project to Richard Townsend Construction, Inc., of Oakdale (\$160,760) (PW)

Adopted Resolution No. 2016-133 awarding the contract for the 2016 Cherokee Lane Accessibility Improvement Project to Richard Townsend Construction, Inc., of Oakdale, in the amount of \$160,760.

C-7 Adopt Resolution Approving Contract with Lodi Unified School District to Provide After-School Staff Support for the Bridge Program at 13 Locations During Fiscal Years 2016/17 and 2017/18 (\$1,204,298.03) (PRCS)

Adopted Resolution No. 2016-134 approving the contract with Lodi Unified School District to provide after-school staff support for the Bridge Program at 13 locations during Fiscal Years 2016/17 and 2017/18 in the amount of \$1,204,298.03.

C-8 Adopt Resolution Authorizing City Manager to Extend Contract for Directional Drilling, Excavation, and Conduit Installation with Westech Industries, Inc., of Galt (\$500,000) (EU)

Adopted Resolution No. 2016-135 authorizing the City Manager to extend the contract for directional drilling, excavation, and conduit installation with Westech Industries, Inc., of Galt, in the amount of \$500,000.

C-9 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with U.S. Security Associates, Inc., of Oakland, for Security Services at the Lodi Transit Station and Lodi Transit Station Parking Structure (\$800,000) (PW)

This item was removed from the Consent Calendar at the request of Mayor Pro Tempore Kuehne for discussion purposes.

In response to Mayor Pro Tempore Kuehne, City Manager Schwabauer explained this project will increase the security presence at the parking structure, and Public Works Director Charlie Swimley stated the funding is a combination of Federal and State transit dollars from annual grants to operate the system.

Mayor Chandler stated that he hopes this will mitigate the safety concerns at the parking structure and aid in finding a solution to the general parking concerns downtown. He questioned if the Oakland firm hires locally, to which Mr. Swimley replied in the affirmative.

Mr. Schwabauer pointed out that this contract includes 24-hour uniformed security services, seven days a week, at the parking structure. Officers will continually monitor the structure in a security vehicle, and he hoped this will help visitors feel more comfortable when utilizing the garage. Mr. Swimley added that the security presence will also extend to the Transit Depot, both inside and outside.

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, to adopt Resolution No. 2016-142 authorizing the City Manager to execute Professional Services Agreement with U.S. Security Associates, Inc., of Oakland, for security services at the Lodi Transit Station and Lodi Transit Station Parking Structure in the amount of \$800,000.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: Council Member Nakanishi

C-10 Adopt Resolution Authorizing City Manager to Execute Task Order No. 28 with Langan Treadwell Rollo, of San Francisco, for Engineering Services for Preparing a Preliminary Water Balance Evaluation (\$31,100) (PW)

Adopted Resolution No. 2016-136 authorizing the City Manager to execute Task Order No. 28 with Langan Treadwell Rollo, of San Francisco, for engineering services for preparing a Preliminary Water Balance Evaluation in the amount of \$31,100.

C-11 Adopt Resolution Authorizing City Manager to Execute Task Order No. 38 with West Yost Associates, Inc., of Walnut Creek, for Wastewater Permit Consulting Services (\$284,300) (PW)

Adopted Resolution No. 2016-137 authorizing the City Manager to execute Task Order No. 38 with West Yost Associates, Inc., of Walnut Creek, for wastewater permit consulting services in the amount of \$284,300.

C-12 Adopt Resolution Authorizing City Manager to Execute Improvement Agreement for The Vine at Vintner's Square Subdivision, Unit No. 1, Tract No. 3865 (PW)

Adopted Resolution No. 2016-138 authorizing the City Manager to execute an Improvement Agreement for The Vine at Vintner's Square Subdivision, Unit No. 1, Tract No. 3865.

C-13 Adopt Resolution Accepting The Village Oaks Subdivision Public Improvements (Tract No. 3868) and Appropriating Funds (\$18,634) (PW)

Adopted Resolution No. 2016-139 accepting The Village Oaks Subdivision public improvements (Tract No. 3868) and appropriating funds in the amount of \$18,634.

C-14 Adopt Resolution Rescinding Resolution No. 2014-180 and Approving Version 3.0 of City of Lodi Risk Management and Compliance Program for Electric Utility (EU)

Adopted Resolution No. 2016-140 rescinding Resolution No. 2014-180 and approving Version 3.0 of the City of Lodi Risk Management and Compliance Program for Electric Utility.

C-15 Adopt Resolution Approving Arts Grants for Fiscal Year 2016/17 (PRCS)

This item was removed from the Consent Calendar at the request of Council Member Johnson for discussion purposes.

Council Member Johnson commented on the letter received from one of the Arts Commissioners regarding the grant applicant, Changing Faces Theater Company, and questioned if the applicant met the grant requirements. He believed all entities should meet the criteria if they are receiving grants, but he also wanted to ensure this group was not being singled out without merit.

City Attorney Magdich responded that all of the grant applicants met the requirements of the application and criteria set forth by the Lodi Arts Commission.

Council Member Johnson made a motion, second by Council Member Mounce, to adopt Resolution No. 2016-143 approving Arts Grants for Fiscal Year 2016/17.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: Council Member Nakanishi

Both Council Member Mounce and Mayor Chandler spoke highly of the Changing Faces Theater Company productions and encouraged citizens to attend its performances.

C-16 Adopt Resolution Delegating Purchasing Authority to the Fire Chief to Purchase All Associated Equipment Needed to Outfit Two New Hi-Tech Fire Engines with a Total Cumulative Amount Not to Exceed \$200,000 (FD)

Adopted Resolution No. 2016-141 delegating purchasing authority to the Fire Chief to purchase all associated equipment needed to outfit two new Hi-Tech fire engines with a total cumulative amount not to exceed \$200,000.

D. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

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

None.

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

Mayor Chandler congratulated the Parks, Recreation, and Cultural Services Department on its 75th Anniversary celebration last Saturday at Lodi Lake. The event included cake, live music, and birthday acknowledgements for Lodi residents also celebrating a 75th birthday. He expressed how meaningful parks are to a community and that he looked forward to many more wonderful years of service from the Department.

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

None.

G. Public Hearings

G-1 Public Hearing to Consider Resolution Adopting Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2016/17; and Ordering the Levy and Collection of Assessments (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Chandler called for the public hearing to consider resolution adopting Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2016/17; and ordering the levy and collection of assessments.

Public Works Director Charlie Swimley provided a PowerPoint presentation regarding the Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2016/17, and ordering the levy and collection of assessments. Specific topics of discussion included the 2016/17 budget and comparison of assessments.

In response to Mayor Pro Tempore Kuehne, Mr. Swimley explained that a portion of the \$20,000 surplus is being utilized to offset the rate, which accounts for staff's recommendation to maintain rates at the current level. Because of prevailing wages and other increasing costs, the surplus may only last a short while. Staff will maintain the same rates for another year and revisit it later. Mr. Schwabauer further explained that the surplus built up over time when assessments were greater than that spent and the surplus is now being utilized to draw down the costs this year.

Mayor Chandler opened the public hearing for public comment.

There being no public comments, Mayor Chandler closed the public hearing.

Council Member Mounce made a motion, second by Council Member Johnson, to adopt Resolution No. 2016-144 adopting the Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2016/17; and ordering the levy and collection of assessments.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: Council Member Nakanishi

G-2 Public Hearing to Consider Adopting Resolution Approving the Planning Commission's Recommendation to Authorize Six Low-Density Residential Growth Management Allocations for the 950 South Garfield Subdivision (CD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Chandler called for the public hearing to consider adopting resolution approving the Planning Commission's recommendation to authorize six Low-Density Residential Growth Management Allocations for the 950 South Garfield Subdivision.

City Planner Craig Hoffman provided a PowerPoint presentation regarding the Low-Density Growth Management Allocations for the 950 South Garfield Subdivision. Specific topics of discussion included vicinity map, subdivision map, growth management allocations for 2015 and 2016, and recommendation.

Council Member Mounce stated she was pleased to see a low-density housing project built as an in-fill project on the east side of town and questioned if the units will be owner-occupied or rentals. Dean Ruiz, attorney for applicant Joe Murphy, responded that the subdivision will be owner-occupied housing.

In response to Mayor Pro Tempore Kuehne, Mr. Hoffman stated the current apartment complex on the same lot has a driveway and this project will have its own, separate driveway; however, both driveways will share in the maintenance costs. The new streetscape will significantly improve the aesthetics and close the gap that has existed for some time along Garfield Street.

Mayor Chandler opened the public hearing for public comment.

There being no public comments, Mayor Chandler closed the public hearing.

Council Member Mounce made a motion, second by Council Member Johnson, to adopt Resolution No. 2016-145 approving the Planning Commission's recommendation to authorize six Low-Density Residential Growth Management Allocations for the 950 South Garfield Subdivision.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: Council Member Nakanishi

G-3 Public Hearing to Introduce an Ordinance Amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by Repealing and Re-Enacting Sections 13.20.190, "Schedule EA (Residential Service)," and 13.20.210, "Schedule EM (Mobile Home Park Service)," in Their Entirety (EU)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Chandler called for the public hearing to consider introducing an ordinance amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by repealing and re-enacting Sections 13.20.190, "Schedule EA (Residential Service)," and 13.20.210, "Schedule EM (Mobile Home Park Service)," in their entirety.

Rates & Resources Manager Melissa Price provided a PowerPoint presentation regarding residential electric rates. Specific topics of discussion included the challenge of the Electric Utility business model changing, the solution, aligning costs and charges, residential customers, current and proposed rates, current and proposed tiers, Rate Option A, Rate Option B, Rate Option C, comparison to other utilities, current and proposed bill (300 kWh), monthly bill comparison - 300 kWh (summer), current and proposed bill (750 kWh), monthly bill comparison - 750 kWh (summer), current and proposed bill 1,000 kWh, monthly bill comparison - 1,000 kWh (summer), mobile home park rate changes, and summary/conclusions.

In response to Mayor Pro Tempore Kuehne, Ms. Price stated that the \$10 flat fee will be charged to every customer regardless of usage and will be added on top of the usage. Mayor Pro Tempore Kuehne suggested that the \$10 fee be credited to all customers who exceed \$10 versus customers with vacant homes who are not utilizing electricity. Ms. Price explained that this scenario would be similar to a minimum bill situation, which states that if a customer does not use \$10 worth of energy, a minimum bill of \$10 will be charged. Currently, the City has a \$5.25 minimum bill requirement. She explained that the problem with a minimum bill is it does not collect fixed charges and only impacts a small number of customers. City Manager Schwabauer further explained that customers on the lower tiers do not pay their fair share of the operating and maintenance costs of the system and that is the reasoning behind the recommendation of a fixed charge. Mr. Schwabauer stated that every customer will be charged the \$10 flat fee. In further response, Ms. Price estimated there are roughly 500 solar power customers at this time. Mr. Schwabauer stated the fixed charge will reduce the tiers instead of coming off the bill, making the program revenue neutral.

Mr. Schwabauer stated that staff attempted to meet with all mobile home park owners, however, some did not return the City's call. Ms. Price added that every mobile home park owner was provided with the information.

In response to Mayor Pro Tempore Kuehne, Ms. Price stated that roughly 5 percent of customers are in Tier 5.

Mayor Chandler opened the public hearing for public comment.

Ryan Wentz questioned what the percentage is of Tier 1 users, to which Ms. Price responded that it varies, depending on summer versus winter months, but in general it is roughly 30 to 40 percent.

There being no further public comments, Mayor Chandler closed the public hearing.

Council Member Mounce commented that this is a difficult decision to make because a change is necessary, stating Option C is the preferable choice, but any change will result in a fee increase to low-income customers. Increasing their bills by \$7 a month is disconcerting, and she was uncomfortable supporting the recommendation. Ms. Price pointed out that the \$7 a month increase is to non-discounted customers, stating the impact on those receiving the low-income discount will be \$5 a month. Council Member Mounce stated that she believed Finance staff were not making an effort to reach out to customers about the available discount programs, to which Deputy City Manager Jordan Ayers stated that, as a result of the customer service survey, the Customer Service Representatives have incorporated explanations of the discount programs as standard practice when they see customers struggling with their bills.

In response to Mayor Pro Tempore Kuehne, Mr. Ayers stated the primary discount program is for low-income customers, which is a 30 percent discount, and the other program is the medical discount, which is a 5 percent discount.

Council Member Johnson agreed this is a difficult decision, but the problem is spiraling out of control and requires action because this will only continue to worsen as more customers move to solar energy. Citizens complained several months ago that they wanted Lodi's rate structure to be more like PG&E's with a compressed tier structure, which results in a greater cost at the lower tier levels. The City must determine a way to equitably spread the cost of maintenance and infrastructure of the utility system across the entire customer base. Many other utilities are dealing with the same issue, and he stated that fixed charges are now common among most of the utilities.

Mr. Schwabauer stated that staff shares Council's concern that low-income customers in the lower tiers will see an impact, but pointed out that, as it is currently structured, the low-income customers are subsidizing the high-use customers, which will continue to worsen as more customers move to solar energy. He stated that low-use does not always equate to low-income, adding that many homes on the east side are high-use customers because older homes lack energy efficiencies that many of the newer homes include. In addition, wealthier customers typically sign up for solar because they can afford the expensive system, while the low-income customers subsidize those customers.

Mr. Ayers provided the income qualifications of the various discount programs.

Mayor Pro Tempore Kuehne stated that, based on the information regarding the discount programs, he was more comfortable supporting the recommendation because those on the low-income discount programs will see less of an increase. The fact that those customers will see an increase is still disconcerting, but he recognized that this dilemma must be addressed especially since the number of solar customers is steadily increasing.

Council Member Johnson made a motion, second by Mayor Chandler, to introduce Ordinance No. 1927 amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by repealing and re-

enacting Sections 13.20.190, "Schedule EA (Residential Service)," and 13.20.210, "Schedule EM (Mobile Home Park Service)," in their entirety.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: Council Member Mounce

Absent: Council Member Nakanishi

H. Communications

H-1 Post for Vacancy on the Site Plan and Architectural Review Committee (CLK)

Council Member Mounce made a motion, second by Mayor Chandler, to direct the City Clerk to post for the following vacancy:

Site Plan and Architectural Review Committee

Crystal Kirst, term to expire January 1, 2019

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: Council Member Nakanishi

I. Regular Calendar

I-1 Receive Report by PG&E for Northern San Joaquin Power Connect Project (EU)

Dylan George with Pacific Gas & Electric (PG&E) provided a PowerPoint presentation regarding the Northern San Joaquin Power Connect Project. Specific topics of discussion included project overview, growing energy demand, benefits, project area map, phases of outreach, Phase 1 outreach, identifying potential corridors, routing criteria, Phase 2 outreach update, and next steps.

In response to Mayor Chandler, Mr. George stated that, if possible, existing transmission lines within the route corridor will be utilized for the new 230 kV lines; however, the new lines require greater clearance and, in some cases, are built-up, which would make it impractical to add an additional line. The goal is to be as minimally disturbing of the land as possible and to lessen the impact of the project on property owners where land will need to be acquired. In further response, Mr. George stated that both 60 kV and 230 kV lines have a minimum clearance that must be met and it will vary based on activities and use of land. In general, however, the clearance for a 230 kV line is twice that of a 60 kV transmission line.

In response to Council Member Johnson, Mr. George clarified that the clearance is laterally, stating the 230 kV line will be higher off the ground; on the ground, the clearance each way is 200 to 250 feet.

Council Member Mounce stated she was opposed to placing the 230 kV transmission line along Harney Lane, to which Mr. George responded that all potential routes are still being analyzed to identify constraints because some areas will have greater issues than others, such as smaller lots or dense buildings. He stated that wide open land will be simpler.

In response to Council Member Johnson, Electric Utility Director Elizabeth Kirkley stated the PG&E project will benefit Lodi in the following areas: 1) Lodi has reached the end of its grid intertie, and this project will provide capacity well into the future; 2) Lodi will realize a cost savings as currently there is a charge for high-voltage and low-voltage transmission, and this project will eliminate the low-voltage charge by \$3 million a year, which could instead be applied toward maintaining the distribution system; and 3) Lodi will realize increased reliability by adding another

substation to the two current substations, which will serve as an extra contingency during a City-wide outage.

In response to Mayor Chandler, Mr. George stated that PG&E will negotiate with property owners regarding acquisition of property and, in cases of agricultural land, those owners will receive fair market value for the land as well as compensation toward loss of production associated with the land. PG&E will compensate owners fairly for any land applied toward this project. With regard to the cost of the project, the California Independent System Operator identified this project as benefitting the entire system; therefore, the cost will be borne by customers throughout the entire state. Local customers will only see an increase in their rates by pennies because the cost is spread among all California rate payers.

Mr. Schwabauer added that, along with the benefits listed by Ms. Kirkley, the City of Lodi will have costs associated with the project. Lodi will need to upgrade its facility in order to receive power at the new voltage level, and those costs will likely span a 10-year period. The \$3 million a year cost savings will absorb those expenses, after which the City will realize the full savings associated with the project.

Council Member Mounce thanked PG&E for being a League of California Cities partner.

Mr. George thanked the City and Lodi Electric Utility for its partnership with PG&E and for describing the benefits Lodi will receive as a result of the project.

There was no Council action necessary on this item.

I-2 Adopt Resolution Adjusting Salary Range for the Positions of Electric Line Apprentice I/II and Approving Side-Letter Agreement with Local 1245 International Brotherhood of Electrical Workers Regarding Recovery of Training Investment Agreement (CM)

Human Resources Manager Adele Post provided a presentation regarding adjusting the salary range for the positions of Electric Line Apprentice I/II and approving side-letter agreement with Local 1245 International Brotherhood of Electrical Workers (IBEW) regarding Recovery of Training Investment Agreement. Specific topics of discussion included the challenge associated with recruiting journey-level linemen; difficulty retaining employees who participate in the apprenticeship program; need for a recovery program to recoup costs of investment and training from those who voluntarily leave City employment; concurrence from IBEW; proposed agreement to require reimbursement from employee on a prorated basis if separation occurs within 42 months of completing the program; and salary adjustment for the apprentice position consistent with the 2014 contract changes.

In response to Council Member Johnson, Ms. Post stated that similar programs do not exist in other bargaining units, but staff is in favor of considering reimbursement agreements for other groups as long as they are legally allowable. Such programs can only seek cost recovery for the training component alone; not for other costs associated with doing business. It is something staff can look into further.

Council Member Johnson made a motion, second by Mayor Pro Tempore Kuehne, to adopt Resolution No. 2016-146 adjusting the salary range for the positions of Electric Line Apprentice I/II and approving side-letter agreement with Local 1245 International Brotherhood of Electrical Workers regarding Recovery of Training Investment Agreement.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: Council Member Nakanishi

J. Ordinances

J-1 Adopt the Following Ordinances: a) Ordinance No. 1925 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 3 - Revenue and Finance - by Adding Chapter 3.30, 'Special Transaction and Use Tax for Parks Repairs, Maintenance, Improvements, and Upgrades,' Imposing a Special One-Eighth Cent per Dollar (0.125%) Transactions and Use Tax for Park Repairs, Maintenance, Improvements, and Upgrades to be Collected and Administered by the State Board of Equalization Subject to Voter Approval"; and b) Ordinance No. 1926 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 3 - Revenue and Finance - by Adding Chapter 3.40, 'Special Transaction and Use Tax for Public Safety,' Imposing a Special One-Quarter Cent per Dollar (0.25%) Transactions and Use Tax to Increase Staffing for Police and Fire and Enhance Training for Public Safety Personnel, to be Collected and Administered by the State Board of Equalization Subject to Voter Approval" (CLK)

Mayor Chandler made brief comments on the difficulties in keeping up with parks maintenance, particularly in light of the economy over the last decade and the City's slow growth, as well as the increasing demand for public safety. He stated he would support this item.

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1925 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 3 - Revenue and Finance - by Adding Chapter 3.30, 'Special Transaction and Use Tax for Parks Repairs, Maintenance, Improvements, and Upgrades,' Imposing a Special One-Eighth Cent per Dollar (0.125%) Transactions and Use Tax for Park Repairs, Maintenance, Improvements, and Upgrades to be Collected and Administered by the State Board of Equalization Subject to Voter Approval" and Ordinance No. 1926 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Title 3 - Revenue and Finance - by Adding Chapter 3.40, 'Special Transaction and Use Tax for Public Safety,' Imposing a Special One-Quarter Cent per Dollar (0.25%) Transactions and Use Tax to Increase Staffing for Police and Fire and Enhance Training for Public Safety Personnel, to be Collected and Administered by the State Board of Equalization Subject to Voter Approval."

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Council Member Mounce, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: Council Member Nakanishi

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:30 p.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Specifications and Authorize Advertisement for Bids for Compressed Natural Gas Fueling Station Upgrades

MEETING DATE: August 3, 2016

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve specifications and authorize advertisement for bids for Compressed Natural Gas fueling station upgrades.

BACKGROUND INFORMATION: This project consists of replacing failed components and various improvements and upgrades to the Compressed Natural Gas (CNG) fueling station (Exhibit A) that was originally constructed in 2002.

The improvements include upgrading or replacing the compressor control panel for lead lag operation and remote monitoring of the two compressors, installation of a second natural gas dryer, replacing the dispenser on the fuel island, and repairs necessary to bring the slow fill system back in operation.

The City's CNG fueling station, located at the Municipal Service Center, supplies compressed natural gas for the City's fleet of 24 Transit buses and various other City natural gas powered vehicles. This system is subjected to heavy-duty use on a daily basis. The proposed improvements will improve reliability and safety of the CNG fueling station.

The specifications are on file in the Public Works Department. The planned bid opening date is September 5, 2016.

FISCAL IMPACT: There will be a decrease in annual maintenance costs associated with these upgrades.

FUNDING AVAILABLE: Funding will be identified at project award.

Charles E. Swimley, Jr.
Public Works Director

Prepared by Randy Laney, Fleet Services Supervisor
CES/RL/tdb
Attachment

cc: Transportation Manager/Sr TE

APPROVED: _____
Stephen Schwabauer, City Manager



CNG Fueling Station



CNG Compressors



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Pyro Combustion of California, Inc., of Modesto, for White Slough Water Pollution Control Facility Boiler Maintenance (\$93,220), and Authorize Public Works Director to Execute Extensions

MEETING DATE: August 3, 2016

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute Professional Services Agreement with Pyro Combustion of California, Inc., of Modesto, for White Slough Water Pollution Control Facility boiler Maintenance, in the amount of \$93,220, and authorize Public Works Director to execute extensions.

BACKGROUND INFORMATION: White Slough Water Pollution Control Facility (WSWPCF) has three large natural gas boilers (Exhibit A) that are designed to maintain the temperature in the facility's four anaerobic digesters at 99 degrees Fahrenheit. Maintaining this temperature is necessary for microorganisms in the digester sludge to continue organic decomposition during the treatment process. Two boilers are generally in operation at any one time with the third boiler in standby mode.

The boilers require semi-annual fine-tuning and annual maintenance by certified boiler mechanics. In June 2016, WSWPCF staff solicited quotes from reputable boiler maintenance companies. The quotes included costs for semi-annual and annual service, annual refresher training for WSWPCF Operators on boiler operation, and anticipated repairs and replacement parts that may be needed over the 3-year contract term, if all extensions are executed. The City received the following two quotes:

Bidder	Location	Bid
Pyro Combustion of California	Modesto	\$93,220.00
Manley's Boiler, Inc.	Buena Park	\$125,373.83

Staff recommends authorizing the City Manager to execute Professional Services Agreement with Pyro Combustion of California, of Modesto, in the amount of \$93,220.

FISCAL IMPACT: Regularly scheduled boiler maintenance will reduce repair costs and improve treatment process reliability and compliance.

FUNDING AVAILABLE: Wastewater Plant Operating Fund (53053003.72450)

Jordan Ayers
Deputy City Manager/Internal Services Director

Charles E. Swimley, Jr.
Public Works Director

Prepared by Karen D. Honer, Wastewater Plant Superintendent
CES/kdh/trb
Attachments

APPROVED: _____
Stephen Schwabauer, City Manager



Boiler No. 2

AGREEMENT FOR PROFESSIONAL SERVICES

**ARTICLE 1
PARTIES AND PURPOSE**

Section 1.1 Parties

THIS AGREEMENT is entered into on _____, 2016, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and PYRO COMBUSTION OF CALIFORNIA, INC. (hereinafter "CONTRACTOR").

Section 1.2 Purpose

CITY selected the CONTRACTOR to provide the services required in accordance with attached Scope of Services, Exhibit A, attached and incorporated by this reference.

CITY wishes to enter into an agreement with CONTRACTOR for Boiler Maintenance (hereinafter "Project") as set forth in the Scope of Services attached here as Exhibit A. CONTRACTOR acknowledges that it is qualified to provide such services to CITY.

**ARTICLE 2
SCOPE OF SERVICES**

Section 2.1 Scope of Services

CONTRACTOR, for the benefit and at the direction of CITY, shall perform the Scope of Services as set forth in Exhibit A.

Section 2.2 Time For Commencement and Completion of Work

CONTRACTOR shall commence work pursuant to this Agreement, upon receipt of a written notice to proceed from CITY or on the date set forth in Section 2.6, whichever occurs first, and shall perform all services diligently and complete work under this Agreement based on a mutually agreed upon timeline or as otherwise designated in the Scope of Services.

CONTRACTOR shall submit to CITY such reports, diagrams, drawings and other work products as may be designated in the Scope of Services.

CONTRACTOR shall not be responsible for delays caused by the failure of CITY staff to provide required data or review documents within the appropriate time frames. The review time by CITY and any other agencies involved in the project shall not be counted against CONTRACTOR's contract performance period. Also, any delays due to weather, vandalism, acts of God, etc., shall not be counted. CONTRACTOR shall

remain in contact with reviewing agencies and make all efforts to review and return all comments.

Section 2.3 Meetings

CONTRACTOR shall attend meetings as may be set forth in the Scope of Services.

Section 2.4 Staffing

CONTRACTOR acknowledges that CITY has relied on CONTRACTOR's capabilities and on the qualifications of CONTRACTOR's principals and staff as identified in its proposal to CITY. The Scope of Services shall be performed by CONTRACTOR, unless agreed to otherwise by CITY in writing. CITY shall be notified by CONTRACTOR of any change of Project Manager and CITY is granted the right of approval of all original, additional and replacement personnel at CITY's sole discretion and shall be notified by CONTRACTOR of any changes of CONTRACTOR's project staff prior to any change.

CONTRACTOR represents it is prepared to and can perform all services within the Scope of Services (Exhibit A) and is prepared to and can perform all services specified therein. CONTRACTOR represents that it has, or will have at the time this Agreement is executed, all licenses, permits, qualifications, insurance and approvals of whatsoever nature are legally required for CONTRACTOR to practice its profession, and that CONTRACTOR shall, at its own cost and expense, keep in effect during the life of this Agreement all such licenses, permits, qualifications, insurance and approvals, and shall indemnify, defend and hold harmless CITY against any costs associated with such licenses, permits, qualifications, insurance and approvals which may be imposed against CITY under this Agreement.

Section 2.5 Subcontracts

Unless prior written approval of CITY is obtained, CONTRACTOR shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

Section 2.6 Term

The term of this Agreement commences on _____, 2016 and terminates upon the completion of the Scope of Services or on _____, 2019, whichever occurs first.

Section 2.7 Option to Extend Term of Agreement

At its option, City may extend the terms of this Agreement for an additional two (2) one (1)-year extensions; provided, City gives Contractor no less than thirty (30) days written notice of its intent prior to expiration of the existing term. In the event City

exercises any option under this paragraph, all other terms and conditions of this Agreement continue and remain in full force and effect.

The total duration of this Agreement, including the exercise of any option under this paragraph, shall not exceed five (5) years.

ARTICLE 3 **COMPENSATION**

Section 3.1 Compensation

CONTRACTOR's compensation for all work under this Agreement shall conform to the provisions of the Fee Proposal, attached hereto as Exhibit B and incorporated by this reference.

CONTRACTOR shall not undertake any work beyond the scope of this Agreement unless such additional work is approved in advance and in writing by CITY.

Section 3.2 Method of Payment

CONTRACTOR shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing, without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONTRACTOR's compensation for all work under this Agreement shall not exceed the amount of the Fee Proposal.

Section 3.3 Costs

The Fee Proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved in advanced and in writing, by CITY.

Section 3.4 Auditing

CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under this Agreement. Upon request, CONTRACTOR agrees to furnish CITY, or a designated representative, with necessary information and assistance needed to conduct such an audit.

CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of this Agreement. CONTRACTOR agrees to provide CITY or its delegate with any relevant information requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and

inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

ARTICLE 4

MISCELLANEOUS PROVISIONS

Section 4.1 Nondiscrimination

In performing services under this Agreement, CONTRACTOR shall not discriminate in the employment of its employees or in the engagement of any sub CONTRACTOR on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or any other criteria prohibited by law.

Section 4.2 ADA Compliance

In performing services under this Agreement, CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, and all amendments thereto, as well as all applicable regulations and guidelines issued pursuant to the ADA.

Section 4.3 Indemnification and Responsibility for Damage

CONTRACTOR to the fullest extent permitted by law, shall indemnify and hold harmless CITY, its elected and appointed officials, directors, officers, employees and volunteers from and against any claims, damages, losses, and expenses (including reasonable attorney's fees and costs), arising out of performance of the services to be performed under this Agreement, provided that any such claim, damage, loss, or expense is caused by the negligent acts, errors or omissions of CONTRACTOR, any subcontractor employed directly by CONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts they may be liable, except those injuries or damages arising out of the active negligence, sole negligence, or sole willful misconduct of the City of Lodi, its elected and appointed officials, directors, officers, employees and volunteers. CITY may, at its election, conduct the defense or participate in the defense of any claim related in any way to this indemnification. If CITY chooses at its own election to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification, CONTRACTOR shall pay all of the costs related thereto, including without limitation reasonable attorney fees and costs. The defense and indemnification obligations required by this Agreement are undertaken in addition to, and shall not in any way be limited by the insurance obligations set forth herein.

Section 4.4 No Personal Liability

Neither the City Council, nor any other officer or authorized assistant or agent or City employee shall be personally responsible for any liability arising under this Agreement.

Section 4.5 Responsibility of CITY

CITY shall not be held responsible for the care or protection of any material or parts of the work described in the Scope of Services prior to final acceptance by CITY, except as expressly provided herein.

Section 4.6 Insurance Requirements for CONTRACTOR

CONTRACTOR shall take out and maintain during the life of this Agreement, insurance coverage as set forth in Exhibit C attached hereto and incorporated by this reference.

Section 4.7 Successors and Assigns

CITY and CONTRACTOR each bind themselves, their partners, successors, assigns, and legal representatives to this Agreement without the written consent of the others. CONTRACTOR shall not assign or transfer any interest in this Agreement without the prior written consent of CITY. Consent to any such transfer shall be at the sole discretion of CITY.

Section 4.8 Notices

Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight delivery, postage prepaid, or three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

To CITY: City of Lodi
 221 West Pine Street
 P.O. Box 3006
 Lodi, CA 95241-1910
 Attn: Karen Honer

To CONTRACTOR: Pyro Combustion of California, Inc.
 1624 Oakdale Road
 Modesto, CA 95355
 Attn: Craig Everett

Section 4.9 Cooperation of CITY

CITY shall cooperate fully and in a timely manner in providing relevant information it has at its disposal relevant to the Scope of Services.

Section 4.10 CONTRACTOR is Not an Employee of CITY

CONTRACTOR agrees that in undertaking the duties to be performed under this Agreement, it shall act as an independent contractor for and on behalf of CITY and not an employee of CITY. CITY shall not direct the work and means for accomplishment of the services and work to be performed hereunder. CITY, however, retains the right to require that work performed by CONTRACTOR meet specific standards without regard to the manner and means of accomplishment thereof.

Section 4.11 Termination

CITY may terminate this Agreement, with or without cause, by giving CONTRACTOR at least ten (10) days written notice. Where phases are anticipated within the Scope of Services, at which an intermediate decision is required concerning whether to proceed further, CITY may terminate at the conclusion of any such phase. Upon termination, CONTRACTOR shall be entitled to payment as set forth in the attached Exhibit B to the extent that the work has been performed. Upon termination, CONTRACTOR shall immediately suspend all work on the Project and deliver any documents or work in progress to CITY. However, CITY shall assume no liability for costs, expenses or lost profits resulting from services not completed or for contracts entered into by CONTRACTOR with third parties in reliance upon this Agreement.

Section 4.12 Confidentiality

CONTRACTOR agrees to maintain confidentiality of all work and work products produced under this Agreement, except to the extent otherwise required by law or permitted in writing by CITY. CITY agrees to maintain confidentiality of any documents owned by CONTRACTOR and clearly marked by CONTRACTOR as "Confidential" or "Proprietary", except to the extent otherwise required by law or permitted in writing by CONTRACTOR. CONTRACTOR acknowledges that CITY is subject to the California Public Records Act.

Section 4.13 Applicable Law, Jurisdiction, Severability, and Attorney's Fees

This Agreement shall be governed by the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be venued with the San Joaquin County Superior Court. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in force and effect. In the event any dispute between the parties arises under or regarding this Agreement, the prevailing party in any litigation of the dispute shall be entitled to reasonable attorney's

fees from the party who does not prevail as determined by the San Joaquin County Superior Court.

Section 4.14 City Business License Requirement

CONTRACTOR acknowledges that Lodi Municipal Code Section 3.01.020 requires CONTRACTOR to have a city business license and CONTRACTOR agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

Section 4.15 Captions

The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

Section 4.16 Integration and Modification

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

Section 4.17 Contract Terms Prevail

All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and the attached exhibits, the terms of this Agreement shall prevail.

Section 4.18 Severability

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

Section 4.19 Ownership of Documents

All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of CITY. Upon CITY's request, CONTRACTOR shall allow CITY to inspect all such documents during CONTRACTOR's regular business hours. Upon termination or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONTRACTOR to CITY within ten (10) calendar days.

CITY agrees to indemnify, defend and hold CONTRACTOR harmless from any liability resulting from CITY's use of such documents for any purpose other than the purpose for which they were intended.

Section 4.20 Authority

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

Section 4.21 Federal Transit Funding Conditions

If the box at left is checked, the Federal Transit Funding conditions attached as Exhibit D apply to this Agreement. In the event of a conflict between the terms of this Agreement or any of its other exhibits, and the Federal Transit Funding Conditions, the Federal Transit Funding Conditions will control.

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement as of the date first above written.

CITY OF LODI, a municipal corporation

ATTEST:

JENNIFER M. FERRAILOLO
City Clerk

STEPHEN SCHWABAUER
City Manager

APPROVED AS TO FORM:
JANICE D. MAGDICH, City Attorney

PYRO COMBUSTION OF CALIFORNIA, INC.

By: _____



By: _____

Name:
Title:

- Attachments:**
Exhibit A – Scope of Services
Exhibit B – Fee Proposal
Exhibit C – Insurance Requirements
Exhibit D – Federal Transit Funding Conditions (if applicable)

**Funding Source: 53053003.72450
(Business Unit & Account No.)**

Company Name: Pyro Combustion of California Inc
Contact Name: Craig Everett
Address: 1624 Oakdale Road
 Modesto CA 95355
Contact Phone No.: 209-345-9494
Contractor's License No.: 894830

Date: 6/7/2016

SPECIFICATIONS				BID ITEM A, Annual Maintenance, Price Per Maintenance Service	BID ITEM B, Semi-Annual Fine Tuning Service, Price Per Maintenance Service	BID ITEM C, Prepare Boiler for Dormant Emissions Unit (DEU) Status
MAKE	MODEL	SERIAL NUMBER	FINE TUNING SERVICE			
Cleaver Brooks	CB 700-50	L96460	NG/Digester Fuel	\$3,812.00	\$420.00	
Cleaver Brooks	CB 700-50	L97261	NG/Digester Fuel	\$3,812.00	\$420.00	
Cleaver Brooks	CBLE 700-50	OL106106	NG/Digester Fuel	\$1,000.00		\$7,000.00
SUBTOTAL (ALL BOILERS AT ONE MAINTENANCE SERVICE EACH)				\$8,624.00	\$840.00	\$7,000.00
SUBTOTAL BID B (Times 2)					\$1,680.00	
TOTAL ANNUAL BID				\$8,624.00	\$1,680.00	
ANNUAL TRAINING ON BASIC BOILER OPERATIONS					\$1,040.00	
ANNUAL GRAND TOTAL (BID ITEMS A + B + TRAINING)					\$11,344.00	
SUB TOTAL 3 YEAR TERM [(BID ITEMS A + B + TRAINING) x 3 years]						\$34,032.00
TOTAL 3 YEAR TERM [(BID ITEMS A + B + training) x 3 years] + Bid item C (Boiler prep for DEU)						\$41,032.00
Labor and material mark-up for repairs beyond Preventive Maintenance. DO NOT include in bid tabulations above.						
BID ITEM D: BOILER REPAIR				HOURS		TOTAL
BOILER REPAIR, LABOR ONLY, PRICE PER HOUR				\$125	40	\$5,000
BOILER REPAIR, LABOR ONLY, PRICE PER HOUR (WEEKENDS)				\$188	5	\$938
BOILER REPAIR, LABOR ONLY, PRICE PER HOUR (HOLIDAYS)				\$250	5	\$1,250
BOILER PARTS & MATERIALS MARK-UP (%)				15%	BUDGETED MAXIMUM	\$ 45,000.00
TOTAL BID ITEM D						\$52,188
GRAND TOTAL (BID ITEMS A+B+C+D)						\$93,219.50

References must be submitted with bid proposal



Insurance Requirements for Contractor The Contractor shall take out and maintain during the life of this Agreement, insurance coverage as listed below. These insurance policies shall protect Contractor and any subcontractor performing work covered by this Agreement from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, or by any subcontractor, or by anyone directly or indirectly employed by either of them, and the amount of such insurance shall be as follows:

1. **COMPREHENSIVE GENERAL LIABILITY**
 \$1,000,000 Each Occurrence
 \$2,000,000 General Aggregate

2. **COMPREHENSIVE AUTOMOBILE LIABILITY**
 \$1,000,000 Combined Single Limit
 Such insurance shall cover liability arising out of any vehicle (including, owned, hired and non-hired vehicles) operated in performing any and all services pursuant to this Agreement. Coverage shall be written on ISO form CA 00 01 12 90, or a later version, that provides liability coverage at least as broad as this form.

All limits are to be designated strictly for the City of Lodi, its elected and appointed boards, commissions, officers, agents, employees, and volunteers. All deductibles or self-insured retentions (SIR) must be disclosed to City's Risk Manager for approval and shall not reduce the limits of liability set forth hereinabove. Insurance policies containing any deductible or SIR provision shall provide, or be endorsed to provide, that the deductible or SIR may be satisfied by either the Named Insured(s) or the City of Lodi.

It is required that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth above, shall be available to City as an additional insured. Furthermore, the requirements for coverage and limits shall be (i) the minimum coverage and limits specified in these insurance requirements; or (ii) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Contractor, whichever is greater.

Contractor agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).

A copy of the certificate(s) of insurance with the following endorsements shall be furnished to the City:

- (a) **Additional Named Insured Endorsement**
 Pursuant to a separate endorsement (ISO form CG 2010 (11/85) or a later version, that provides liability coverage at least as broad as this form) such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed boards, commissions, officers, agents, employees, and volunteers as additional named insureds. An additional named insured endorsement is also required for Auto Liability.

- (b) **Primary and Non-Contributory Insurance Endorsement**
 Additional insurance coverage under the Contractor's policy shall be "primary and non-contributory" and will not seek contribution from City's insurance or self-insurance and shall be at least as broad as ISO form CG 20 01 04 13.

NOTE: (1) The street address of the **CITY OF LODI** must be shown along with (a) and (b) above: 221 West Pine Street, Lodi, California, 95240; (2) The insurance certificate must state, on its face or as an endorsement, a description of the project that it is insuring.

- (c) **Waiver of Subrogation**
 Include a waiver of subrogation against the City of Lodi, its elected and appointed boards, commissions, officers, agents, employees, and volunteers. A waiver is required for General Liability and Auto Liability.

- (d) **Limits of Coverage**
 The limits of insurance coverage required may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance of Contractor shall contain, or be endorsed to contain, a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect the City as a named insured.

- (e) Severability of Interest Clause
The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability.
- (f) Notice of Cancellation or Change in Coverage Endorsement
This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 West Pine St., Lodi, CA 95240.
- (g) Continuity of Coverage
All policies shall be in effect on or before the first day of the Term of this Agreement. At least thirty (30) days prior to the expiration of each insurance policy, Contractor shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the minimum requirements of this Agreement. Contractor shall provide proof of continuing insurance on at least an annual basis during the Term. If Contractor's insurance lapses or is discontinued for any reason, Contractor shall immediately notify the City and immediately obtain replacement insurance.
- (h) Failure to Comply
If Contractor fails or refuses to obtain and maintain the required insurance, or fails to provide proof of coverage, the City may obtain the insurance. Contractor shall reimburse the City for premiums paid, with interest on the premium paid by the City at the maximum allowable legal rate then in effect in California. The City shall notify Contractor of such payment of premiums within thirty (30) days of payment stating the amount paid, the name(s) of the insurer(s), and rate of interest. Contractor shall pay such reimbursement and interest on the first (1st) day of the month following the City's notice. Notwithstanding and other provision of this Agreement, if Contractor fails or refuses to obtain or maintain insurance as required by this agreement, or fails to provide proof of insurance, the City may terminate this Agreement upon such breach. Upon such termination, Contractor shall immediately cease use of the Site or facilities and commence and diligently pursue the removal of any and all of its personal property from the site or facilities.
- (i) Qualified Insurer(s)
All insurance required by the terms of this Agreement must be provided by insurers licensed to do business in the State of California which are rated at least "A-, VI" by the AM Best Ratings Guide, and which are acceptable to the City. Non-admitted surplus lines carriers may be accepted provided they are included on the most recent list of California eligible surplus lines insurers (LESLI list) and otherwise meet City requirements.

Workers Compensation Insurance The Contractor shall take out and maintain during the life of this Agreement, Worker's Compensation Insurance for all of Contractor's employees employed at the site of the project and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in hazardous work under this Agreement at the site of the project is not protected under the Worker's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide insurance for the protection of said employees. **A waiver of subrogation is required for workers compensation insurance.** This policy may not be canceled nor the coverage reduced without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 West Pine St., Lodi, CA 95240.

NOTE: The City reserves the right to obtain a full certified copy of any insurance policy or endorsements required. Failure to exercise this right shall not constitute a waiver of the City's right to exercise after the effective date.

RESOLUTION NO. 2016-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH PYRO COMBUSTION OF CALIFORNIA, INC., OF MODESTO, FOR WHITE SLOUGH WATER POLLUTION CONTROL FACILITY BOILER MAINTENANCE AND FURTHER AUTHORIZING THE PUBLIC WORKS DIRECTOR TO EXECUTE EXTENSIONS

=====

WHEREAS, White Slough Water Pollution Control Facility (WSWPCF) has three large natural gas boilers that are designed to maintain the temperature in the facility's four anaerobic digesters at 99 degrees Fahrenheit; and

WHEREAS, the boilers require semi-annual fine-tuning and annual maintenance by certified boiler mechanics; and

WHEREAS, in June 2016, WSWPCF staff solicited quotes from reputable boiler maintenance companies that included costs for semi-annual and annual service, annual refresher training for WSWPCF operators on boiler operation, and anticipated repairs and replacement parts that may be needed; and

WHEREAS, the City received the following two quotes:

Bidder	Bid
Pyro Combustion of California, Inc.	\$ 93,220.00
Manley's Boiler, Inc.	\$125,373.83

WHEREAS, staff recommends that the City Council authorize the City Manager to execute a Professional Services Agreement with Pyro Combustion of California, Inc., for White Slough Water Pollution Control Facility Boiler Maintenance, in the amount of \$93,220, and further authorize the Public Works Director to execute extensions to the Professional Services Agreement, if in the best interests of the City to do so.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute a Professional Services Agreement with Pyro Combustion of California, Inc., of Modesto, California, for White Slough Water Pollution Control Facility Boiler Maintenance, in the amount of \$93,220; and

BE IT FURTHER RESOLVED that the Public Works Director is hereby authorized to execute two one-year extensions to the Professional Services Agreement, if in the best interests of the City to do so.

Dated: August 3, 2016

=====

I hereby certify that Resolution No. 2016-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 3, 2016 by the following vote:

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

JENNIFER M. FERRAILO
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Addendum No. 2 to Improvement Deferral Agreement for 1230 South Central Avenue

MEETING DATE: August 3, 2016

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute Addendum No. 2 to Improvement Deferral Agreement for 1230 South Central Avenue.

BACKGROUND INFORMATION: In 1986, the owner of the property, Northern California Conference Association of the Seventh-Day Adventists, a California Corporation (Lodi Academy), entered into an Improvement Deferral Agreement (Agreement) with the City to delay installation of improvements along portions of their property fronting the public right-of-way. On January 15, 1996, Addendum No. 1 to the Agreement was executed extending the deadline to construct the public improvements to December 31, 2010. Due to an economic downturn prior to December 31, 2010, the improvements were not completed.

Installation and/or repairs of public improvements along the street frontage is generally required as a condition of building permit issuance as set forth in Title 15, Chapter 15.44 of the Lodi Municipal Code. Lodi Academy has recently submitted a building permit application for structural repairs to the onsite gymnasium located at 1230 South Central Avenue and is requesting to further defer the requirement to construct public improvements along Poplar Street (Exhibit A). This deferral request is due to limited funds that must be focused on structural repairs to the school gymnasium structure. The estimated cost of gymnasium repairs is \$700,000.

Lodi Academy has signed the attached Addendum No. 2 to the Agreement and paid the necessary document preparation and recording fees. Addendum No. 2 requires the owner to pay for and complete the public improvements on Poplar Street by December 31, 2026, or at the request of the City, whichever occurs first. Staff is requiring the main access driveway to the gymnasium be upgraded to City standards.

Considering the financial burden of repairing the gymnasium, staff recommends authorizing the City Manager to execute Addendum No. 2 to the Improvement Deferral Agreement for 1230 South Central Avenue.

FISCAL IMPACT: Not applicable.

FUNDING: Not Applicable.

Charles E. Swimley, Jr.
Public Works Director

Prepared by Kimberly Sobin, Assistant Engineer
CES/KAS/tdb
Attachments

cc: City Attorney
Deputy Public Works Director/City Engineer

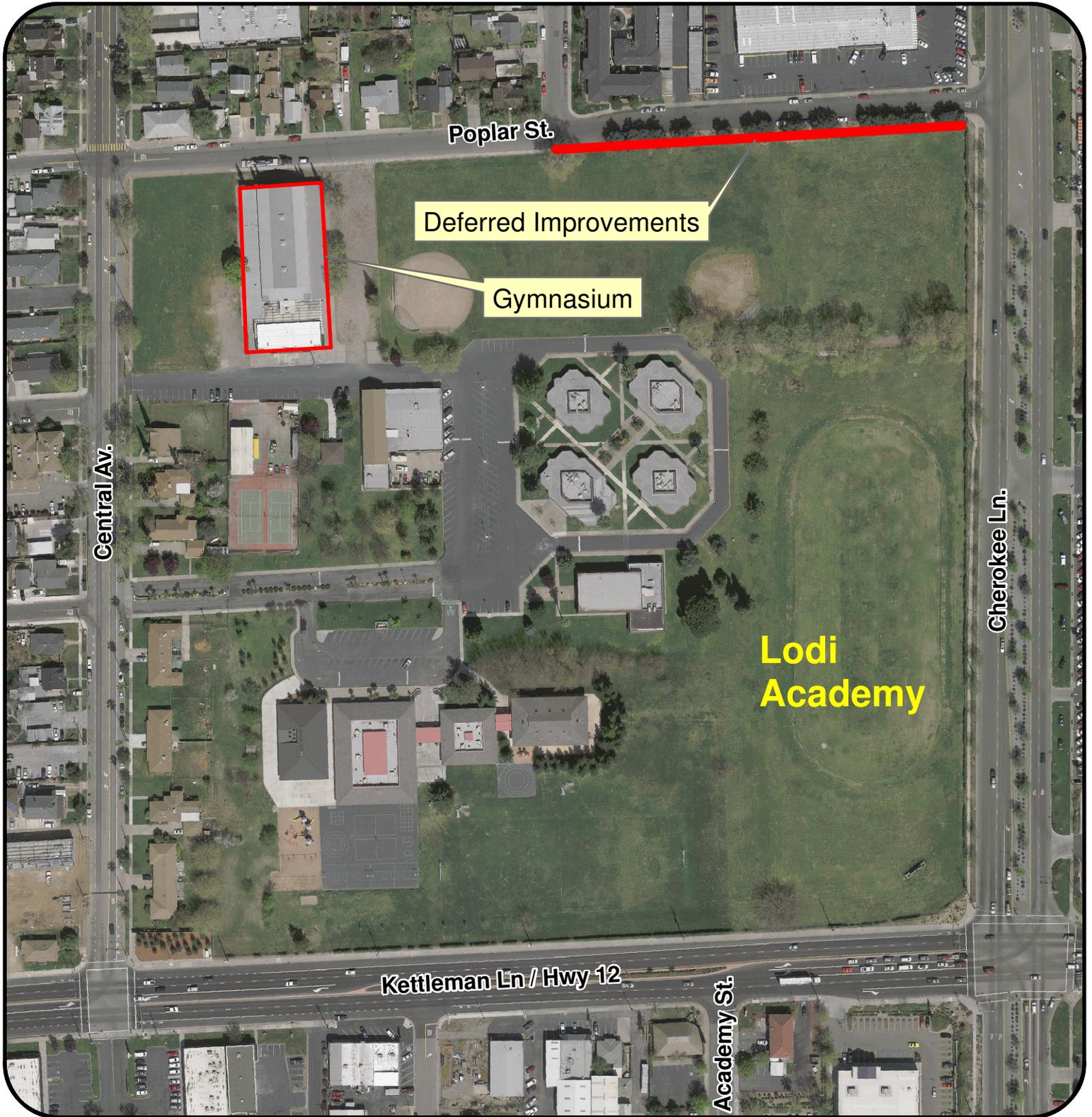
APPROVED: _____
Stephen Schwabauer, City Manager



CITY OF LODI

PUBLIC WORKS DEPARTMENT

Exhibit A
Lodi Academy
1230 S Central Ave



Date: 7/19/2016

Document Path: G:\ESRI Maps\Engineering\Exhibits\Lodi Academy Missing Sidewalk.mxd

WHEN RECORDED, RETURN TO:

City Clerk
City of Lodi
221 West Pine Street
Lodi, CA 95240

IMPROVEMENT DEFERRAL AGREEMENT ADDENDUM No. 2

1230 South Central Avenue
(APN 047-280-01)

THIS AGREEMENT is made and entered into by and between the CITY OF LODI, a municipal corporation, hereinafter referred to as "City" and the NORTHERN CALIFORNIA CONFERENCE ASSOCIATION OF THE SEVENTH-DAY ADVENTISTS, a California corporation, hereinafter referred to as "Owner" (collectively "Parties").

RECITALS:

Owner is the owner of that certain real property situated in the City of Lodi, County of San Joaquin, known as 1230 S. Central Avenue (APN 047-280-01) (the "Property") and described as follows:

Lots Numbers ten (10), eleven (11), sixteen (16) and seventeen (17) in the Lodi Barnhart Tract, according to the official map of said tract filed for record November 5th, 1906, at 3:05 o'clock P.M., in the office of the County Recorder of said County of San Joaquin.

WHEREAS, the Parties entered into an Improvement Deferral Agreement, dated August 6, 1986, recorded as Instrument No. 86074204 with the San Joaquin County Recorder ("Agreement"), which Agreement covers the responsibilities of Owner regarding installation of off-site public improvements along the Poplar Street frontage of the Property; and

WHEREAS, the Parties entered into an Addendum of the Agreement, dated January 15, 1996, recorded as Instrument No. 96013793, with the San Joaquin County Recorder ("Addendum"), which in part extended the deferral for the installation of the public improvements along the Poplar Street frontage of the Property to December 31, 2010; and

WHEREAS, Owner submitted Building Application #20161430 to City to allow a tenant improvement to an existing building on the Property triggering installation of public improvements along the Poplar Street frontage, required as a condition of permit issuance in accordance with existing City ordinances and policies regarding off-site improvements as set forth in Title 15, Chapter 15.44 of the Lodi Municipal Code. Required improvements include, but are not limited to, the installation of concrete curb, gutter and sidewalk in accordance with the City's Standard Plans and Specifications; and

WHEREAS, Owner is desirous of complying with existing City ordinances and policies regarding off-site improvements, Owner requests that the frontage improvements on Poplar Street be deferred.

IT IS AGREED by the Parties hereto as follows:

1. City agrees that the installation of the public improvements along the Poplar Street frontage of the Property need not be made as a condition of Building Application #20161430 and Owner agrees that the public improvements on Poplar Street frontage, described in the Addendum, will be completed and applicable fees paid to City no later than December 31, 2026.
2. Owner acknowledges that City has authority to give the Owner written notice to complete the public improvements along the Poplar Street frontage at any time before December 31, 2026. In the event of such notice, Owner agrees to undertake the design and construction of the required frontage improvements within 30 days after written notice is given by the City, pay applicable fees to City, and complete the required improvements within 120 days from the date of notice.
3. This Addendum No. 2 shall run with the land and be binding on the Owner, its heirs, successors or assigns.
4. If Owner fails to complete the required public improvements as described in the Addendum, or make the fee payments to City as required by in paragraph 1 of this Addendum No. 2, within the applicable time period specified herein, City shall be entitled, at its election, to either 1) file suit against Owner, its heirs, successors or assigns, for the full value of the public improvements, plus attorney fees and costs, or 2) complete the public improvements at the expense of Owner, and file suit against Owner, its heirs, successors or assigns for the costs incurred, plus attorney fees and costs. In either case, the obligations of this Addendum No. 2 shall be secured by a lien against the Property for the full value of the public improvements.
5. A copy of this Addendum No. 2 shall be recorded in the office of the San Joaquin County Recorder, P. O. Box 1968, Stockton, California 95201-1968.
6. All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

Notices required to be given to City shall be addressed as follows:

Charlie E. Swimley, Jr.
Public Works Director
City of Lodi
P. O. Box 3006
Lodi, CA 95240-1910

Notices required to be given to Owner shall be addressed as follows:

Northern California Conderence Association of Seventh
Day Adventists, a California corporation
c/o Lodi Academy
1230 Central Avenue
Lodi, CA 95240

7. All other terms and conditions of the Agreement and Addendum, except those modified by this Addendum No., 2, remain unchanged.

8. The undersigned hereby represent and warrant that they are authorized by the parties they purport to represent to execute this Addendum No. 2.

IN WITNESS WHEREOF, the parties hereto have set their hands the day, month and year appearing opposite their names.

CITY OF LODI, a municipal corporation

Dated: _____ 2016

By: _____
Stephen Schwabauer, City Manager

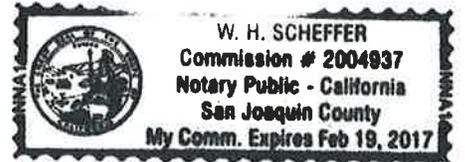
Attest: _____
Jennifer Ferraiolo, City Clerk

Northern California Conderence Association of
Seventh Day Adventists, a California
corporation

Dated: July 1, _____ 2016

By: Jim Kubrock
Name: TIM KUBROCK
Title: Principal, Lodi Academy

Approved as to form: _____
Janice D Magdich
City Attorney *JDM*



Dated: _____ 2016

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

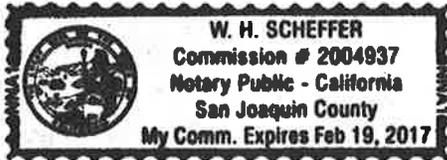
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Joaquin)
On July 1, 2016 before me, W.H. Scheffer, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Paul Timothy Kubrock
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document Improvement deferral
Title or Type of Document: Agreement Addendum #2 Document Date: 07/01/16
Number of Pages: 3 Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

RESOLUTION NO. 2016-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE
ADDENDUM NO. 2 TO THE IMPROVEMENT DEFERRAL
AGREEMENT FOR 1230 SOUTH CENTRAL AVENUE

WHEREAS, in 1986, the owner of the property located at 1230 South Central Avenue, namely Northern California Conference Association of the Seventh-Day Adventists, a California Corporation (Lodi Academy), entered into an Improvement Deferral Agreement (Agreement) with the City to delay installation of improvements along portions of their property fronting the public right-of-way; and

WHEREAS, on January 15, 1996, Addendum No. 1 to the Agreement was executed extending the deadline to construct public improvements to December 31, 2010, but due to the economic downturn, the improvements were not completed; and

WHEREAS, installation and/or repairs of public improvements along the street frontage is generally required as a condition of building permit issuance as set forth in Title 15, Chapter 15.44 of the Lodi Municipal Code; and

WHEREAS, Lodi Academy has recently submitted a building permit application for structural repairs to the onsite gymnasium located at 1230 South Central Avenue and is requesting deferral of the requirement to construct public improvements along Poplar Street; and

WHEREAS, Addendum No. 2 requires the owner to pay for and complete all of the public improvements on Poplar Street by December 31, 2026, or at the request of the City, whichever occurs first; and

WHEREAS, staff recommends extending the Improvement Deferral Agreement for the frontage improvements along Poplar Street until December 31, 2026, and further recommends authorizing the City Manager to execute Addendum No. 2 to the Improvement Deferral Agreement for 1230 South Central Avenue.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute Addendum No. 2 to the Improvement Deferral Agreement with Northern California Conference Association of the Seventh-Day Adventists, a California Corporation (Lodi Academy), for 1230 South Central Avenue, Lodi, California, thereby extending the Improvement Deferral Agreement until December 31, 2026.

Dated: August 3, 2016

I hereby certify that Resolution No. 2016-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 3, 2016 by the following vote:

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

JENNIFER M. FERRAILOLO
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Supplement No. 1 to Amended and Restated Northern California Power Agency Joint Powers Agreement, Adding City of Shasta Lake as a Party

MEETING DATE: August 3, 2016

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to execute Supplement No. 1 to Amended and Restated Northern California Power Agency Joint Powers Agreement, Adding City of Shasta Lake as a Party.

BACKGROUND INFORMATION: The City of Lodi is one of 16 members of the Northern California Power Agency (NCPA). NCPA's objective is to enhance political reach and influence, provide needed services to other public power entities, and expand the savings and benefits of joint action. The NCPA Strategic Plan focuses heavily on the importance of using the human and physical resources of the Agency to serve new members and provide contract services. As a result of outreach in this regard, the City of Shasta Lake, California, on April 25, 2016, submitted an application for membership in NCPA, as well as an application fee in the amount of \$10,000 to support the Agency's thorough review of its eligibility for membership. Since that time, NCPA staff has carefully evaluated the application and reviewed public information to assure full compliance with NCPA's New Member Policy.

The City of Shasta Lake meets all minimum screening criteria delineated in NCPA's New Member Policy that was approved by the NCPA Commission on February 25, 2016. A review of filings submitted to state agencies, and discussions with Shasta Lake's City Council and executive staff, indicate that the City of Shasta Lake has goals that are consistent with those of NCPA and its members; including support for local control, recognition of the benefits and savings that can be achieved through joint action and a desire to minimize wholesale electric costs in order to provide economic benefits to their retail customers. The City of Shasta Lake is also eligible to purchase preference power from the Western Area Power Administration (Western) which is a requirement for membership in NCPA. Shasta Lake currently has a 0.805 percent allocation of power supplied by Western. As well, in accordance with NCPA's policy requirements, Shasta Lake is willing to participate in political proceedings that will benefit the NCPA members through participation in NCPA programs.

NCPA policy also requires that a potential member has financial strength, and the analysis of Shasta Lake's Electric Enterprise shows it is financially sound with no concerns in this area. The internal credit rating assessment provided an A to A- overall credit score and reflected the utility's strong cash position with over 266 days of operating cash on hand with no outstanding debt. Shasta Lake's rates are competitive, and a multi-year rate increase is ongoing. Shasta Lake's Electric Enterprise also has risk mitigation for exposure to one very large industrial customer (12 percent of load) in place and an established power cost adjustment clause to mitigate energy risk.

The NCPA Commission has previously determined that all NCPA members must execute the NCPA Legislative and Regulatory Affairs Program Agreement and participate in the Legislative and Regulatory Program to assure broad support for local decision making and to protect NCPA from potential policy

APPROVED: _____
Stephen Schwabauer, City Manager

changes that could devalue the public investment that has been made in the NCPA generation facilities. In accordance with this policy, the City of Shasta Lake, if approved for membership in NCPA, will not only become a signatory to the NCPA Joint Powers Agreement (JPA), but would also execute the Legislative and Regulatory Affairs Program Agreement. Once it is a member, it is Shasta Lake's intention to begin exploring other NCPA services as well as participation in NCPA generation projects.

Approval of the City of Shasta Lake's membership in NCPA requires approval of Supplement No. 1 to the Amended and Restated Northern California Power Agency Joint Powers Agreement, adding Shasta Lake as a Party. NCPA is not itself a signatory to this document, but rather it must be unanimously approved by each of the governing boards of all existing NCPA members and by the City of Shasta Lake's governing board. On June 23, 2016, the NCPA Commission adopted a resolution recommending approval of Supplement No. 1 by Shasta Lake and all current NCPA members.

With this Commission authorization and in accordance with the New Member Policy, the City of Shasta Lake is now invited to participate in NCPA committee and Commission proceedings in a non-voting status until formal approval of Supplement No. 1 by Shasta Lake and all existing NCPA members. After all governing board approvals, the City of Shasta Lake would pay \$128,864 toward the NCPA FY2016/17 Legislative and Regulatory Affairs budget. This amount includes payment of \$28,978 toward the JPA fee. This payment is estimated to reduce all other NCPA member payments as shown in the table below.

NCPA Member	Approved FY2016/17 L&R Budget	Recalculated with Shasta Lake	Net Effect with Shasta Lake Addition
Alameda	\$ 188,527	\$ 180,942	(\$7,585)
BART	67,287	67,100	(187)
Biggs	76,746	71,127	(5,619)
Gridley	89,395	83,542	(5,853)
Healdsburg	93,193	87,294	(5,899)
Lodi	200,118	192,367	(7,751)
Lompoc	110,675	104,473	(6,202)
Palo Alto	565,108	550,462	(14,646)
Plumas-Sierra	144,202	137,347	(6,855)
Port of Oakland	99,904	93,871	(6,033)
Redding	437,111	424,885	(12,226)
Roseville	492,006	479,017	(12,989)
Santa Clara	1,154,769	1,130,154	(24,615)
Shasta Lake	0	128,864	128,864
Truckee Donner	115,652	109,348	(6,304)
Ukiah	104,592	98,463	(6,099)

Staff recommends adoption of a resolution authorizing the City Manager to execute Supplement No. 1 to Amended and Restated Northern California Power Agency Joint Powers Agreement, Adding City of Shasta Lake as a Party.

FISCAL IMPACT: Annual savings of \$7,751.

FUNDING AVAILABLE: Not applicable.

Elizabeth A. Kirkley
 Electric Utility Director

**SUPPLEMENT NO. 1 TO
AMENDED AND RESTATED NORTHERN CALIFORNIA POWER AGENCY
JOINT POWERS AGREEMENT,
ADDING CITY OF SHASTA LAKE AS A PARTY**

This Supplement No. 1 to Joint Powers Agreement (“this Agreement”) dated
_____, by and among the parties signatory to it (“Parties”),

W I T N E S S E T H:

WHEREAS, all of the Parties, except the City of Shasta Lake (“Shasta Lake”) are also parties to that joint powers agreement first made the 19th day of July, 1968, and amended and restated as of January 1, 2008 (“the Joint Powers Agreement”); and

WHEREAS, the Joint Powers Agreement created the Northern California Power Agency (“NCPA”) pursuant to the Joint Exercise of Powers Act (Section 6500 *et seq.* of the Government Code of the State of California) as a separate public agency and legal entity existing apart from its members; and

WHEREAS, all Parties except Shasta Lake are signatory to the Joint Powers Agreement and are thereby members or associate members of NCPA; and

WHEREAS, Shasta Lake is a California general law city, is a public agency of the State of California eligible to enter into joint powers agreements pursuant to the Joint Exercise of Powers Act, is entitled to be a preference purchaser of electric service from the Central Valley Project of the United States, and has powers equivalent to those of the other members of NCPA

so far as is relevant to the powers of NCPA and it is therefore eligible for membership in NCPA pursuant to the Joint Powers Agreement; and

WHEREAS, Shasta Lake and each of the other Parties desire that Shasta Lake shall become a party to the Joint Powers Agreement and a member of NCPA on the same basis as each of the other NCPA members; and

WHEREAS, concurrently with its execution of this Agreement Shasta Lake has also executed the NCPA Legislative and Regulatory Affairs Program Agreement, dated as of July 1, 2001, indicating its agreement to participate in the NCPA Legislative and Regulatory Affairs Program on terms consistent with those applicable to other NCPA members, contingent upon its membership in NCPA.

NOW, THEREFORE, the Parties, including Shasta Lake, agree as follows:

Section 1. On and after the effective date of this Agreement, the City of Shasta Lake shall be a member of NCPA and a party to the Joint Powers Agreement, and shall have the same rights, powers, and privileges and immunities, duties, and obligations as any other member of NCPA.

Section 2. Shasta Lake shall not be liable for any share of the organization, planning, or other costs of NCPA incurred prior to the effective date of this Agreement, and shall not by force of this Agreement become a party to any other agreement or instrumentality of NCPA entered into or created prior to the effective date of this Agreement, except with its consent and the consent of all other NCPA members and associate members who are parties to such agreement or instrumentality evidenced separately from this Agreement.

Section 3. This Agreement shall take effect on the first day of the calendar month following the complete execution of this Agreement by all Parties.

Section 4. This Agreement may be executed in counterparts by the Parties to it.

CITY OF ALAMEDA

By: _____
Its: _____

Date _____

CITY OF BIGGS

By: _____
Its: _____

Date _____

CITY OF HEALDSBURG

By: _____
Its: _____

Date _____

CITY OF ROSEVILLE

By: _____
Its: _____

Date _____

CITY OF LODI

By: _____
Its: _____

Date _____

CITY OF SANTA CLARA

By: _____
Its: _____

Date _____

CITY OF LOMPOC

By: _____
Its: _____

Date _____

Approved as to form
City Attorney

CITY OF PALO ALTO

By: _____
Its: _____

Date _____

CITY OF UKIAH

By: _____
Its: _____

Date _____

PLUMAS-SIERRA RURAL ELECTRIC COOPERATIVE

By: _____
Its: _____

Date _____

CITY OF REDDING

By: _____

Its: _____

Date _____

CITY OF GRIDLEY

By: _____

Its: _____

Date _____

**SAN FRANCISCO BAY AREA RAPID
TRANSIT DISTRICT**

By: _____

Its: _____

Date _____

**TRUCKEE DONNER PUBLIC UTILITY
DISTRICT**

By: _____

Its: _____

Date _____

PORT OF OAKLAND

By: _____

Its: _____

Date _____

CITY OF SHASTA LAKE

By: _____

Its: _____

Date _____

2663668.2

RESOLUTION NO. 2016-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO EXECUTE SUPPLEMENT NO. 1 TO
AMENDED AND RESTATED NORTHERN CALIFORNIA
POWER AGENCY JOINT POWERS AGREEMENT, ADDING
CITY OF SHASTA LAKE AS A PARTY

=====

WHEREAS, the Northern California Power Agency's (NCPA) Strategic Plan highlights the importance of using the human and physical resources of the Agency to recruit new members and to provide services to non-Agency members; and

WHEREAS, the City of Shasta Lake, California, has submitted an application for NCPA membership that complies with the minimum screening criteria of NCPA's New Member Policy that was approved by the Commission on February 25, 2016; and

WHEREAS, the NCPA Legislative and Regulatory Affairs Committee and Commission have voted to recommend that the City of Shasta Lake become a member of the Agency; and

WHEREAS, if unanimously approved for membership by all NCPA member governing boards and by the City of Shasta Lake's governing board, Shasta Lake would then become a member of the NCPA Legislative and Regulatory Affairs Program, and it is their intention to begin exploring other NCPA services as well as participation in NCPA generation projects.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute Supplement No. 1 to Amended and Restated Northern California Power Agency Joint Powers Agreement, adding City of Shasta Lake, California, as a Party.

Dated: August 3, 2016

=====

I hereby certify that Resolution No. 2016-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 3, 2016, by the following vote:

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

JENNIFER M. FERRAILOLO
City Clerk



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving City of Lodi Storm Water Enforcement Response Plan and Administrative Penalty Schedule

MEETING DATE: August 3, 2016

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution approving City of Lodi Storm Water Enforcement Response Plan and Administrative Penalty Schedule.

BACKGROUND INFORMATION: On February 5, 2013, the State Water Resources Control Board adopted Order 2013-0001-DWQ, which updated the State's General Permit for the National Pollutant Discharge Elimination System (NPDES) Phase II Municipal Separate Storm Sewer System (MS4) Storm Water Permit (Permit). The City of Lodi is subject to the Permit which requires permittees to develop or update a Storm Water Enforcement Response Plan (ERP) within the third year of the 2013 Permit update.

Using State guidelines, the ERP describes how the City will address repeat and continuing storm water violations by implementing escalating enforcement responses as necessary to achieve compliance. Municipal Code 13.14 and the ERP may be used for stormwater violations, seasonal and recurrent nuisances (draining swimming pools into storm drain system), and emergency orders and abatements. The ERP is required to describe the enforcement responses based on types of violations, how repeat and continuing violations are addressed, and when monetary fines, including civil or administrative penalties, will be assessed. As outlined in the ERP, the City will initially use the least stringent enforcement action available with each successive enforcement action based on the violator's responsiveness and the severity of the violation.

Staff recommends Council adopt a resolution approving the City of Lodi Storm Water ERP and the Administrative Penalty Schedule.

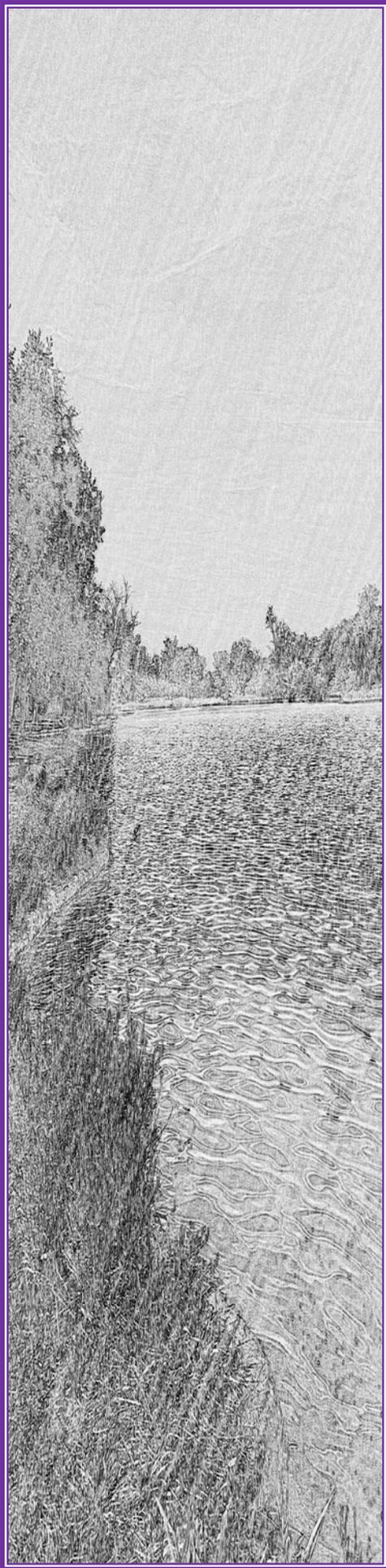
FISCAL IMPACT: Establishing an ERP is an unfunded State mandate. Compliance with this requirement will reduce the City's exposure to storm water permit violations and third party lawsuits for noncompliance.

FUNDING AVAILABLE: Not applicable.

Charles E. Swimley, Jr.
Public Works Director

Prepared by Kathryn E. Garcia, Compliance Engineer
CES/kmg/trb
Attachment

APPROVED: _____
Stephen Schwabauer, City Manager



STORMWATER ENFORCEMENT RESPONSE PLAN

(ERP)



City of Lodi
May 2016



Storm Water Enforcement Response Plan

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Storm Water Enforcement Response Plan

I. ENFORCEMENT RESPONSE PLAN REVISIONS

Revision No.	Date	Revised By	Reason for Revision	Sections Revised
0	4/20/16	KMG	Initial Preparation	All New

II. TERMS AND ABBREVIATIONS

BMPs	Best Management Practices
C&DO	Cease and Desist Orders
CGP	Construction General Permit
CVRWQCB	Central Valley Regional Water Quality Control Board
CWA	Clean Water Act
EPA	Environmental Protection Agency
ERP	Enforcement Response Plan
ESCP	Erosion and Sediment Control Plan
HARM	Harm indicates potential pollutant reaches the municipal storm drain system and/or surface water body
IGP	Industrial General Permit
MS4	Municipal Separate Storm Sewer System
NOC	Notice of Correction
NOI	Notice of Intent
NOT	Notice of Termination
NOV	Notice of Violation
NPDES	National Pollutant Discharge Elimination System
PRIORITY AREA	Priority areas are those drainage areas whose watershed drains directly or indirectly (via pump station) to a surface water body such as Lodi Lake or the Mokelumne River
SWPPP	Stormwater Pollution Prevention Plan
WDID	Waste Discharge Identification



1. INTRODUCTION

1.1. PURPOSE AND APPROACH

The City of Lodi (City) is subject to the State Water Resources Control Board's (SWRCB) National Pollution Discharge Elimination System (NPDES) Water Quality Order for Small Municipal Separate Storm Sewer Systems (Phase II MS4 Permit). As a result, in compliance with Section E.6.c, the City is required to develop and implement an Enforcement Response Plan.

The City adopted the existing Storm Water Ordinance, Lodi Municipal Code (LMC) Chapter 13.14, on June 3, 2015, which incorporates several enforcement mechanisms that can be employed to escalate the level of enforcement depending on the circumstances, including: notices of violation; cease and desist orders; abatement; administrative citations; civil enforcement; and criminal prosecution.

The purpose of this document is to formally establish consistency with the City's enforcement procedures and follow-up actions for non-compliance with the City's Storm Water Ordinance, LMC Chapter 13.14. This plan describes how the City will address repeat and continuing violations by implementing escalating enforcement responses as necessary to achieve compliance. LMC Chapter 13.14 and this Enforcement Response Plan (ERP) may be used for NPDES violations, seasonal, and recurrent nuisances, and emergency orders and abatements. The enforcement actions denoted may be used independently depending on the nature and type of the violation(s).

The City's approach to ensuring compliance with the LMC and this ERP is based on progressive enforcement. In general, the City will initially use the least stringent enforcement action available for the subject violation, with each successive enforcement action based on the violator's responsiveness and the type of violation. In some cases the City may need to escalate the enforcement actions noted in the ERP based on the severity of violation, history of violations, and responsiveness of the violator. The enforcement official noted herein means the Public Works Director for the City of Lodi or designee, or any agent of the City authorized to enforce the LMC.

2. ENFORCEMENT RESPONSES

2.1. VERBAL / WRITTEN WARNINGS (NOTICE OF CORRECTION)

The City will issue verbal and/or written warnings as an optional first level of enforcement response. City staff has the discretion to issue either a verbal warning or a written notice of correction, depending on the circumstances. Verbal warnings are primarily consultative in nature and specify the nature of the violation and required corrective action.



Triggers	Enforcement Action	Implementation Description
<ul style="list-style-type: none"> • First-time violator (minor environmental violations or threat). • No active or imminent threat of significant contamination to the storm drain system or the environment. • Ability for violator to immediately correct situation. • Conditions that may result in a violation of LMC Chapter 13.14 due to poor housekeeping or management practices. • Violator is cooperative and willing to remedy situation. 	Verbal / Written Warnings (Notice of Correction)	<ul style="list-style-type: none"> • Specify the nature of the violation(s) or potential violation(s), document and photograph. • Specify required corrective actions. • Recommend (on the spot) appropriate BMPs to correct or prevent violation(s). • Follow up with written inspection summary, and photograph. • Violator shall take all reasonable steps to comply with required corrective actions and recommendations. • City will conduct a follow-up inspection within four weeks to verify corrections, document in writing, and photograph.

2.2. WRITTEN NOTICES (NOTICE OF VIOLATION)

The City will issue written notices as a typical first level of enforcement response to minor violations with minimal environmental impact. City staff will have the discretion to determine whether a written notice is appropriate for the scenario and whether escalated enforcement measures should be used.

Triggers	Enforcement Action	Implementation Description
<ul style="list-style-type: none"> • First-time violators (moderate threat or isolated incident). • Failure to implement appropriate BMPS after receiving a verbal/written warning. • Minor infractions with minimal impact on the storm drain system and the environment. • Seasonal and recurrent non-storm water nuisance flows onto public right of way. • Violator is cooperative and willing to remedy situation. 	Written Notices (Notice of Violation, Cease and Desist Order) LMC §13.14.420(A) LMC §1.10.120	<ul style="list-style-type: none"> • Issue written NOV. Complete NOV specifying code section violations, corrective actions and compliance dates. Include photographs. • City will impose deadlines for violator to comply with specified corrective actions. • Follow service procedure in LMC §1.10.120. • Conduct follow-up inspection after compliance deadline; document in writing, and photograph. • Violator shall submit a written explanation of the violation and a plan for the satisfactory correction and prevention thereof, which shall include specific corrective actions to be taken, to the Enforcement official within the time prescribed in the notice and order per LMC §13.14.420(A)1. • Violator may appeal the notice and order within 10 days per LMC §13.14.450.



2.3. ESCALATED ENFORCEMENT MEASURES

Escalated enforcement measures may be required in order to achieve compliance and/or adequate mitigation when violations pose a significant impact on the storm drain system and environment, or violators are uncooperative and fail to comply with written notices. The City has established legal authority, pursuant to LMC Chapter 13.14, enacted June 3, 2015, establishing different methods of enforcement actions, which allow the City to escalate enforcement responses when necessary to correct persistent non-compliance, repeat or escalating violations, or incidents of major environmental harm. The City Enforcement official will have the discretion to determine the appropriate level of enforcement based on the nature and type of violation.

Triggers	Enforcement Action	Implementation Description
<ul style="list-style-type: none"> • Failure to comply with Notice and Order to Abate. • Failure to submit discharge abatement plan. • Violations with significant impacts on the storm drain system and the environment. • Violator economically benefits from the violation. • Violator is non-cooperative or minimally cooperative to remedy situation. 	Administrative Civil Citation LMC §13.14.420 (A)12	<ul style="list-style-type: none"> • Issue administrative civil citation. • Follow service procedure in LMC §1.10.120. • Conduct follow-up inspection after deadline to implement corrective actions; document, photograph concerns. • Violator may appeal the notice and order per LMC §13.14.450.
<ul style="list-style-type: none"> • Failure to respond appropriately to written notices. • Failure to comply with notice and order and/or citations. • Violator is not cooperative. • Activities when, in the opinion of the enforcement official, cause an illicit discharge or cause or potentially cause uncontrolled pollutants to enter the stormwater conveyance system and present an imminent danger to the public health, safety, welfare or environment, or a violation of a NPDES permit. 	Stop Work Orders LMC §13.14.420(D)	<ul style="list-style-type: none"> • Notify Violator of unsafe condition, if possible. • Immediate cessation of any activities causing pollutants to enter the storm water systems that present imminent danger to the public health, safety, welfare, environment or that could violate an NPDES permit per LMC §13.14.420(D). • Conduct follow-up inspection after completion date for corrective actions; document, photograph concerns prior to allowing cessation to be lifted.



Storm Water Enforcement Response Plan

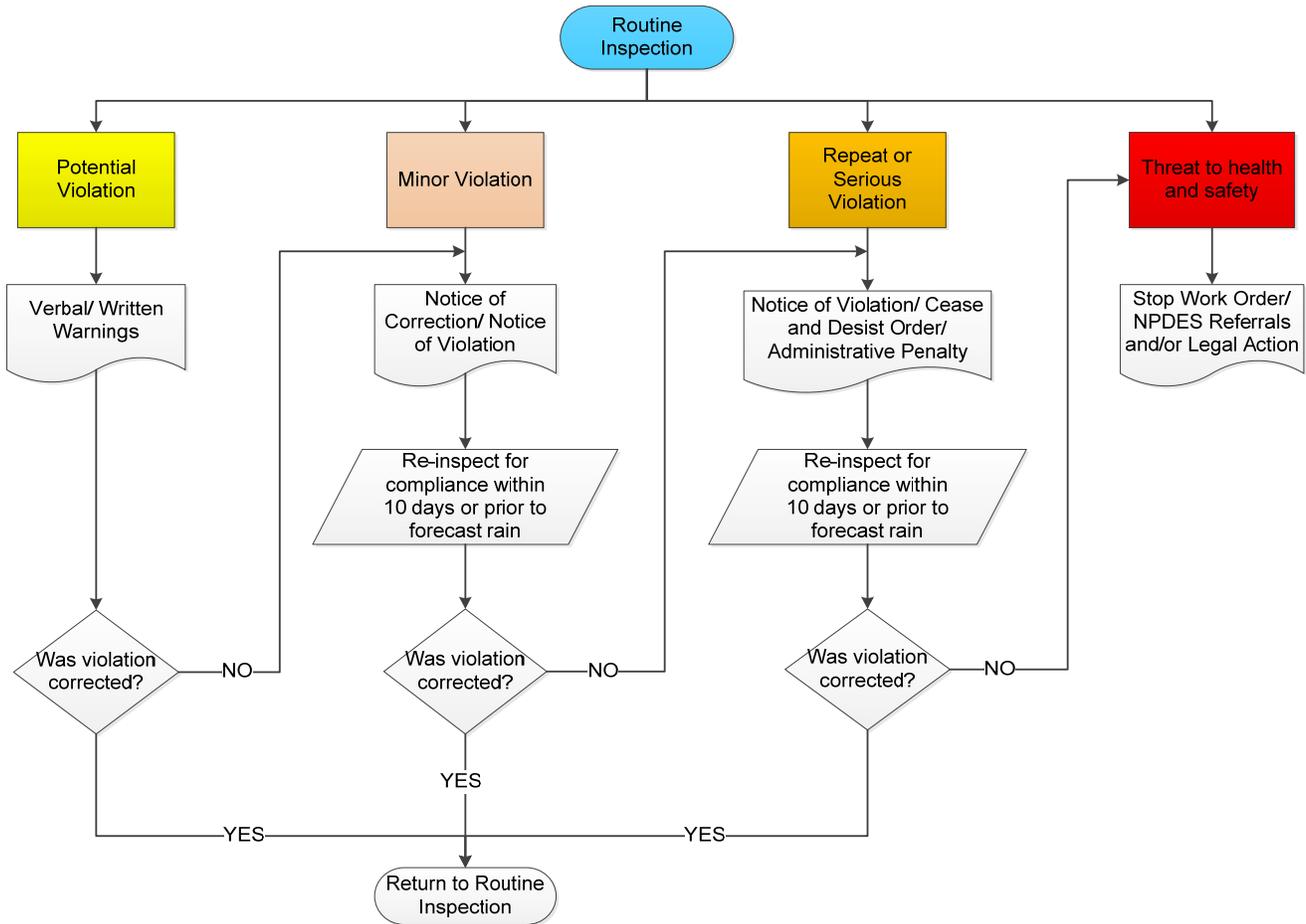
Triggers	Enforcement Action	Implementation Description
<p>Any violation of LMC Chapter 13.14, including, but not limited to:</p> <ul style="list-style-type: none"> • Failure to respond appropriately to written notices. • Failure to comply with notice and order and/or citations. • Violator is not cooperative. • Multiple offenses of similar nature. • Minor to moderate infractions with minimal to moderate impact on the storm drain system and the environment. • Third serious violation within a 12-month period. • Ongoing discharges of pollutants to the storm drain system or to the roadways, including flooding over a city roadway. 	<p>Criminal Prosecution or Civil Action</p> <p>LMC §13.14.420</p> <p>LMC §13.14.420(B)</p> <p>LMC §1.10.120</p>	<ul style="list-style-type: none"> • Any violation of LMC Chapter 13.14 is a misdemeanor offense per LMC §13.14.420(A)(7), and violators may be referred to City Attorney for criminal prosecution per LMC §13.14.420(C). • A civil injunction may be sought at any time, for any violation of LMC Chapter 13.14.
<ul style="list-style-type: none"> • Discharge causes or threatens to cause a condition that presents an imminent danger to the public health, safety, welfare or environment. • Discharge causes or threatens to cause a violation of a NPDES permit. • Major violations of LMC §13.14.420(D) (e.g. large spills, gross negligence in housekeeping or management practices) possibly requiring emergency spill response. • Ongoing discharges of pollutants to the storm drain system or to the environment. • Significant impact to the environment caused by violation requiring immediate abatement to protect. • Emergency situation where the property owner or other responsible party is unavailable. 	<p>Emergency Orders and Abatements</p> <p>LMC §13.14.420(D)</p> <p>LMC §1.10.120</p>	<ul style="list-style-type: none"> • Notify violator of unsafe condition, if possible. • Follow service Procedure in LMC §1.10.120. • Abatement may require the cleanup of spills, illicit discharges, and dumping to the City’s storm drainage system within 72 hours of notification, or sooner, for high risk spills per LMC §13.14.420(D)1. Cost of abatement billed to owner and recording of a lien on property per LMC §§13.14.420(A)9 & (D). • Owner may file appeal contesting costs LMC §13.14.450. • Immediate cessation of any activities causing pollutants to enter the storm water systems that present imminent danger to the public health, safety, welfare, environment or that could violate an NPDES permit per LMC §13.14.420(D)4.
<ul style="list-style-type: none"> • Failure to comply with the City building, planning, and/or construction requirements. • Failure to comply with abatement orders to lift a stop work order. 	<p>Withholding Plans, Approvals & Authorizations</p> <p>LMC §13.14.420</p>	<ul style="list-style-type: none"> • Building and Planning Department to withhold authorization to proceed on all projects until all construction and post-construction measures have been satisfactorily addressed. • The City will not lift a cessation of activities order until verification of mitigation has occurred.



Triggers	Enforcement Action	Implementation Description
<ul style="list-style-type: none"> Relapse into non-compliance after successfully demonstrating compliance, abating a violation or completing a compliance schedule. 	<p>Recidivism Reduction</p> <p>LMC §13.14.420</p>	<ul style="list-style-type: none"> Require the implementation and ongoing use of Best Management Practices as part of each enforcement action. Establish elements of a Stormwater Pollution Prevention Plan (SWPPP) at applicable businesses and require adoption and implementation of the plan as part of each enforcement action. Conduct a minimum of two inspections during the year following the successful abatement or completion of a compliance schedule, to ensure that the use of Best Management Practices and / or adherence to the SWPPP is ongoing.
<ul style="list-style-type: none"> If a project is issued two consecutive Notice of Violations, or a previously issued Notice of Violation remains uncorrected, the City will assign the project an elevated "Risk Level," thereby increasing inspection frequency as set forth in LMC §13.14.120(B)(3)(c). 	<p>Recidivism Reduction via Elevated Inspection Frequency (Construction Projects)</p> <p>LMC §13.14.120</p>	<ul style="list-style-type: none"> The City uses water quality threat levels that correspond to the project's CGP "Risk Level". The City's initial storm water compliance inspection frequency at construction sites based on project's threat to water quality as set forth in LMC §13.14.120(B)(3). Frequency of inspections shall increase from the baseline level for projects which incur two consecutive violation or corrective notices, or a previously issued NOV remains uncorrected after the compliance deadline set by the City.
<p>For construction projects or industrial facilities subject to the State's Construction General Permit (CGP) or Industrial General Permit (IGP):</p> <ul style="list-style-type: none"> Non-filers (i.e., those facilities that cannot demonstrate that they obtained permit coverage). Ongoing violations, after progressive enforcement efforts to achieve compliance have been unsuccessful. 	<p>NPDES Permit Referrals</p> <p>LMC §13.14.420</p>	<ul style="list-style-type: none"> Sites that are unable to demonstrate that they have obtained applicable IGP or CGP coverage will be referred to the CVRWQCB within 30 days of making the non-filer determination. The City will refer ongoing violators to the CVRWQCB for those still in non-compliance after the City's attempts to achieve compliance through the use of progressive enforcement methods have been unsuccessful. City will issue at least two warning letters or notices of violation, and make at least two follow-up inspections, prior to referring violators to the CVRWQCB.



2.4. ENFORCEMENT FLOW CHART



3. SERVICE OF NOTICES, AND ENFORCEMENT TRACKING

3.1. METHOD OF SERVICE

The enforcement official, shall cause the NOV and/or administrative civil citation to be served on the person(s) owning or occupying the premises, or upon the person(s) responsible for or committing the violation. Service of the notice and order to abate may be made in the following manner:

1. By personal service; or
2. By registered or certified mail.

3.2 ENFORCEMENT TRACKING

Implementation of the enforcement actions identified in this plan will be tracked electronically in the City’s Storm Water Management database. Each enforcement action will be documented with the following information being recorded:

1. Name of owner/operator;



2. Location of construction project or industrial facility;
3. Property APN number;
4. Description of violation;
5. Required schedule for returning to compliance;
6. Description of enforcement response used, including escalated responses if repeat violations occur or violations are not resolved within the time specified in the enforcement action;
7. Accompanying documentation of enforcement response (e.g., notice of noncompliance, notice of violations, etc.); and
8. Any referral(s) to other city departments or outside agencies.

4. ASSESSMENT OF ADMINISTRATIVE PENALTIES

4.1. ASSESSMENT METHODOLOGY

The stormwater management and discharge control ordinance authorizes the assessment of penalties to be derived per this Plan. Pursuant to LMC § 13.14.420(12)(C), the penalty amounts shall be derived as outlined in this Stormwater Enforcement Response Plan and in determining the amount of penalty to be assessed, consideration will be given to the following:

- i. The extent to which the owner or person responsible for the violation had knowledge or reasonably should have known that the action taken was a violation of this chapter;
- ii. The magnitude of the violation;
- iii. The extent to which the owner or person responsible for the violation derived a financial benefit from the violation;
- iv. Any prior history of related violations by the same person on the subject property or on other parcels within the city; and
- iv. Any corrective action, or lack thereof, taken by the owner or person responsible to eliminate the violations, and any other mitigating circumstances justifying a reduction of the amount of the penalties.

To determine the amount of the penalties, the following formula will be used. Penalties noted below are separate from any applicable cost recovery.

$$\text{Administrative Penalty} = V + (N * R)$$

Where:

- V = First Violation Points
- N = Number of Prior Violations
- R = Repeat Violation Points



4.2. ADMINISTRATIVE PENALTY SCHEDULE

Description	First Violation Points	Repeat Violation Points
Failure to obtain encroachment permit prior to ground disturbance (if applicable)	1	N/A
Failure to obtain approved permit prior to ground disturbance (if applicable)	2	N/A
Failure to implement ESCP requirements (prior to ground disturbance or during project)	1	2
Failure to obtain WDID number prior to ground disturbance (if applicable)	2	N/A
Failure to implement SWPPP requirements (prior to ground disturbance or during project)	2	2
Failure to properly install and/or maintain BMPs	1	2
Discharge in PRIORITY AREA – no HARM	2	2
Discharge in PRIORITY AREA – HARM	3	4
Discharge outside PRIORITY AREA – no HARM	1	2
Discharge outside PRIORITY AREA – HARM	2	3
Illicit connection	2	1
Failure to remove BMPs after NOT	1	2

Total Points

1 - 2
3 - 4
5
6
7
8
9
10
11+

Action

Verbal/Notice of Correction
Written Notice of Violation
Administrative Penalty \$100
Administrative Penalty \$200
Administrative Penalty \$500
Administrative Penalty \$750
Administrative Penalty \$1,000
Administrative Penalty \$1,500
Administrative Penalty \$2,000

RESOLUTION NO. 2016-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING CITY OF LODI STORM WATER
ENFORCEMENT RESPONSE PLAN AND
ADMINISTRATIVE PENALTY SCHEDULE

=====

WHEREAS, on February 5, 2013, the State Water Resources Control Board adopted Order No. 2013-0001-DWQ, which updated the State's General Permit for the National Pollutant Discharge Elimination System (NPDES) Phase II Municipal Separate Storm Sewer System (MS4) Storm Water Permit (Permit); and

WHEREAS, City of Lodi is subject to the Permit which requires permittees to develop or update a Storm Water Enforcement Response Plan (ERP) within the third year of Permit update; and

WHEREAS, using State guidelines, the ERP describes how the City will address repeat and continuing storm water violations by implementing escalating enforcement responses as necessary to achieve compliance; and

WHEREAS, the ERP is required to describe the enforcement responses based on types of violations; how repeat and continuing violations are addressed; and when monetary fines, including civil or administrative penalties, will be assessed; and

WHEREAS, as outlined in the ERP, the City will initially use the least stringent enforcement action available with each successive enforcement action based on the violator's responsiveness and the severity of the violation; and

WHEREAS, staff recommends that the City Council approve the City of Lodi Storm Water ERP and the Administrative Penalty Schedule, attached hereto as Exhibit A and made a part of this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the City of Lodi Storm Water Enforcement Response Plan and the Administrative Penalty Schedule, as shown on Exhibit A attached hereto and made a part of this Resolution.

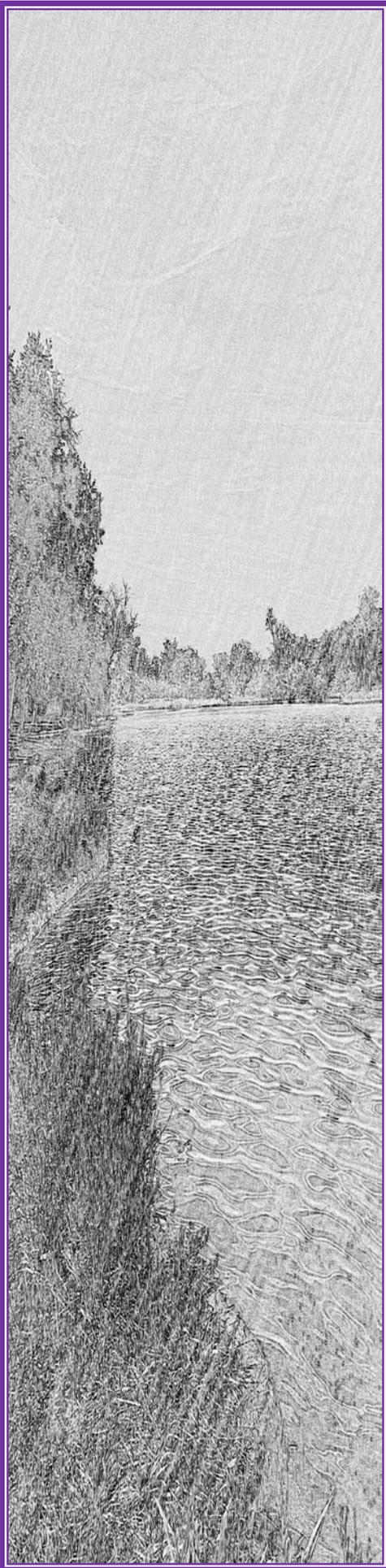
Dated: August 3, 2016

=====

I hereby certify that Resolution No. 2016-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 3, 2016 by the following vote:

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

JENNIFER M. FERRAILOLO
City Clerk



STORMWATER ENFORCEMENT RESPONSE PLAN

(ERP)



City of Lodi
May 2016



Storm Water Enforcement Response Plan

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Storm Water Enforcement Response Plan

I. ENFORCEMENT RESPONSE PLAN REVISIONS

Revision No.	Date	Revised By	Reason for Revision	Sections Revised
0	4/20/16	KMG	Initial Preparation	All New

II. TERMS AND ABBREVIATIONS

BMPs	Best Management Practices
C&DO	Cease and Desist Orders
CGP	Construction General Permit
CVRWQCB	Central Valley Regional Water Quality Control Board
CWA	Clean Water Act
EPA	Environmental Protection Agency
ERP	Enforcement Response Plan
ESCP	Erosion and Sediment Control Plan
HARM	Harm indicates potential pollutant reaches the municipal storm drain system and/or surface water body
IGP	Industrial General Permit
MS4	Municipal Separate Storm Sewer System
NOC	Notice of Correction
NOI	Notice of Intent
NOT	Notice of Termination
NOV	Notice of Violation
NPDES	National Pollutant Discharge Elimination System
PRIORITY AREA	Priority areas are those drainage areas whose watershed drains directly or indirectly (via pump station) to a surface water body such as Lodi Lake or the Mokelumne River
SWPPP	Stormwater Pollution Prevention Plan
WDID	Waste Discharge Identification



1. INTRODUCTION

1.1. PURPOSE AND APPROACH

The City of Lodi (City) is subject to the State Water Resources Control Board's (SWRCB) National Pollution Discharge Elimination System (NPDES) Water Quality Order for Small Municipal Separate Storm Sewer Systems (Phase II MS4 Permit). As a result, in compliance with Section E.6.c, the City is required to develop and implement an Enforcement Response Plan.

The City adopted the existing Storm Water Ordinance, Lodi Municipal Code (LMC) Chapter 13.14, on June 3, 2015, which incorporates several enforcement mechanisms that can be employed to escalate the level of enforcement depending on the circumstances, including: notices of violation; cease and desist orders; abatement; administrative citations; civil enforcement; and criminal prosecution.

The purpose of this document is to formally establish consistency with the City's enforcement procedures and follow-up actions for non-compliance with the City's Storm Water Ordinance, LMC Chapter 13.14. This plan describes how the City will address repeat and continuing violations by implementing escalating enforcement responses as necessary to achieve compliance. LMC Chapter 13.14 and this Enforcement Response Plan (ERP) may be used for NPDES violations, seasonal, and recurrent nuisances, and emergency orders and abatements. The enforcement actions denoted may be used independently depending on the nature and type of the violation(s).

The City's approach to ensuring compliance with the LMC and this ERP is based on progressive enforcement. In general, the City will initially use the least stringent enforcement action available for the subject violation, with each successive enforcement action based on the violator's responsiveness and the type of violation. In some cases the City may need to escalate the enforcement actions noted in the ERP based on the severity of violation, history of violations, and responsiveness of the violator. The enforcement official noted herein means the Public Works Director for the City of Lodi or designee, or any agent of the City authorized to enforce the LMC.

2. ENFORCEMENT RESPONSES

2.1. VERBAL / WRITTEN WARNINGS (NOTICE OF CORRECTION)

The City will issue verbal and/or written warnings as an optional first level of enforcement response. City staff has the discretion to issue either a verbal warning or a written notice of correction, depending on the circumstances. Verbal warnings are primarily consultative in nature and specify the nature of the violation and required corrective action.



Triggers	Enforcement Action	Implementation Description
<ul style="list-style-type: none"> • First-time violator (minor environmental violations or threat). • No active or imminent threat of significant contamination to the storm drain system or the environment. • Ability for violator to immediately correct situation. • Conditions that may result in a violation of LMC Chapter 13.14 due to poor housekeeping or management practices. • Violator is cooperative and willing to remedy situation. 	Verbal / Written Warnings (Notice of Correction)	<ul style="list-style-type: none"> • Specify the nature of the violation(s) or potential violation(s), document and photograph. • Specify required corrective actions. • Recommend (on the spot) appropriate BMPs to correct or prevent violation(s). • Follow up with written inspection summary, and photograph. • Violator shall take all reasonable steps to comply with required corrective actions and recommendations. • City will conduct a follow-up inspection within four weeks to verify corrections, document in writing, and photograph.

2.2. WRITTEN NOTICES (NOTICE OF VIOLATION)

The City will issue written notices as a typical first level of enforcement response to minor violations with minimal environmental impact. City staff will have the discretion to determine whether a written notice is appropriate for the scenario and whether escalated enforcement measures should be used.

Triggers	Enforcement Action	Implementation Description
<ul style="list-style-type: none"> • First-time violators (moderate threat or isolated incident). • Failure to implement appropriate BMPS after receiving a verbal/written warning. • Minor infractions with minimal impact on the storm drain system and the environment. • Seasonal and recurrent non-storm water nuisance flows onto public right of way. • Violator is cooperative and willing to remedy situation. 	Written Notices (Notice of Violation, Cease and Desist Order) LMC §13.14.420(A) LMC §1.10.120	<ul style="list-style-type: none"> • Issue written NOV. Complete NOV specifying code section violations, corrective actions and compliance dates. Include photographs. • City will impose deadlines for violator to comply with specified corrective actions. • Follow service procedure in LMC §1.10.120. • Conduct follow-up inspection after compliance deadline; document in writing, and photograph. • Violator shall submit a written explanation of the violation and a plan for the satisfactory correction and prevention thereof, which shall include specific corrective actions to be taken, to the Enforcement official within the time prescribed in the notice and order per LMC §13.14.420(A)1. • Violator may appeal the notice and order within 10 days per LMC §13.14.450.



2.3. ESCALATED ENFORCEMENT MEASURES

Escalated enforcement measures may be required in order to achieve compliance and/or adequate mitigation when violations pose a significant impact on the storm drain system and environment, or violators are uncooperative and fail to comply with written notices. The City has established legal authority, pursuant to LMC Chapter 13.14, enacted June 3, 2015, establishing different methods of enforcement actions, which allow the City to escalate enforcement responses when necessary to correct persistent non-compliance, repeat or escalating violations, or incidents of major environmental harm. The City Enforcement official will have the discretion to determine the appropriate level of enforcement based on the nature and type of violation.

Triggers	Enforcement Action	Implementation Description
<ul style="list-style-type: none"> • Failure to comply with Notice and Order to Abate. • Failure to submit discharge abatement plan. • Violations with significant impacts on the storm drain system and the environment. • Violator economically benefits from the violation. • Violator is non-cooperative or minimally cooperative to remedy situation. 	Administrative Civil Citation LMC §13.14.420 (A)12	<ul style="list-style-type: none"> • Issue administrative civil citation. • Follow service procedure in LMC §1.10.120. • Conduct follow-up inspection after deadline to implement corrective actions; document, photograph concerns. • Violator may appeal the notice and order per LMC §13.14.450.
<ul style="list-style-type: none"> • Failure to respond appropriately to written notices. • Failure to comply with notice and order and/or citations. • Violator is not cooperative. • Activities when, in the opinion of the enforcement official, cause an illicit discharge or cause or potentially cause uncontrolled pollutants to enter the stormwater conveyance system and present an imminent danger to the public health, safety, welfare or environment, or a violation of a NPDES permit. 	Stop Work Orders LMC §13.14.420(D)	<ul style="list-style-type: none"> • Notify Violator of unsafe condition, if possible. • Immediate cessation of any activities causing pollutants to enter the storm water systems that present imminent danger to the public health, safety, welfare, environment or that could violate an NPDES permit per LMC §13.14.420(D). • Conduct follow-up inspection after completion date for corrective actions; document, photograph concerns prior to allowing cessation to be lifted.



Storm Water Enforcement Response Plan

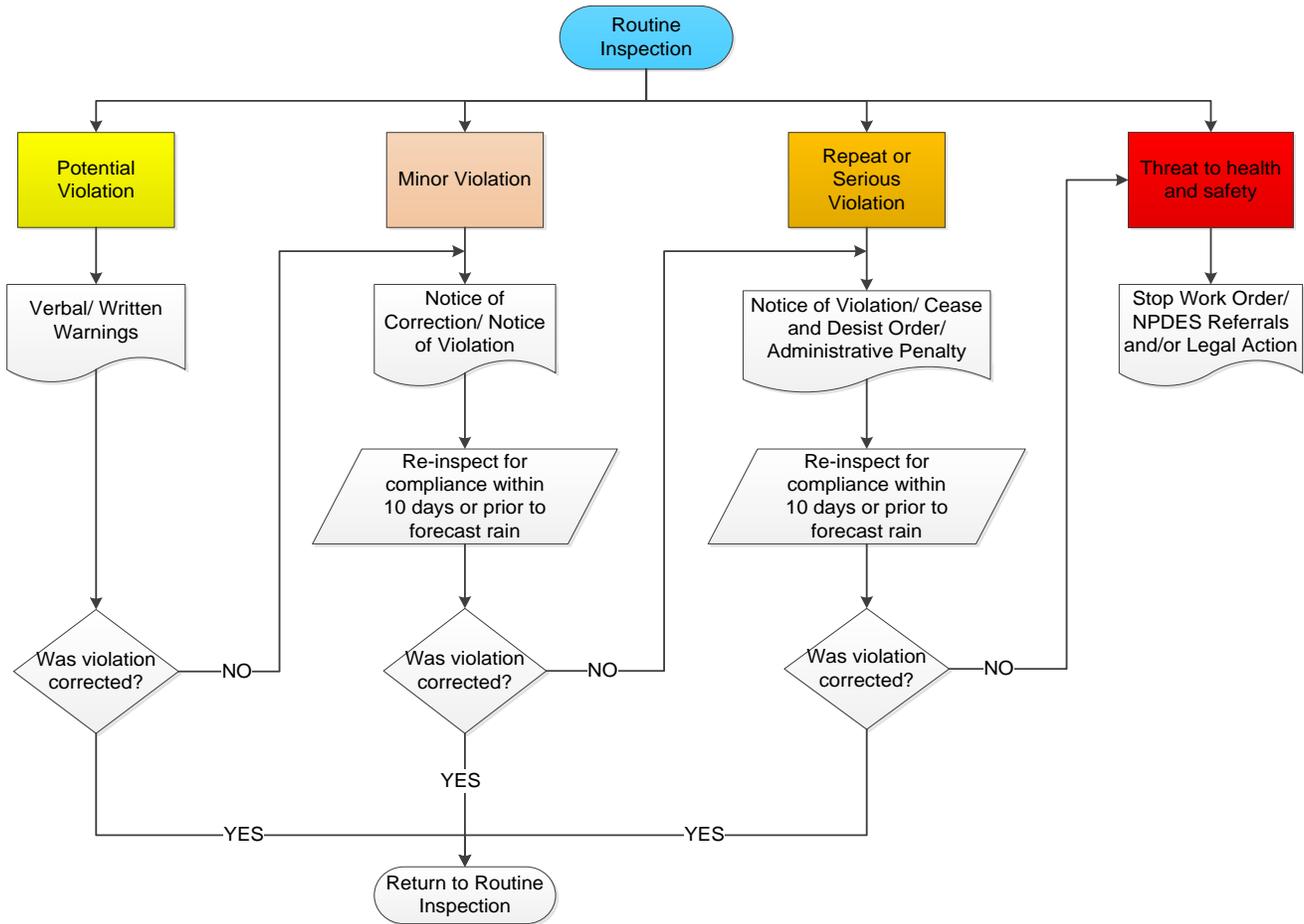
Triggers	Enforcement Action	Implementation Description
<p>Any violation of LMC Chapter 13.14, including, but not limited to:</p> <ul style="list-style-type: none"> • Failure to respond appropriately to written notices. • Failure to comply with notice and order and/or citations. • Violator is not cooperative. • Multiple offenses of similar nature. • Minor to moderate infractions with minimal to moderate impact on the storm drain system and the environment. • Third serious violation within a 12-month period. • Ongoing discharges of pollutants to the storm drain system or to the roadways, including flooding over a city roadway. 	<p>Criminal Prosecution or Civil Action</p> <p>LMC §13.14.420</p> <p>LMC §13.14.420(B)</p> <p>LMC §1.10.120</p>	<ul style="list-style-type: none"> • Any violation of LMC Chapter 13.14 is a misdemeanor offense per LMC §13.14.420(A)(7), and violators may be referred to City Attorney for criminal prosecution per LMC §13.14.420(C). • A civil injunction may be sought at any time, for any violation of LMC Chapter 13.14.
<ul style="list-style-type: none"> • Discharge causes or threatens to cause a condition that presents an imminent danger to the public health, safety, welfare or environment. • Discharge causes or threatens to cause a violation of a NPDES permit. • Major violations of LMC §13.14.420(D) (e.g. large spills, gross negligence in housekeeping or management practices) possibly requiring emergency spill response. • Ongoing discharges of pollutants to the storm drain system or to the environment. • Significant impact to the environment caused by violation requiring immediate abatement to protect. • Emergency situation where the property owner or other responsible party is unavailable. 	<p>Emergency Orders and Abatements</p> <p>LMC §13.14.420(D)</p> <p>LMC §1.10.120</p>	<ul style="list-style-type: none"> • Notify violator of unsafe condition, if possible. • Follow service Procedure in LMC §1.10.120. • Abatement may require the cleanup of spills, illicit discharges, and dumping to the City's storm drainage system within 72 hours of notification, or sooner, for high risk spills per LMC §13.14.420(D)1. Cost of abatement billed to owner and recording of a lien on property per LMC §§13.14.420(A)9 & (D). • Owner may file appeal contesting costs LMC §13.14.450. • Immediate cessation of any activities causing pollutants to enter the storm water systems that present imminent danger to the public health, safety, welfare, environment or that could violate an NPDES permit per LMC §13.14.420(D)4.
<ul style="list-style-type: none"> • Failure to comply with the City building, planning, and/or construction requirements. • Failure to comply with abatement orders to lift a stop work order. 	<p>Withholding Plans, Approvals & Authorizations</p> <p>LMC §13.14.420</p>	<ul style="list-style-type: none"> • Building and Planning Department to withhold authorization to proceed on all projects until all construction and post-construction measures have been satisfactorily addressed. • The City will not lift a cessation of activities order until verification of mitigation has occurred.



Triggers	Enforcement Action	Implementation Description
<ul style="list-style-type: none"> Relapse into non-compliance after successfully demonstrating compliance, abating a violation or completing a compliance schedule. 	<p>Recidivism Reduction</p> <p>LMC §13.14.420</p>	<ul style="list-style-type: none"> Require the implementation and ongoing use of Best Management Practices as part of each enforcement action. Establish elements of a Stormwater Pollution Prevention Plan (SWPPP) at applicable businesses and require adoption and implementation of the plan as part of each enforcement action. Conduct a minimum of two inspections during the year following the successful abatement or completion of a compliance schedule, to ensure that the use of Best Management Practices and / or adherence to the SWPPP is ongoing.
<ul style="list-style-type: none"> If a project is issued two consecutive Notice of Violations, or a previously issued Notice of Violation remains uncorrected, the City will assign the project an elevated "Risk Level," thereby increasing inspection frequency as set forth in LMC §13.14.120(B)(3)(c). 	<p>Recidivism Reduction via Elevated Inspection Frequency (Construction Projects)</p> <p>LMC §13.14.120</p>	<ul style="list-style-type: none"> The City uses water quality threat levels that correspond to the project's CGP "Risk Level". The City's initial storm water compliance inspection frequency at construction sites based on project's threat to water quality as set forth in LMC §13.14.120(B)(3). Frequency of inspections shall increase from the baseline level for projects which incur two consecutive violation or corrective notices, or a previously issued NOV remains uncorrected after the compliance deadline set by the City.
<p>For construction projects or industrial facilities subject to the State's Construction General Permit (CGP) or Industrial General Permit (IGP):</p> <ul style="list-style-type: none"> Non-filers (i.e., those facilities that cannot demonstrate that they obtained permit coverage). Ongoing violations, after progressive enforcement efforts to achieve compliance have been unsuccessful. 	<p>NPDES Permit Referrals</p> <p>LMC §13.14.420</p>	<ul style="list-style-type: none"> Sites that are unable to demonstrate that they have obtained applicable IGP or CGP coverage will be referred to the CVRWQCB within 30 days of making the non-filer determination. The City will refer ongoing violators to the CVRWQCB for those still in non-compliance after the City's attempts to achieve compliance through the use of progressive enforcement methods have been unsuccessful. City will issue at least two warning letters or notices of violation, and make at least two follow-up inspections, prior to referring violators to the CVRWQCB.



2.4. ENFORCEMENT FLOW CHART



3. SERVICE OF NOTICES, AND ENFORCEMENT TRACKING

3.1. METHOD OF SERVICE

The enforcement official, shall cause the NOV and/or administrative civil citation to be served on the person(s) owning or occupying the premises, or upon the person(s) responsible for or committing the violation. Service of the notice and order to abate may be made in the following manner:

1. By personal service; or
2. By registered or certified mail.

3.2 ENFORCEMENT TRACKING

Implementation of the enforcement actions identified in this plan will be tracked electronically in the City’s Storm Water Management database. Each enforcement action will be documented with the following information being recorded:

1. Name of owner/operator;



2. Location of construction project or industrial facility;
3. Property APN number;
4. Description of violation;
5. Required schedule for returning to compliance;
6. Description of enforcement response used, including escalated responses if repeat violations occur or violations are not resolved within the time specified in the enforcement action;
7. Accompanying documentation of enforcement response (e.g., notice of noncompliance, notice of violations, etc.); and
8. Any referral(s) to other city departments or outside agencies.

4. ASSESSMENT OF ADMINISTRATIVE PENALTIES

4.1. ASSESSMENT METHODOLOGY

The stormwater management and discharge control ordinance authorizes the assessment of penalties to be derived per this Plan. Pursuant to LMC § 13.14.420(12)(C), the penalty amounts shall be derived as outlined in this Stormwater Enforcement Response Plan and in determining the amount of penalty to be assessed, consideration will be given to the following:

- i. The extent to which the owner or person responsible for the violation had knowledge or reasonably should have known that the action taken was a violation of this chapter;
- ii. The magnitude of the violation;
- iii. The extent to which the owner or person responsible for the violation derived a financial benefit from the violation;
- iv. Any prior history of related violations by the same person on the subject property or on other parcels within the city; and
- iv. Any corrective action, or lack thereof, taken by the owner or person responsible to eliminate the violations, and any other mitigating circumstances justifying a reduction of the amount of the penalties.

To determine the amount of the penalties, the following formula will be used. Penalties noted below are separate from any applicable cost recovery.

$$\text{Administrative Penalty} = V + (N * R)$$

Where:

- V = First Violation Points
- N = Number of Prior Violations
- R = Repeat Violation Points



4.2. ADMINISTRATIVE PENALTY SCHEDULE

Description	First Violation Points	Repeat Violation Points
Failure to obtain encroachment permit prior to ground disturbance (if applicable)	1	N/A
Failure to obtain approved permit prior to ground disturbance (if applicable)	2	N/A
Failure to implement ESCP requirements (prior to ground disturbance or during project)	1	2
Failure to obtain WDID number prior to ground disturbance (if applicable)	2	N/A
Failure to implement SWPPP requirements (prior to ground disturbance or during project)	2	2
Failure to properly install and/or maintain BMPs	1	2
Discharge in PRIORITY AREA – no HARM	2	2
Discharge in PRIORITY AREA – HARM	3	4
Discharge outside PRIORITY AREA – no HARM	1	2
Discharge outside PRIORITY AREA – HARM	2	3
Illicit connection	2	1
Failure to remove BPMs after NOT	1	2

Total Points

Action

1 - 2	Verbal/Notice of Correction
3 - 4	Written Notice of Violation
5	Administrative Penalty \$100
6	Administrative Penalty \$200
7	Administrative Penalty \$500
8	Administrative Penalty \$750
9	Administrative Penalty \$1,000
10	Administrative Penalty \$1,500
11+	Administrative Penalty \$2,000



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Receive Report Regarding Communication Pertaining to Assembly Bill 2586 (Gatto) Parking

MEETING DATE: August 3, 2016

PREPARED BY: City Clerk

RECOMMENDED ACTION: Receive report regarding communication pertaining to Assembly Bill 2586 (Gatto) Parking.

BACKGROUND INFORMATION: The City received a request for communication from the League of California Cities regarding AB 2586 (Gatto). There was a need to send a letter of opposition immediately in light of a pending hearing.

AB 2586 would restrict the ability of local governments to regulate local parking, an authority that cities have had since at least 1959. The bill takes a one-size-fits-all approach prohibiting cities from providing certain incentives when contracting out for private parking enforcement. Many cities conduct their own parking enforcement, but when faced with limited resources, cities need every tool at their disposal to ensure contractors are fulfilling their enforcement responsibilities. In addition, the bill declares it the intent of the legislature that local authorities shall make parking immediately available upon the conclusion of street sweeping activities, without considering that cities will often use such parking restrictions to provide other valuable services, such as tree trimming, garbage cleanup, and other services to maximize their ability to deliver such services.

The attached letter, electronically signed by the Mayor, was sent out on July 27, 2016. A copy of the initial request, along with the text of the bill, is also attached. This report is provided for informational purposes only, pursuant to policy.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jennifer M. Ferraiolo
City Clerk

APPROVED: _____
Stephen Schwabauer, City Manager

CITY COUNCIL

MARK CHANDLER, Mayor
DOUG KUEHNE,
Mayor Pro Tempore
BOB JOHNSON
JOANNE MOUNCE
ALAN NAKANISHI

CITY OF LODI

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STEPHEN SCHWABAUER
City Manager
JENNIFER M. FERRAILOLO
City Clerk
JANICE D. MAGDICH
City Attorney

July 27, 2016

The Honorable Mike Gatto
California State Assembly, District 43
State Capitol Building, Room 5136
Sacramento, CA 95814
Fax: (916) 319-2143

**RE: AB 2586 (Gatto) Parking
Notice of Opposition (As amended 6/30/16)**

The City of Lodi must respectfully oppose your AB 2586, which would restrict the ability of local governments to regulate local parking. This bill unnecessarily upends local authority to regulate parking, an authority that cities have had since at least 1959.

In 2013, the state enacted AB 61 (Gatto, Chapter 71, Statutes of 2013), a bill narrowly targeted at broken parking meters. That law is set to expire at the end of this year, yet not enough time has elapsed to adequately assess its impact. Furthermore, many cities do not have parking meters at all and for cities that do, some have already adopted policies or ordinances of not ticketing cars at broken meters on their own without the need for legislation. Making this recent change in law permanent is premature at best.

Unlike AB 61, AB 2586 goes well beyond the limitations imposed on the authority of a local government to regulate its own parking needs. The bill takes a one-size-fits-all approach prohibiting cities from providing certain incentives when contracting out for private parking enforcement. Many cities conduct their own parking enforcement, but when faced with limited resources, cities need every tool at their disposal to ensure contractors are fulfilling their enforcement responsibilities.

Furthermore, the bill declares it the intent of the legislature that local authorities shall make parking immediately available upon the conclusion of street sweeping activities, without considering that cities will often use such parking restrictions to provide other valuable services, such as tree trimming, garbage cleanup, and other services to maximize their ability to deliver such services.

No entity is better equipped than local government to regulate its own parking needs. Cities are more than capable and continue to demonstrate their ability to adapt to their residents' needs without statewide policy on such a core local issue.

For these reasons, the City Lodi opposes AB 2586.

Sincerely,

/s/ Mark Chandler

Mark Chandler
Mayor, City of Lodi

cc: Senator Cathleen Galgiani, Fax: (916) 651-4905
Assemblymember Jim Cooper, Fax: (916) 319-2109
Stephen Qualls, League of California Cities, squalls@cacities.org
Meg Desmond, League of California Cities, mdesmond@cacities.org

Jennifer Ferraiolo

From: Stephen R. Qualls <squalls@cacities.org>
Sent: Monday, July 25, 2016 6:21 PM
Subject: URGENT: Letters Needed
Attachments: AB 2586 (Gatto) Sample Oppose Ltr_07.25.16.docx; Action Alert AB 2586 (Gatto) Parking_07.25.16.docx

ACTION ALERT!!

AB 2586 (Gatto) - Parking.

OPPOSE

Background:

In 2013, the state enacted AB 61 (Gatto, Chapter 71, Statutes of 2013), a bill narrowly targeted at broken parking meters. AB 61, without considering the potential increase for meter vandalism and manipulation, prohibited local jurisdictions from ticketing at inoperable meters and was set to sunset on January 1, 2017.

AB 2586 would eliminate the AB 61 sunset provision, expand upon existing law, and restrict a local governments' ability to regulate local parking. Specifically, this bill:

- 1) Includes intent language stating that cities "shall" make parking available as soon as street sweeping is completed, when a city prohibits or restricts parking or standing of vehicles for the purposes of street sweeping.
- 2) Removes the sunset on provisions set forth in AB 61 (Gatto) that prohibits local governments from ticketing cars parked at broken meters until 2017, thereby extending these provisions indefinitely. This provision leaves cities vulnerable to parking meter vandalism.
- 3) Unnecessarily restricts a city's ability to contract out for private parking enforcement without regard for the size or financial ability for the city to conduct such enforcement, even though cities are required to enforce both local and state parking laws.

ACTION:

AB 2586 is headed to the Senate Floor and can be heard as soon as next week. Please send your CITY LETTERS of OPPOSITION as soon as possible.

A sample OPPOSITION letter is attached or you may use the League's Action Center<[http://www.cacities.org/Policy-Advocacy/Action-Center/AB-2586-\(Gatto\)-Parking](http://www.cacities.org/Policy-Advocacy/Action-Center/AB-2586-(Gatto)-Parking)> to send a letter through our online system.

You can find your Legislator's contact information here: <http://findyourrep.legislature.ca.gov/>.

Talking Points:

- * Despite amendments, this measure goes well beyond the limitations imposed on local government authority to regulate its own parking needs, such as street sweeping, and its ability to contract with private parking enforcement.
- * Broken meters represent only a fraction of working parking meters, making this an unusual candidate for statewide policy. Any attempt to make this recent change in law permanent is premature, at best.
- * City/Town of _____ has proactively adopted ordinances to not ticket vehicles parked at broken meters and make it easy for tickets to be adjudicated if they happen to receive such a ticket. We simply do not see this matter as an issue of statewide concern and strongly urge your NO vote on this bill.

Stephen Qualls
Central Valley Regional Public Affairs Manager League of California Cities

209-614-0118
Fax 209-883-0653
squalls@cacities.org<<mailto:squalls@cacities.org>>

[Description: Description: LCC_Logo_SM]
[<https://mail.cacities.org/owa/attachment.ashx?id=RgAAAACy8fHTR2LKSbH7v1WA%2bKroBwCJIF8QxE1YR5pVkCgOVZ7pAAAGc5DHAACi1UlkD4vzS51QTLjAf8aNAAyVLIINAAJ&attcnt=1&attid0=BAABAAAA&attcid0=image002.png%4001CF9F55.154BCF00>]

Strengthening California Cities through Advocacy and Education To expand and protect local control for cities through education and advocacy in order to enhance the quality of life for all Californians.

<<https://mail.cacities.org/owa/redir.aspx?C=9ba1cebeda914a8d8b298c0154b06ac0&URL=http%3a%2f%2fwww.cacities.org%2fAC>>

PLEASE DO NOT distribute political campaign advocacy information from public (city hall) computers, on city time, or using public resources, even if it's from your personal email account. If in doubt, check with your city attorney.??

ACTION ALERT!!

AB 2586 (Gatto) - Parking.

OPPOSE

Background:

In 2013, the state enacted AB 61 (Gatto, Chapter 71, Statutes of 2013), a bill narrowly targeted at broken parking meters. AB 61, without considering the potential increase for meter vandalism and manipulation, prohibited local jurisdictions from ticketing at inoperable meters and was set to sunset on January 1, 2017.

AB 2586 would eliminate the AB 61 sunset provision, expand upon existing law, and restrict a local governments' ability to regulate local parking. Specifically, this bill:

- 1) Includes intent language stating that cities "shall" make parking available as soon as street sweeping is completed, when a city prohibits or restricts parking or standing of vehicles for the purposes of street sweeping.
- 2) Removes the sunset on provisions set forth in AB 61 (Gatto) that prohibits local governments from ticketing cars parked at broken meters until 2017, thereby extending these provisions indefinitely. This provision leaves cities vulnerable to parking meter vandalism.
- 3) Unnecessarily restricts a city's ability to contract out for private parking enforcement without regard for the size or financial ability for the city to conduct such enforcement, even though cities are required to enforce both local and state parking laws.

ACTION:

AB 2586 is headed to the Senate Floor as soon as next week. **Please send your CITY LETTERS of OPPOSITION** as soon as possible.

A sample OPPOSITION letter is attached or you may use the League's [Action Center](#) to send a letter through our online system.

You can find your Legislator's contact information here: <http://findyourrep.legislature.ca.gov/>.

Talking Points:

- Despite amendments, this measure goes well beyond the limitations imposed on local government authority to regulate its own parking needs, such as street sweeping, and its ability to contract with private parking enforcement.
- Broken meters represent only a fraction of working parking meters, making this an unusual candidate for statewide policy. Any attempt to make this recent change in law permanent is premature, at best.
- **City/Town of _____** has proactively adopted ordinances to not ticket vehicles parked at broken meters and make it easy for tickets to be adjudicated if they happen to receive such a ticket. We simply do not see this matter as an issue of statewide concern and strongly urge your NO vote on this bill.

AMENDED IN SENATE JUNE 30, 2016

AMENDED IN ASSEMBLY MAY 31, 2016

AMENDED IN ASSEMBLY APRIL 6, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2586

Introduced by Assembly Member Gatto

February 19, 2016

An act to amend Section 22507.6 of, to add ~~Sections 22508.6 and Section 22508.7~~ to, and to repeal and amend Section 22508.5 of, the Vehicle Code, relating to parking.

LEGISLATIVE COUNSEL'S DIGEST

AB 2586, as amended, Gatto. Parking.

Existing law authorizes parking, for up to the posted time limit, in any parking space that is regulated by an inoperable parking meter or an inoperable parking payment center, as defined, until January 1, 2017. Existing law prohibits, until January 1, 2017, a local authority from enacting an ordinance or resolution prohibiting or restricting the parking of vehicles under the above circumstances.

This bill would delete the January 1, 2017, date of repeal for the above provisions, and thus extend those provisions indefinitely.

~~This bill would prohibit a person providing valet parking services in a business district from prohibiting a vehicle from parking in any otherwise available parking space regulated by a parking meter, or from stopping or standing for the purpose of loading or unloading passengers in any space or area that has been designated for that purpose.~~

This bill would prohibit a local authority that contracts with a private entity to enforce parking regulations from promoting designated incentives in connection with the issuance of violation notices.

~~Because a violation of provisions relating to vehicles, with certain exceptions, is an infraction, the bill would impose a state-mandated local program by creating a new infraction applicable to providers of valet parking services.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~yes-no~~. State-mandated local program: ~~yes-no~~.

The people of the State of California do enact as follows:

1 SECTION 1. Section 22507.6 of the Vehicle Code is amended
2 to read:
3 22507.6. (a) Local authorities may, by ordinance or resolution,
4 prohibit or restrict the parking or standing of vehicles on designated
5 streets or highways, or portions thereof, for the purpose of street
6 sweeping. An ordinance or resolution relating to the parking or
7 standing of commercial vehicles in a residential district shall not
8 be effective with respect to any commercial vehicle making pickups
9 or deliveries of goods, wares, or merchandise from or to any
10 building or structure located on the restricted street or highway,
11 or for the purpose of delivering materials to be used in the repair,
12 alteration, remodeling, or reconstruction of any building or
13 structure for which a building permit has previously been obtained.
14 The ordinance or resolution shall not be effective until the street
15 or highway, or portion thereof, has been sign-posted in accordance
16 with the uniform standards and specifications of the Department
17 of Transportation, or local authorities have caused to be posted in
18 a conspicuous place at each entrance to the street a notice not less
19 than 17 inches by 22 inches in size, with lettering not less than one
20 inch in height, setting forth the day or days and hours parking is
21 prohibited. As used in this section, "entrance" means the
22 intersection of any street or streets comprising an area of restricted
23 parking for street-sweeping purposes on the same day or days and

1 hours with another street or highway not subject to that parking
2 restriction, or subject to parking restrictions on different days and
3 hours.

4 (b) Notwithstanding subdivision (a), it is the intent of the
5 Legislature that if a local authority prohibits or restricts the parking
6 or standing of vehicles on designated streets or highways, or
7 portions thereof, for the purpose of street sweeping, the local
8 authority, as soon as the street sweeping has concluded, shall ensure
9 that the designated streets, highways, or portions thereof are
10 promptly made available to motorists, regardless of the posted
11 hours.

12 SEC. 2. Section 22508.5 of the Vehicle Code, as amended by
13 Section 1 of Chapter 71 of the Statutes of 2013, is repealed.

14 SEC. 3. Section 22508.5 of the Vehicle Code, as added by
15 Section 2 of Chapter 71 of the Statutes of 2013, is amended to
16 read:

17 22508.5. (a) A vehicle may park, for up to the posted time
18 limit, in any parking space that is regulated by an inoperable
19 parking meter or an inoperable parking payment center.

20 (b) A local authority shall not, by ordinance or resolution,
21 prohibit or restrict the parking of vehicles in a space that is
22 regulated by an inoperable parking meter or inoperable parking
23 payment center.

24 (c) For purposes of this section:

25 (1) "Inoperable parking meter" means a meter located next to
26 and designated for an individual parking space, which has become
27 inoperable and cannot accept payment in any form or cannot
28 register that a payment in any form has been made.

29 (2) "Inoperable parking payment center" means an electronic
30 parking meter or pay station serving one or more parking spaces
31 that is closest to the space where a person has parked and that
32 cannot accept payment in any form, cannot register that a payment
33 in any form has been made, or cannot issue a receipt that is required
34 to be displayed in a conspicuous location on or in the vehicle.

35 ~~SEC. 4. Section 22508.6 is added to the Vehicle Code, to read:~~

36 ~~22508.6. A person providing valet parking services in a~~
37 ~~business district is prohibited from doing either of the following:~~

38 ~~(a) Prohibiting a vehicle from parking in an otherwise available~~
39 ~~parking space regulated by a parking meter.~~

1 ~~(b) Prohibiting a vehicle from stopping or standing for the~~
2 ~~purpose of loading or unloading passengers in any space or area~~
3 ~~that has been designated for that purpose.~~

4 ~~SEC. 5.~~

5 *SEC. 4.* Section 22508.7 is added to the Vehicle Code, to read:
6 22508.7. A local authority, when contracting with a private
7 entity to enforce parking regulations, shall not promote any of the
8 following activities in connection with the issuance of violation
9 notices:

10 (a) Provide any monetary or other incentive, such as the promise
11 of a future contract for the issuance of a specified or higher number
12 of violation notices.

13 (b) Increase any violation fine in order to cover the cost of the
14 contracted enforcement service.

15 ~~SEC. 6. No reimbursement is required by this act pursuant to~~
16 ~~Section 6 of Article XIII B of the California Constitution because~~
17 ~~the only costs that may be incurred by a local agency or school~~
18 ~~district will be incurred because this act creates a new crime or~~
19 ~~infraction, eliminates a crime or infraction, or changes the penalty~~
20 ~~for a crime or infraction, within the meaning of Section 17556 of~~
21 ~~the Government Code, or changes the definition of a crime within~~
22 ~~the meaning of Section 6 of Article XIII B of the California~~
23 ~~Constitution.~~



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Amendment to Agreement with DSA Technologies for the Purchase of Network Switches for Fiber Optic Network from DSA Technologies, of Elk Grove (\$67,595.76)

MEETING DATE: August 3, 2016

PREPARED BY: Information Systems Manager

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute amendment to agreement with DSA Technologies for the purchase of network switches for fiber optic network from DSA Technologies, of Elk Grove, in the amount of \$67,595.76.

BACKGROUND INFORMATION: The City has a fiber optic network that connects all City-owned buildings, radio communications, and utility data collection sites to the network core in the data center. The City is installing a new network core as part of the data center equipment refresh. After some testing by staff, it was concluded that the existing fiber switching equipment in the outlying facilities is incompatible with the new data center network core. Replacing the switching equipment in the outlying facilities ensures the reliability of the fiber optic network. The new switching equipment will increase bandwidth around the fiber optic network, in addition to improving the reliability. There are a number of services that rely on the fiber optic network that include, but are not limited to: Public Safety radio communications, utility data collection sites, and internal City communications.

It is the staff recommendation to amend the contract with DSA Technologies to include switching equipment for the fiber optic network. DSA Technologies is currently under contract for installing all components of the new Data Center. The network switches for the fiber ring should be installed in conjunction with the new Data Center.

FISCAL IMPACT: Loss of network connectivity would result in:

- Delay of billing for service utilities up to \$400,000 a day
- Loss of Public Safety communications

FUNDING AVAILABLE: Information Technology Division (40299000.77020)

Jordan Ayers
Deputy City Manager

Benjamin Buecher
Information Technology Manager

JA/ja
Attachment

APPROVED: _____
Stephen Schwabauer, City Manager

AMENDMENT NO. 1

DSA Technologies
Professional Services Agreement

THIS AMENDMENT NO. 1 TO AGREEMENT, is made and entered this ____ day of _____, 2016, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and DSA TECHNOLOGIES, INC. (hereinafter "CONTRACTOR").

WITNESSETH:

1. WHEREAS, CONTRACTOR and CITY entered into a Professional Services Agreement ("Agreement") on June 7, 2016, as set forth in Exhibit 1 and attached hereto;
2. WHEREAS, CITY requested to amend said Agreement as set forth in Exhibit 2; and
3. WHEREAS, CONTRACTOR agrees to said amendments.

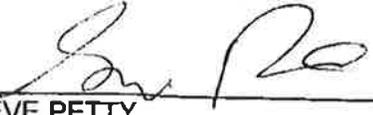
NOW, THEREFORE, the parties agree to amend the Agreement and fees as set forth in Exhibit 2. All other terms and conditions of the Agreement remain unchanged.

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Amendment No. 1 on the date and year first above written.

CITY OF LODI, a municipal corporation

DSA TECHNOLOGIES, INC.

STEPHEN SCHWABAUER
City Manager



STEVE PETTY
Vice President

Attest:

JENNIFER M. FERRAILOLO
City Clerk

Approved as to Form:

JOHN P. FUKASAWA
Deputy City Attorney 

AGREEMENT FOR PROFESSIONAL SERVICES

ARTICLE 1
PARTIES AND PURPOSE

Section 1.1 Parties

THIS AGREEMENT is entered into on June 7, 2016, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and DSA TECHNOLOGIES (hereinafter "CONTRACTOR").

Handwritten signature/initials.

Section 1.2 Purpose

CITY selected the CONTRACTOR to provide the services required in accordance with attached Scope of Services, Exhibit A, attached and incorporated by this reference.

CITY wishes to enter into an agreement with CONTRACTOR for DATA CENTER EQUIPMENT REFRESH, INSTALLATION AND DATA MIGRATION (hereinafter "Project") as set forth in the Scope of Services attached here as Exhibit A. CONTRACTOR acknowledges that it is qualified to provide such services to CITY.

ARTICLE 2
SCOPE OF SERVICES

Section 2.1 Scope of Services

CONTRACTOR, for the benefit and at the direction of CITY, shall perform the Scope of Services as set forth in Exhibit A.

Section 2.2 Time For Commencement and Completion of Work

CONTRACTOR shall commence work pursuant to this Agreement, upon receipt of a written notice to proceed from CITY or on the date set forth in Section 2.6, whichever occurs first, and shall perform all services diligently and complete work under this Agreement based on a mutually agreed upon timeline or as otherwise designated in the Scope of Services.

CONTRACTOR shall submit to CITY such reports, diagrams, drawings and other work products as may be designated in the Scope of Services.

CONTRACTOR shall not be responsible for delays caused by the failure of CITY staff to provide required data or review documents within the appropriate time frames. The review time by CITY and any other agencies involved in the project shall not be counted against CONTRACTOR's contract performance period. Also, any delays due to

weather, vandalism, acts of God, etc., shall not be counted. CONTRACTOR shall remain in contact with reviewing agencies and make all efforts to review and return all comments.

Section 2.3 Meetings

CONTRACTOR shall attend meetings as may be set forth in the Scope of Services.

Section 2.4 Staffing

CONTRACTOR acknowledges that CITY has relied on CONTRACTOR's capabilities and on the qualifications of CONTRACTOR's principals and staff as identified in its proposal to CITY. The Scope of Services shall be performed by CONTRACTOR, unless agreed to otherwise by CITY in writing. CITY shall be notified by CONTRACTOR of any change of Project Manager and CITY is granted the right of approval of all original, additional and replacement personnel at CITY's sole discretion and shall be notified by CONTRACTOR of any changes of CONTRACTOR's project staff prior to any change.

CONTRACTOR represents it is prepared to and can perform all services within the Scope of Services (Exhibit A) and is prepared to and can perform all services specified therein. CONTRACTOR represents that it has, or will have at the time this Agreement is executed, all licenses, permits, qualifications, insurance and approvals of whatsoever nature are legally required for CONTRACTOR to practice its profession, and that CONTRACTOR shall, at its own cost and expense, keep in effect during the life of this Agreement all such licenses, permits, qualifications, insurance and approvals, and shall indemnify, defend and hold harmless CITY against any costs associated with such licenses, permits, qualifications, insurance and approvals which may be imposed against CITY under this Agreement.

Section 2.5 Subcontracts

Unless prior written approval of CITY is obtained, CONTRACTOR shall not enter into any subcontract with any other party for purposes of providing any work or services covered by this Agreement.

Section 2.6 Term

The term of this Agreement commences on MAY 4, 2016 and terminates upon the completion of the Scope of Services or on MAY 5, 2017, whichever occurs first.

ARTICLE 3
COMPENSATION

Section 3.1 Compensation

CONTRACTOR's compensation for all work under this Agreement shall conform to the provisions of the Fee Proposal, attached hereto as Exhibit B and incorporated by this reference.

CONTRACTOR shall not undertake any work beyond the scope of this Agreement unless such additional work is approved in advance and in writing by CITY.

Section 3.2 Method of Payment

CONTRACTOR shall submit invoices for completed work on a monthly basis, or as otherwise agreed, providing, without limitation, details as to amount of hours, individual performing said work, hourly rate, and indicating to what aspect of the Scope of Services said work is attributable. CONTRACTOR's compensation for all work under this Agreement shall not exceed the amount of the Fee Proposal.

Section 3.3 Costs

The Fee Proposal shall include all reimbursable costs required for the performance of the Scope of Services. Payment of additional reimbursable costs considered to be over and above those inherent in the original Scope of Services shall be approved in advanced and in writing, by CITY.

Section 3.4 Auditing

CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under this Agreement. Upon request, CONTRACTOR agrees to furnish CITY, or a designated representative, with necessary information and assistance needed to conduct such an audit.

CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of this Agreement. CONTRACTOR agrees to provide CITY or its delegate with any relevant information requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under this Agreement.

ARTICLE 4
MISCELLANEOUS PROVISIONS

Section 4.1 Nondiscrimination

In performing services under this Agreement, CONTRACTOR shall not discriminate in the employment of its employees or in the engagement of any sub CONTRACTOR on the basis of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, age, or any other criteria prohibited by law.

Section 4.2 ADA Compliance

In performing services under this Agreement, CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, and all amendments thereto, as well as all applicable regulations and guidelines issued pursuant to the ADA.

Section 4.3 Indemnification and Responsibility for Damage

CONTRACTOR to the fullest extent permitted by law, shall indemnify and hold harmless CITY, its elected and appointed officials, directors, officers, employees and volunteers from and against any claims, damages, losses, and expenses (including reasonable attorney's fees and costs), arising out of performance of the services to be performed under this Agreement, provided that any such claim, damage, loss, or expense is caused by the negligent acts, errors or omissions of CONTRACTOR, any subcontractor employed directly by CONTRACTOR, anyone directly or indirectly employed by any of them, or anyone for whose acts they may be liable, except those injuries or damages arising out of the active negligence, sole negligence, or sole willful misconduct of the City of Lodi, its elected and appointed officials, directors, officers, employees and volunteers. CITY may, at its election, conduct the defense or participate in the defense of any claim related in any way to this indemnification. If CITY chooses at its own election to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification, CONTRACTOR shall pay all of the costs related thereto, including without limitation reasonable attorney fees and costs. The defense and indemnification obligations required by this Agreement are undertaken in addition to, and shall not in any way be limited by the insurance obligations set forth herein.

Section 4.4 No Personal Liability

Neither the City Council, nor any other officer or authorized assistant or agent or City employee shall be personally responsible for any liability arising under this Agreement.

Section 4.5 Responsibility of CITY

CITY shall not be held responsible for the care or protection of any material or parts of the work described in the Scope of Services prior to final acceptance by CITY, except as expressly provided herein.

Section 4.6 Insurance Requirements for CONTRACTOR

CONTRACTOR shall take out and maintain during the life of this Agreement, insurance coverage as set forth in Exhibit C attached hereto and incorporated by this reference.

Section 4.7 Successors and Assigns

CITY and CONTRACTOR each bind themselves, their partners, successors, assigns, and legal representatives to this Agreement without the written consent of the others. CONTRACTOR shall not assign or transfer any interest in this Agreement without the prior written consent of CITY. Consent to any such transfer shall be at the sole discretion of CITY.

Section 4.8 Notices

Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight delivery, postage prepaid, or three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

To CITY: City of Lodi
 221 West Pine Street
 P.O. Box 3006
 Lodi, CA 95241-1910
 Attn: BENJAMIN BUECHER

To CONTRACTOR: DSA TECHNOLOGIES
 MARITIME OFFICE PLAZA
 2372 MARITIME DRIVE
 ELK GROVE, CA 95758

Section 4.9 Cooperation of CITY

CITY shall cooperate fully and in a timely manner in providing relevant information it has at its disposal relevant to the Scope of Services.

Section 4.10 CONTRACTOR is Not an Employee of CITY

CONTRACTOR agrees that in undertaking the duties to be performed under this Agreement, it shall act as an independent contractor for and on behalf of CITY and not an employee of CITY. CITY shall not direct the work and means for accomplishment of

the services and work to be performed hereunder. CITY, however, retains the right to require that work performed by CONTRACTOR meet specific standards without regard to the manner and means of accomplishment thereof.

Section 4.11 Termination

CITY may terminate this Agreement, with or without cause, by giving CONTRACTOR at least ten (10) days written notice. Where phases are anticipated within the Scope of Services, at which an intermediate decision is required concerning whether to proceed further, CITY may terminate at the conclusion of any such phase. Upon termination, CONTRACTOR shall be entitled to payment as set forth in the attached Exhibit B to the extent that the work has been performed. Upon termination, CONTRACTOR shall immediately suspend all work on the Project and deliver any documents or work in progress to CITY. However, CITY shall assume no liability for costs, expenses or lost profits resulting from services not completed or for contracts entered into by CONTRACTOR with third parties in reliance upon this Agreement.

Section 4.12 Confidentiality

CONTRACTOR agrees to maintain confidentiality of all work and work products produced under this Agreement, except to the extent otherwise required by law or permitted in writing by CITY. CITY agrees to maintain confidentiality of any documents owned by CONTRACTOR and clearly marked by CONTRACTOR as "Confidential" or "Proprietary", except to the extent otherwise required by law or permitted in writing by CONTRACTOR. CONTRACTOR acknowledges that CITY is subject to the California Public Records Act.

Section 4.13 Applicable Law, Jurisdiction, Severability, and Attorney's Fees

This Agreement shall be governed by the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be venued with the San Joaquin County Superior Court. If any part of this Agreement is found to conflict with applicable laws, such part shall be inoperative, null, and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in force and effect. In the event any dispute between the parties arises under or regarding this Agreement, the prevailing party in any litigation of the dispute shall be entitled to reasonable attorney's fees from the party who does not prevail as determined by the San Joaquin County Superior Court.

Section 4.14 City Business License Requirement

CONTRACTOR acknowledges that Lodi Municipal Code Section 3.01.020 requires CONTRACTOR to have a city business license and CONTRACTOR agrees to secure such license and pay the appropriate fees prior to performing any work hereunder.

Section 4.15 Captions

The captions of the sections and subsections of this Agreement are for convenience only and shall not be deemed to be relevant in resolving any question or interpretation or intent hereunder.

Section 4.16 Integration and Modification

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

Section 4.17 Contract Terms Prevail

All exhibits and this Agreement are intended to be construed as a single document. Should any inconsistency occur between the specific terms of this Agreement and the attached exhibits, the terms of this Agreement shall prevail.

Section 4.18 Severability

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

Section 4.19 Ownership of Documents

All documents, photographs, reports, analyses, audits, computer media, or other material documents or data, and working papers, whether or not in final form, which have been obtained or prepared under this Agreement, shall be deemed the property of CITY. Upon CITY's request, CONTRACTOR shall allow CITY to inspect all such documents during CONTRACTOR's regular business hours. Upon termination or completion of services under this Agreement, all information collected, work product and documents shall be delivered by CONTRACTOR to CITY within ten (10) calendar days.

CITY agrees to indemnify, defend and hold CONTRACTOR harmless from any liability resulting from CITY's use of such documents for any purpose other than the purpose for which they were intended.

Section 4.20 Authority

The undersigned hereby represent and warrant that they are authorized by the parties to execute this Agreement.

Section 4.21 Federal Transit Funding Conditions

If the box at left is checked, the Federal Transit Funding conditions attached as Exhibit D apply to this Agreement. In the event of a conflict between the terms of this Agreement or any of its other exhibits, and the Federal Transit Funding Conditions, the Federal Transit Funding Conditions will control.

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement as of the date first above written.

CITY OF LODI, a municipal corporation

ATTEST:

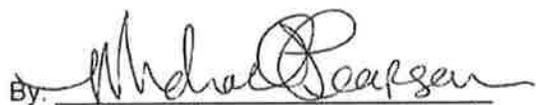

JENNIFER M FERRAIOLO
City Clerk


STEPHEN SCHWABAUER
for City Manager

APPROVED AS TO FORM:
for JANICE D. MAGDICH, City Attorney

DSA Technologies

By: 

By: 
Name: MICHAEL PEARSON
Title: President.

- Attachments:
Exhibit A – Scope of Services
Exhibit B – Fee Proposal
Exhibit C – Insurance Requirements
Exhibit D – Federal Transit Funding Conditions (if applicable)

Funding Source: _____
(Business Unit & Account No.)

Doc ID:

CA:Rev.01.2015

8. Limitation of Liability 18
9. General 18
ADDENDUM B – PROJECT CHANGE REQUEST FORM 19

EXHIBIT A

INTRODUCTION

The purpose of this engagement proposal is to define the DSA Technologies (DSA) Professional Services to be performed for City of Lodi (Lodi). Specifically, this engagement proposal includes DSA’s proposed scope summary, objectives, and key assumptions. DSA developed this engagement proposal based on our understanding of Lodi’s business and technical requirements from the public RFQ and subsequent Q&A documentation.

EXECUTIVE SUMMARY

Lodi is currently seeking assistance to replace the existing data center infrastructure with a modern, robust, and easily managed hardware/software solution. This includes core Networking, Hosts, and SAN equipment.

In addition to standing up a new redundant infrastructure to meet the City’s needs, Lodi is also seeking assistance in migrating the data from the existing environment to the new SAN in as seamlessly as possible with minimal downtime. DSA has performed this type of work for over 20 years and looks forward to working with Lodi on a successful project.

OBJECTIVE

To implement a fully redundant datacenter infrastructure in parallel with the existing production environment while providing “hands on” knowledge transfer and support of the new environment.

STATEMENT OF WORK SUMMARY

As a local provider with deep knowledge in complex Infrastructure projects, DSA Technologies has developed our internal methodologies to guarantee success for these types of engagements. We are flexible enough to adapt to items that are discovered during the Planning phase which is why these phases have ranges in the time estimates.

DSA will provide a senior engineering team to perform the following:

Planning Tasks – estimated 2-3 days

In our 20+ years of experience in performing infrastructure projects we have learned that more work completed “up front” will yield far better results for the Client. Towards this aim, DSA anticipates that the following planning sessions will be highly useful for the project.

- Introductory meetings with the City of Lodi staff.

- Getting to know the project team and their work schedules for vacations and such will be an important first step for building out an initial timeline
- Working with Lodi Management on the available skill sets. Making sure that the right City personnel are receiving appropriate the knowledge transfer will be key to ensuring Lodi will be happy with the system once everything is cut over to the new environment.
- Whiteboard sessions. While the initial RFQ documentation is sufficient for us to put together a high level implementation plan, additional details should be worked out together during technical and business discussion. We anticipate that these whiteboard sessions will help uncover items that may or may not have been uncovered during the RFQ process.
- Automatic discovery of the existing Production environment.
 - Dell has a very minimal impact tool called DPACK that we would like to deploy to the existing environment which will capture very valuable performance and usage characteristics. DSA and Dell will utilize these metrics to build an optimal logical architecture for the City of Lodi.
 - We will need to perform a detailed analysis of the current Network to server topology. It is frequently the case that items such as IP, MAC and even Host names are hard coded somewhere along the way for how clients access individual application systems. Gaining an understanding of these dependencies will allow us to take the necessary steps to identify risks of migrating applications to the new data center and build work arounds where they are available.
- Building of the final work plan.
 - Using the data gathered during this initial Planning phase will allow the team to refine the steps below to help guarantee a successful project.
- Fall Back Planning
 - Once the final work plan is in place and the initial risks are understood a Fall Back plan will be completed. At this time, given that the implementation of the new infrastructure will be parallel to the existing Production environment as a "green field" solution there is very little risk to the project. The only risks that are currently identified are for the Migration phase which is detailed below.

Physical infrastructure – estimated 4-6 days

- Rack and initialize 2 new Compellent iSCSI Channel SANs
 - One Compellent unit will be installed in one set of the new datacenter racks
 - One Compellent unit will be installed in a separate, new datacenter rack
 - Redundant paths for replication and logical volume sharing will be installed
- Rack and initialize 2 new Dell M1000E Blade Centers
 - One Dell M1000E Chassis with six M630 blades and associated Force10 MXL Blade Switches will be installed in one of the new datacenter racks
 - A second Dell M1000E Chassis with six M630 blades and associated Force10 MXL Blade Switches will be installed in a separate, new datacenter rack
- Rack and initialize a pair of Dell Force10 S6000 40GB Switches for Spine functionality
- Rack and initialize twelve Dell Force10 S4048 10GB switches with 40GB uplinks for Leaf functionality

- Rack and initialize 2 Dell Force10 S4820T 10GB switches with 40GB uplinks for iSCSI functionality.
 - Each redundant controller per Compellent 4020 will be connected to the 4820T's for full redundancy at the iSCSI switch and SAN level.

Dell M1000E Hyper-V Host Network Integration – estimated 4 days

Based on the initial data provided in the RFQ, as well as the previous relationship that Dell enjoys with the City of Lodi, we are proposing the following hardware for the Hyper-V hosts. This will give Lodi the redundancy, performance, and scalability it requires for current and future business needs.

There will be 2 Dell M1000E blade chassis, each with 6 MR630 blades. The blades will come with 256GB of RAM, redundant bootable disks for OS load, redundant 10GB switches with 40GB uplinks to the Spine, iDRAC cards for lights out management, and more to cover all the requirements of the RFQ. The details of the systems are included in the Excel quote per the requirement of the RFQ.

The following steps will be needed to integrate these into the new data center:

- Design a new LAN network topology to meet the needs of the new virtual infrastructure while maintaining access to the legacy Production environment.
 - The diagram for this configuration is included in Appendix B
- Configure both Dell M1000E with six M630 blades for current Best Practices for Microsoft Hyper-V cluster access for security and performance considerations. This includes all necessary vLAN tagging, QoS rules, and encryption requirements.
- Build and deploy the appropriate logical configuration for the Force10 MXL switches for LAN and iSCSI traffic.
- Test throughput from the new datacenter to the other City of Lodi buildings to ensure adequate bandwidth is available for business use.

SAN Network Integration – estimated 2 days

Based on the initial data provided in the RFQ, as well as the previous relationship that Dell enjoys with the City of Lodi, we are proposing the following hardware for the iSCSI SAN network. This will give Lodi the redundancy, performance, and scalability it requires for current and future business needs.

We are proposing 2 Dell Force10 S4820T 10GB switches with 40GB uplinks for iSCSI functionality. Each switch is fully non-blocking with 10GB per port for all 48 ports. These are 10Gbase-T switches which will interface redundantly with both of the Compellent 4020 SANs proposed for the project.

The following steps will be needed to integrate these into the new data center:

- Design a new SAN network topology to meet the needs of the new virtual infrastructure while maintaining access to the legacy Production environment.
- Configure both Compellent SANs for current Best Practices for Microsoft Hyper-V cluster access for security and performance considerations. This includes all necessary vLAN tagging, QoS rules, and encryption requirements. The current Best Practices guide for Compellent and Hyper-V can be found

here:

<http://i.dell.com/sites/doccontent/business/solutions/whitepapers/en/Documents/compellent-storage-center-microsoft-server-2012-hyper-v.pdf#page=1&zoom=auto,-150,386>

- Test throughput from the new datacenter to the other City of Lodi buildings to ensure adequate bandwidth is available for business use.

Management Software Implementation – Estimated 4 days

Based on the initial data provided in the RFQ, as well as the previous relationship that Dell enjoys with the City of Lodi, we are proposing the following software solution for the use and management of the iSCSI SAN. This will give Lodi the redundancy, performance, and scalability it requires for current and future business needs.

The

- Install and configure Compellent management tools for both redundant units.
- Install and configure the FS8600 software integration tools.
- Install and configure the Hyper-V integration tools for Compellent
- Implement Replays (snapshots)
- Implement Replication
- Implement Thin Provisioning
- Implement LiveVol (dynamic volume management)

These tools provide the following functionality required by the RFQ:

1. Thin provision
2. Data Cloning
3. Automatic Data Tiering
4. Data Replay (Snapshots) including Hyper-V aware Replays
5. Local and remote data Replication
6. Data Deduplication
7. FIPS 140-2 Encryption at rest
8. Single pane of glass management of the environment
9. Enterprise licenses are included as an option. This means no additional software would be required as you scale up and past 48 drives.

Spine and Leaf network Integration – Estimated 7 - 10 days

The City of Lodi is seeking a Spine and Leaf topology for the new datacenter. While we have the physical topology detailed in Appendix B for the new hardware it is the logical topology that will need further details for guaranteeing client satisfaction with our design.

The details of the new network design will include discovery of items from the Planning phase. This will include LAN, WAN, and vLAN addressing, QoS requirements, and traffic integration to the existing

network for Migration purposes. And while the internal IP scheme work should be relatively straight forward it is the routing from the legacy system that we expect to require significant effort.

Since the City currently utilized RIP for the routing protocol we anticipate that a new dynamic routing scheme will be more efficient for future use and management of the environment. Performing the necessary analysis and build operations to move from the RIP solution to a new routing scheme, while not impacting the existing Production environment, will not be a trivial task. DSA has senior networking engineers with years of experience in assisting clients in performing such a migration. As such we know that we do not currently have enough details to build such a plan at this time but are confident that we will be able to develop a plan for Lodi which minimizes the risk of such a migration.

The topology will take into account the following items:

- IP scheme for iSCSI, LAN, and WAN devices
- Routing Protocols used for the existing Production environment as well as the planned use of the new datacenter
- FireWall rules for internal and external traffic flows.
- Load Balancing options for internal and external traffic
- Security schemes for items related to Police and Fire Department traffic.
- QoS rules for SIP and VoiP considerations (if required)
- Video feed handling for the network
- Third party provider(s) access to and from the system such as the State of California

Server Migration Services – estimated at 4-14 days

DSA has yet to determine the amount of effort that will be needed to perform the data migration so a broad range of time estimate is included in this proposal. As a general rule of thumb once the new hosts are available and successfully networked to the existing Production environment we can migrate 100GB of data from a Production host per hour per interface.

DSA take the lead to deploy City of Lodi to the new Compellent SAN environment. This means that DSA will also work with City of Lodi to migrate any existing physical server to virtual machines as well as migrate the data from the existing HP SAN to the new Compellent environment. DSA anticipates that this migration effort will include at least three different mechanisms.

The first will be to utilize the Microsoft Virtual Machine Converter tool and is typically known as a P2V process. The MVMC tool creates a byte level copy of the existing physical machines and makes creates a virtual machine from it. This mechanism is typically the fastest and easiest way to migrate a physical server to a new environment.

The second mechanism DSA will utilize to virtualize the environment is to use the "blank" Windows Server templates to deploy new virtual machines. These virtual machines will then be used as recipients of the data from the existing physical servers.

The third mechanism DSA will utilize the native Microsoft Hyper-V tools to migrate data from the HP SAN to the new Compellent. A V2V may be used or a clone of an existing VM depending on the details of the existing Production. DSA will need to investigate the internal operation of the Lodi environment to make a further determination on which mechanism will be best.

It is also possible that some systems will need to be backed up then recovered to the new environment. Due to the time needed to perform this task we expect that this will only be used in the event that we can't move data one of the other mechanism.

DSA anticipates that IT personnel from City of Lodi will be integrally involved with the migration of these systems through both mechanisms. DSA will also work with City of Lodi to develop the conversion calendar since the migration of many systems will require a maintenance window to account for server downtime.

It is the intent of the migration plan to keep the downtime to a minimum while maintaining full compatibility of the existing VMware/HP server host environment.

Regardless of which mechanism(s) will be used a full Fall Back plan will be in place. Since we don't anticipate "moving" any of the data from the existing Production environment to the new datacenter we will always be able to fall back to the existing Production environment. It is the specific mechanism(s) and timelines we use to determine when to fall back that will require input from the City.

Training – 3 - 5 days

City of Lodi would like to ensure that proper knowledge transfer during and after the project is complete. This time will help assist IT personnel to learn and manage the new environment in the most efficient manner possible. Senior DSA engineers will work with City of Lodi IT personnel to train them on the overall new architecture as well as the hands on use of the new hardware.

Post Implementation Support – 15 days

In addition to the award winning Dell support that will come with all the new hardware, DSA will provide 15 days of follow on support of the new data center to assist with general questions, "how to" issues, and other items that tend to come up over time with new infrastructure. Additional time is available if specific additional project tasks are identified or assistance requested.

Project Closeout

A Project Completion Form (PCF) will be signed for services performed, ensuring client satisfaction with the project.

TECHNOLOGY SELECTION

The RFQ had several requirements that the vendors had to meet in order to be considered for selection. Below is a brief explanation for why DSA made the choices for the hardware/software for the City of Lodi.

SAN

The pair of Compellent 4020 iSCSI Channel SAN units with approximately 40TB of usable space. These units will also be furnished with the FS8600 NAS gateway to provide native CIFS and NFS access to the system.

Both units come with redundant 10GB NFS access and 10GB iSCSI ports.

The production unit combines SSD and spinning disk to maintain well over 30,000 sustained IOPS while also providing the capacity required by the City.

Compellent has a very unique business model in the industry. Unlike the competition, Compellent licenses all features to the customer themselves rather than tie the software to the hardware components.

This means that once a customer has purchased the license for thin provisioning they own the license regardless of which hard drive it is running on. As technology continues to improve the client can simply purchase a new hard drive and apply the license to the new drive. There is no need to relicense the software again.

The same principal applies to the controllers themselves. Once the management suite for a pair of controllers is purchased it can be transferred to new controllers when they are purchased. Unlike legacy SAN providers like NetApp and others, there is no need to throw away the software licensing when upgrading hardware. And, Compellent allows a client to simply upgrade the controllers and keep the existing disks from the original frame. This allows for in place upgrades of the SAN without having to "fork lift" the solution.

All of this means that the total TCO for Compellent over time is significantly lower than legacy solutions.

When we review the specific technical requirements of the RFQ we don't believe that the City will require licenses beyond the 48 that come with the base unit. However, since the RFQ also has a requirement for no additional licensing at all we have provided an option for that as well. We would not recommend this since 48 drives which can be upgraded in size without relicensing the software should more than meet the needs of the City but we want to 100% comply with the RFQ.

The history of the Compellent solution started in 2002. At this time there is significant R&D being placed into the Compellent technology by Dell. The Equallogic line, the #1 iSCSI storage solution in the world, is being phased out in favor of Compellent. At this time there is no known or planned limitations for production of Compellent.

Networking

Per the requirements of the RFQ, a 10GB/40GB Spine and leaf topology is recommended. As a technical leader in the networking space, Dell's Force10 networking stack was selected to meet all of the needs of the City of Lodi.

The S4048 has 6 40GB ports and a total throughput of 1.44 Tbps with sub 600ns of latency. All modern standard protocols are supported on this switch including full Layer 3 routing. This makes it very power

and easy to deploy complex networking rules for security and QoS functionality that Cities often need to meet their business goals.

The S6000 has 2.56Tbps of fabric capacity at the same 600ns of latency.

Both units are fully managed for simplified, central control of the environment.

The history of Force10 begins in 2011 when Dell acquired Force10 with an emphasis on datacenter switching. The 4820T, 4048, and 6000 S series switches are all the most recent switches in the Dell Force10 offering and there is no known limits on their future production or support.

Blade Chassis

We have selected the Dell M1000E blade chassis with the associated M630 blades for this deployment. Since the City of Lodi already has significant experience with this hardware we anticipate that this technology is well understood for its value, scale and award winning performance.

Dell continues to make significant investments into the M1000E technology. As new backplanes, interconnects, and advanced technologies are created the M1000E is adopting these solutions through normal upgrades to the system. At this time there is no known limits on their production or support.

DSA TECHNOLOGIES BACKGROUND AND CLIENT LIST

DSA Technologies is a fully integrated Infrastructure services company. With over 22 years of experience in providing Sales, Professional Services, and Managed Services to the Northern California market DSA is an ideal vendor to support infrastructure upgrade services to the Modesto Irrigation District.

Our business focus has always been on supplying superior engineering talent for clients in the most technologically agnostic fashion possible. As such we have a broad range of supported products and services. These include but are not limited to:

- Dell
- VMware
- NetApp
- Palo Alto Networks
- Nimble Storage
- Pernix Data
- Nutanix
- SilverPeak Networks
- Microsoft
- Zerto
- Cisco
- Juniper Networks
- Citrix
- Aruba Networks
- Veeam

Exhibit B

Fees and Expenses

Professional Services		
	Implementation, migration, training and support services are estimated to total 43 to 60 days, with 15 of these days being dedicated for post implementation support. This is not a fixed bid project and only time utilized will be billed at 175/hr for normal business hours.	\$84,000
	Travel and expenses	\$4000
	Bill Rate will be \$175 per hour not to exceed	\$88,000

Bill of Material

DSA Technologies	Item cost	Tax	Shipping	Total
5 year Support and Unlimited Dell Lic.				
Storage Area Network (SAN)	\$408,473.88	\$23,004.56	\$1232	\$377,936.06
Blade Server environment				Included in SAN
Network Core	\$175,682.87	\$11,250.36	\$339	\$187,272.23
Microsoft Data Center Lic.				\$54,774.38
			System Total	\$619,982.67

Grand Total (not to exceed)

\$707,982.67



EXHIBIT C

Insurance Requirements for Contractor The Contractor shall take out and maintain during the life of this Agreement, insurance coverage as listed below. These insurance policies shall protect Contractor and any subcontractor performing work covered by this Agreement from claims for damages for personal injury, including accidental death, as well as from claims for property damages, which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, or by any subcontractor, or by anyone directly or indirectly employed by either of them, and the amount of such insurance shall be as follows:

1. **COMPREHENSIVE GENERAL LIABILITY**
\$2,000,000 Each Occurrence
\$4,000,000 General Aggregate
2. **COMPREHENSIVE AUTOMOBILE LIABILITY**
\$2,000,000 Combined Single Limit
Such insurance shall cover liability arising out of any vehicle (including, owned, hired and non-hired vehicles) operated in performing any and all services pursuant to this Agreement. Coverage shall be written on ISO form CA 00 01 12 90, or a later version, that provides liability coverage at least as broad as this form.
3. **ERRORS AND OMISSIONS / TECHNOLOGY**
\$2,000,000 Per Claim
\$4,000,000 Annual Aggregate
Covering all acts, errors, omissions, negligence, network security and privacy risks, including but not limited to unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or other negligence in the handling of confidential information, privacy perils, and including coverage for related regulatory defense and penalties; data breach expenses, and payable whether incurred by City of Lodi or Contractor, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for, or on behalf of, City of Lodi.
Such insurance shall be maintained in force at all times during the term of the agreement and provide an Extended Reporting Period (ERP) for a period of one year thereafter, for services completed during the term of the agreement.

All limits are to be designated strictly for the City of Lodi, its elected and appointed boards, commissions, officers, agents, employees, and volunteers. All deductibles or self-insured retentions (SIR) must be disclosed to City's Risk Manager for approval and shall not reduce the limits of liability set forth hereinabove. Insurance policies containing any deductible or SIR provision shall provide, or be endorsed to provide, that the deductible or SIR may be satisfied by either the Named Insured(s) or the City of Lodi.

It is required that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth above, shall be available to City as an additional insured. Furthermore, the requirements for coverage and limits shall be (i) the minimum coverage and limits specified in these insurance requirements; or (ii) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Contractor; whichever is greater.

Contractor agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).

A copy of the certificate(s) of insurance with the following endorsements shall be furnished to the City:

- (a) **Additional Named Insured Endorsement**
Pursuant to a separate endorsement (ISO form CG 2010 (11/85) or a later version, that provides liability coverage at least as broad as this form) such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed boards, commissions, officers, agents, employees, and volunteers as additional named insureds. An additional named insured endorsement is also required for Auto Liability.
- (b) **Primary and Non-Contributory Insurance Endorsement**
Additional insurance coverage under the Contractor's policy shall be "primary and non-contributory" and will not seek contribution from City's insurance or self-insurance and shall be at least as broad as ISO form CG 20 01 04 13.

Insurance Requirements for Contractor (continued)

NOTE: (1) The street address of the **CITY OF LODI** must be shown along with (a) and (b) above: 221 West Pine Street, Lodi, California, 95240; (2) The insurance certificate must state, on its face or as an endorsement, a description of the project that it is insuring.

- (c) **Waiver of Subrogation**
Include a waiver of subrogation against the City of Lodi, its elected and appointed boards, commissions, officers, agents, employees, and volunteers. A waiver is required for General Liability and Auto Liability.
- (d) **Limits of Coverage**
The limits of insurance coverage required may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance of Contractor shall contain, or be endorsed to contain, a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect the City as a named insured.
- (e) **Completed Operations Endorsement**
For three years after completion of project, a certificate of insurance with a Completed Operations Endorsement, CG 20 37 07 04, will be provided to the City of Lodi.
- (f) **Severability of Interest Clause**
The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability.
- (g) **Notice of Cancellation or Change in Coverage Endorsement**
This policy may not be canceled nor the coverage reduced by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 West Pine St., Lodi, CA 95240.
- (h) **Continuity of Coverage**
All policies shall be in effect on or before the first day of the Term of this Agreement. At least thirty (30) days prior to the expiration of each insurance policy, Contractor shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the minimum requirements of this Agreement. Contractor shall provide proof of continuing insurance on at least an annual basis during the Term. If Contractor's insurance lapses or is discontinued for any reason, Contractor shall immediately notify the City and immediately obtain replacement insurance.
- (i) **Failure to Comply**
If Contractor fails or refuses to obtain and maintain the required insurance, or fails to provide proof of coverage, the City may obtain the insurance. Contractor shall reimburse the City for premiums paid, with interest on the premium paid by the City at the maximum allowable legal rate then in effect in California. The City shall notify Contractor of such payment of premiums within thirty (30) days of payment stating the amount paid, the name(s) of the insurer(s), and rate of interest. Contractor shall pay such reimbursement and interest on the first (1st) day of the month following the City's notice. Notwithstanding and other provision of this Agreement, if Contractor fails or refuses to obtain or maintain insurance as required by this agreement, or fails to provide proof of insurance, the City may terminate this Agreement upon such breach. Upon such termination, Contractor shall immediately cease use of the Site or facilities and commence and diligently pursue the removal of any and all of its personal property from the site or facilities.
- (j) **Qualified Insurer(s)**
All insurance required by the terms of this Agreement must be provided by insurers licensed to do business in the State of California which are rated at least "A-, VI" by the AM Best Ratings Guide, and which are acceptable to the City. Non-admitted surplus lines carriers may be accepted provided they are included on the most recent list of California eligible surplus lines insurers (LESLI list) and otherwise meet City requirements.

Workers Compensation Insurance The Contractor shall take out and maintain during the life of this Agreement, Worker's Compensation Insurance for all of Contractor's employees employed at the site of the project and, if any work is sublet, Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in hazardous work under this Agreement at the site of the project is not protected under the Worker's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide insurance for the protection of said employees. **A waiver of subrogation is required for workers compensation insurance.** This policy may not be canceled nor the coverage reduced without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 West Pine St., Lodi, CA 95240.

NOTE: The City reserves the right to obtain a full certified copy of any insurance policy or endorsements required. Failure to exercise this right shall not constitute a waiver of the City's right to exercise after the effective date.



EXHIBIT 2

QUOTE

DSA Technologies, Inc.

2372 Maritime Dr
Elk Grove, CA 95758

Bill To

City of Lodi
Benjamin Beucher
221 W. Pine Street
Lodi, CA 95240
United States

Ship To

City of Lodi
Benjamin Beucher
221 W. Pine Street
Lodi, CA 95240
United States

Date May 4, 2016

Quote # DSAQ30893

Expires 6/4/2016

Acct Manager Braun Martin

Project DSAPROJECT1895

Terms Net 30

Shipping Method

Small Business Certification #34638/B27160

Accepted By: _____

Printed Name: _____

Date: _____

Qty	Description	List Price	Ext. Price	Taxable?
5	Dell Networking S4048-ON -48x 10GbE SFP+ and 6x 40GbE QSFP+ ports, PSU to IO air, 1x AC PSUs -Power Supply, AC, 460w, PSU to IO airflow -2 x Dell Networking, Jumper Cord, 250V, 12A, 2 Meters, C13/C14 -Dell Networking OS9 -3 Year ProSupport: Next Business Day Onsite Service After Problem Diagnosis -3 Year ProSupport: 7x24 HW / SW Tech Support and Assistance	\$21,842.11	\$109,210.55	Y
2	Dell Networking N3048P -L3, POE+, 48x 1GbE, 2xCombo, 2x 10GbE SFP+ fixed ports, Stacking, IO to PSU air, 1x 1 -Power Supply, 1100w, Hot Swap, Required for more than 900 watts of POE+, or for redundancy -2 x Power Cord, 125V, 13A, 6 Feet, C15 to NEMA 5-15P -3 Year ProSupport: Next Business Day Onsite Service After Problem Diagnosis -3 Year ProSupport: 7x24 HW / SW Tech Support and Assistance	\$8,153.00	\$16,306.00	Y
20	Dell Networking, Transceiver, SFP+, 10GbE, LR, 1310nm Wavelength, 10km Reach	\$1,750.00	\$35,000.00	Y
8	Dell Networking, Transceiver, SFP, 1000BASE-SX, 850nm Wavelength, 550m Reach	\$300.00	\$2,400.00	Y
2	Dell Networking, Cable, QSFP+ to QSFP+, 40GbE Passive Copper Direct Attach Cable, 0.5M	\$360.00	\$720.00	Y
SubTotal			\$163,636.55	
1	Discount	-\$114,010.85	-\$114,010.85	Y
Total			\$49,625.70	
1	DSA Technologies Professional Services - Flat Fee Network Installation and Configuration Services	\$14,000.00	\$14,000.00	N

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - WE SPECIFICALLY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES RELATED TO THIS AGREEMENT. MINIMUM 15% RESTOCKING FEE WITH ORIGINAL PACKAGING.

Qty	Description	List Price	Ext. Price	Taxable?
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SubTotal	\$63,625.70
Tax	\$3,970.06
Shipping	\$0.00
Total	\$67,595.76

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - WE SPECIFICALLY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES RELATED TO THIS AGREEMENT. MINIMUM 15% RESTOCKING FEE WITH ORIGINAL PACKAGING.

RESOLUTION NO. _____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE
AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES
AGREEMENT WITH DSA TECHNOLOGIES, OF
ELK GROVE, FOR THE PURCHASE OF FIBER OPTIC
SWITCHING EQUIPMENT

=====

WHEREAS, the City of Lodi relies on the properly-functioning fiber optic network to conduct daily operations for public safety, utility monitoring, email, and voice communications; and

WHEREAS, the fiber optic network is complex, requiring annual operational costs and parts, equipment replacement, and continuous staff hours to maintain; and

WHEREAS, the City is currently installing a new network core as part of the data center equipment refresh, and following staff testing, it was concluded that the existing fiber switching equipment in the outlying facilities are not compatible with the new network core; and

WHEREAS, replacing the switching equipment in the outlying facilities will ensure the reliability of the fiber optic network; and

WHEREAS, staff therefore recommends that the City Council authorize the City Manager to execute Amendment No. 1 to the Professional Services Agreement with DSA Technologies, of Elk Grove, for the purchase of fiber optic network switches, in the amount of \$67,595.76.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute Amendment No. 1 to the Professional Services Agreement with DSA Technologies, of Elk Grove, California, for the purchase of fiber optic network switches for the City's fiber optic network, in an amount not to exceed \$67,595.76.

Dated: August 3, 2016

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I hereby certify that Resolution No. 2016-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 3, 2016 by the following votes:

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

JENNIFER M. FERRAILOLO
City Clerk

2016-_____



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Ordinance No. 1927 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 – Electrical Service – By Repealing and Re-Enacting Sections 13.20.190, 'Schedule EA – Residential Service,' and 13.20.210, 'Schedule EM – Mobilehome Park Service,' in Their Entirety"

MEETING DATE: August 3, 2016

PREPARED BY: City Clerk

RECOMMENDED ACTION: Motion waiving reading in full and (following reading by title) adopting the attached Ordinance No. 1927.

BACKGROUND INFORMATION: Ordinance No. 1927 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 – Electrical Service – By Repealing and Re-Enacting Sections 13.20.190, 'Schedule EA – Residential Service,' and 13.20.210, 'Schedule EM – Mobilehome Park Service,' in Their Entirety," was introduced at the regular City Council meeting of July 20, 2016.

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: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jennifer M. Ferraiolo
City Clerk

JMF/PMF
Attachment

APPROVED: _____
Stephen Schwabauer, City Manager

ORDINANCE NO. 1927

AN ORDINANCE OF THE LODI CITY COUNCIL AMENDING LODI MUNICIPAL CODE CHAPTER 13.20 – ELECTRICAL SERVICE – BY REPEALING AND RE-ENACTING SECTIONS 13.20.190, “SCHEDULE EA – RESIDENTIAL SERVICE,” AND 13.20.210, “SCHEDULE EM – MOBILEHOME PARK SERVICE,” IN THEIR ENTIRETY

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BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Code Section 13.20.190, “Schedule EA – Residential Service,” is hereby repealed and reenacted in its entirety to read as follows:

APPLICABILITY:

This schedule is applicable to single-phase domestic power service in single-family and multi-family dwellings separately metered by the City including those on discontinued all electric rate schedule, EE.

RATES:

Customer Charge\$10.00

Energy Charge is by Tier of kWh usage:

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
\$/kWh	\$0.1400	\$0.1550	\$0.3300

Summer (May through October) Energy Tiers

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
Beginning Tier kWh/month	0	482	>962
Ending Tier kWh/month	481	962	

Winter (November through April) Energy Tiers

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
Beginning Tier kWh/month	0	392	>782
Ending Tier kWh/month	391	782	

ENERGY COST AJUSTMENT (ECA):

An energy cost adjustment shall be included in each bill for service as provided in Section 13.20.175 Schedule ECA – Energy Cost Adjustment.

BILLING CYCLE CHARGE (MONTHLY BILL):

The Billing Cycle Charge is the sum of the Customer Charge, the Energy Charge and the ECA.

SPECIAL CONDITIONS:

- (a) When a business or commercial establishment is conducted in conjunction with a residence and both are measured through one meter, this rate does not apply.
- (b) This rate does not apply to service used for common area and facilities in multi-family dwellings.
- (c) Additional discounts are available as described in Schedule MR, Residential Medical Discount and Schedule ED, Residential SHARE Program Service.

FIXED INCOME DISCOUNT:

For those customers who are on fixed incomes below \$45,000 annually and who are over 62 years of age, and do not qualify for any other discount, a discount of 5% shall apply to the electric bill. Procedures as to qualification will be established by the Electric Utility Department.

SECTION 2. Lodi Municipal Code Section 13.20.210, “Schedule EM – Mobilehome Park Service,” is hereby repealed and reenacted in its entirety to read as follows:

APPLICABILITY:

This schedule is applicable to service supplied to mobile home parks through one meter and sub-metered to all individual mobile home units.

RATES:

Customer Charge (Master Meter Customer)...\$1 per individual mobile home park unit.

Energy Charge is by Tier of kWh usage:

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
\$/kWh	\$0.1400	\$0.1550	\$0.3300

Summer (May through October) Energy Tiers

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
Beginning Tier kWh/month	0	482	>962
Ending Tier kWh/month	481	962	

Winter (November through April) Energy Tiers

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
Beginning Tier kWh/month	0	392	>782
Ending Tier kWh/month	391	782	

MASTER METER / SUB-METER DISCOUNT:

For each occupied mobile home park unit, the park owner will receive a monthly discount in the amount of \$3.00.

ENERGY COST ADJUSTMENT (ECA):

An energy cost adjustment shall be included in each bill for service as provided in Section 13.20.175 Schedule ECA – Energy Cost Adjustment.

BILLING CYCLE CHARGE (MONTHLY BILL):

The Billing Cycle Charge is the sum of the Customer Charge (Master Meter Customer), the Energy Charge, the Master Meter / Sub-Meter Discount and the ECA.

SPECIAL CONDITIONS:

- (a) This rate is available only for mobile home park master metering in service prior to March 31, 1989.
- (b) It is the responsibility of the master-metered customer to notify the City Finance Department by the 5th day of each month of any change in the number of occupied mobile home park units wired for service on the first day of that month.
- (c) Miscellaneous electric loads such as general lighting, laundry rooms, general maintenance, and other similar use incidental to the operation of the premises as a multi-family accommodation will be considered domestic use.
- (d) For the master-metered Customer to qualify for Single Household Alternative Rate for Energy (SHARE) and/or the Residential Medical Discount, the qualified sub-metered tenants of the master-metered Customer must submit the applicable application(s), including the tenant's unit number, to the City of Lodi Finance Department. The City of Lodi Finance Department will notify the master-metered Customer in writing of the tenant's certification for these programs.
- (e) For tenants who are on fixed incomes below \$45,000 annually and who are over 62 years of age, and do not qualify for any other discount, a discount of 5% of the qualifying tenant's electric bill (Fixed Income Discount) shall be provided to the master-metered Customer. Procedures as to qualification will be established by the Electric Utility Department.

- (f) The master-metered customer, not the City of Lodi, is responsible for extending the SHARE, Residential Medical Discount, and Fixed Income Discount to tenants certified to receive them. If verification establishes that the SHARE, Residential Medical Discount, or Fixed Income Discount tenant is ineligible, the tenant will be removed from the master-metered Customer's qualified tenants and the City of Lodi may render corrective billings.
- (g) The master-metered Customer shall not bill any sub-metered tenant more than that tenant would be billed if that tenant were an individual customer of the City of Lodi. For a qualifying SHARE tenant, the master-metered Customer shall bill the qualifying tenant at the applicable rates equivalent to Schedule ED, Residential SHARE Program Service. For a tenant qualifying for a Residential Medical Discount, the master-metered Customer shall bill the qualifying tenant in accordance with the provisions of Schedule MR, Residential Medical Discount. For tenants qualifying for a Fixed Income Discount, the master-metered Customer shall bill the qualifying tenant in accordance with the provisions of paragraph (e) herein.

A tenant not qualified for any of the above discounts shall be billed using the rates and charges provided for in Schedule EM, Mobile Home Park Service, except the Master Meter / Sub-Meter Discount shall not be provided to tenants and the master-metered Customer shall not bill the tenant the Schedule EM, Mobile Home Park Service Customer Charge (Master Meter Customer).

- (h) With the exception of the Customer Charge provided for in Schedule EA, Residential Service, the master-meter/sub-meter rate discount provided herein prohibits further recovery by mobile home park owners for the costs of owning, operating and maintaining their electric sub-metered system.
- (i) Upon request, mobile home park owners must submit copies of their tenant billings to the City of Lodi for auditing to ensure compliance with this rate tariff, provided however that such requests shall not be made more often than semi-annually.

SECTION 3. 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 4. 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 5. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 6. Effective Date and Publication This Ordinance shall take effect on November 1, 2016. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage, a summary of the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the City Council, and a certified copy shall be posted in the office of the City Clerk pursuant to Government Code section 36933(c)(1).

Approved this ____ day of _____, 2016

MARK CHANDLER
Mayor

ATTEST:

JENNIFER M. FERRAIOLO
City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M. Ferraiolo, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1927 was introduced at a regular meeting of the City Council of the City of Lodi held July 20, 2016, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2016, by the following vote:

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

I further certify that Ordinance No. 1927 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

JENNIFER M. FERRAIOLO
City Clerk

Approved to Form:

JANICE D. MAGDICH
City Attorney