



**LODI CITY COUNCIL**  
Carnegie Forum  
305 West Pine Street, Lodi

**AGENDA – SPECIAL MEETING**

**Date: October 28, 2014**

**Time: 7:00 a.m.**

For information regarding this agenda please contact:

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

**Special City Council Meeting**

**A. Roll call by City Clerk**

**B. Regular Calendar**

Res. B-1 Approve Lodi Tourism Business Improvement District (LTBID) 2015 Annual Report, Adopt Resolution of Intention to Levy Annual Assessment, and Set a Public Hearing for December 17, 2014, to Consider the Proposed Assessment (CM)

B-2 Authorize City Manager to Execute Memorandum of Understanding Relating to Central Valley Project Improvement Act Judicial Action Pursuant to the Northern California Power Agency Legislative and Regulatory Program Agreement (CA)

**C. Comments by public on non-agenda items**

**D. 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. Robison  
City Clerk

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**CITY OF LODI  
COUNCIL COMMUNICATION**

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**AGENDA TITLE:** Approve Lodi Tourism Business Improvement District (LTBID) 2015 Annual Report, Adopt Resolution of Intention to Levy Annual Assessment, and Set a Public Hearing for December 17, 2014 to Consider the Proposed Assessment

**MEETING DATE:** October 28, 2014 (Special Meeting)

**PREPARED BY:** Deputy City Manager

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**RECOMMENDED ACTION:** Approve Lodi Tourism Business Improvement District (LTBID) 2015 Annual Report, adopt a Resolution of Intention to Levy Annual Assessment, and set a public hearing for December 17, 2014 to consider the proposed assessment.

**BACKGROUND INFORMATION:** Pursuant to Lodi Municipal Code Chapter 12.07 and Streets and Highways Code Section 36500 et seq., the LTBID membership Board is required to present an Annual Report (Exhibit A) for City Council's review and approval. This must be done prior to the public hearing and adoption of a resolution confirming the 2015 Annual Report and levy of assessment. The City collects an administrative fee of 5 percent from the LTBID assessment. Representatives of the LTBID will be in attendance to make a presentation. The levy of the annual assessment will be discussed at a public hearing on December 17, 2014.

The City provides additional funding to Visit Lodi! under a Memorandum of Understanding (MOU) at a rate of 19 percent of the Transient Occupancy Tax collections. The original MOU, approved by the City Council on August 19, 2009, was in affect from July 1, 2009 through June 30, 2014 and included a provision for an annual report. An addendum was approved by City Council on May 21, 2014 and extended the MOU for an additional three years.

**FISCAL IMPACT:** Funding for Visit Lodi! generates additional funding for local merchants and the City as tourism dollars are spent locally.

**FUNDING AVAILABLE:** \$114,500 is included in the FY 2014/2015 City budget.

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Jordan Ayers  
Deputy City Manager

Attachment

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**APPROVED:** \_\_\_\_\_  
Stephen Schwabauer, City Manager



October 20, 2014

Jennifer Robison  
City of Lodi  
221 W. Pine St.  
Lodi, CA 95240

Dear Ms. Robison,

Enclosed please find the Annual Report for the Lodi Tourism Business Improvement District (LTBID) which was established October 6, 2004 by City Ordinance 1753 and was amended 11/19/2008 by Resolution No. 2008-229.

Enclosed you will find a 2015 work plan, budget and method of assessment as required by the California Streets and Highways Code #33650. Please note there are no suggested changes to the District at this time.

I plan to make a presentation to the Council at the October 28, 2014 Special City Council meeting. Please feel free to call me with any questions you may have.

Sincerely,

Nancy Beckman  
President and CEO

Visit Lodi! Conference & Visitors Bureau  
25 N School St. Lodi, CA 95240 t [209] 365-1195 f [209] 365-1191

[www.VisitLodi.com](http://www.VisitLodi.com)

## Lodi Tourism Business Improvement District Annual Report

Assessment Funding Purpose: To administer marketing programs to promote the City of Lodi as a tourism destination and to fund projects, programs, and activities that benefit hotels within the Business Improvement District boundaries

Method of Assessment: The LTBD includes all hotels/lodging facilities within the City of Lodi as well as two properties currently located at the intersection of Kettleman Ln. and I-5. Each lodging facility within the district shall be assessed 3% of the gross room rental revenue. Rentals (stays) lasting over 30 days are not subject to the assessment. The assessment is levied annually and collected quarterly.

### 2015 Work Plan (See Attached)

For the purpose of the Annual Report presentation, we have broken our 2015 Work Plan into 5 project areas:

- Marketing/Promotional Activities
- Customer Service & Hospitality
- Events
- Communications
- Research

### 2015 Budget

Income - BID	\$384,823.00
Income-City of Lodi	\$127,688.00
Income - Tourism Lunch	\$10,000.00
Income-postage donations	\$20.00
Income-website advertising	\$1,750.00
Rent Income	\$10,716.00
Other Income (janitorial, supplies,etc)	\$2,400.00
Retail Income	\$1,200.00
<b>Total Income</b>	<b>\$538,597.00</b>

Advertising/Marketing	\$122,909.00
Automobile Expense	
Automobile Expense - Sales	\$1,000.00
Automobile Expense - Other	\$2,100.00
Bank Service Charges	\$400.00
Contingencies/Unexpected Opportunities	\$14,000.00
Dues & Subscriptions	\$3,255.00
Education/Conferences	\$1,965.00
Equipment Lease	\$3,801.00
Event Expenses - Tourism Lunch	\$11,135.00
Gifts	\$200.00
Hospitality/Meetings: Sales	\$500.00
Hospitality/Meetings: Other	\$1,400.00
<u>Insurance</u>	
Directors & Officers	\$1,400.00
Health	\$9,500.00
Liability	\$1,000.00
Work Comp	\$2,000.00

Labor, Contract	\$6,600.00
<u>Office Expenses</u>	
Equipment	\$2,135.00
Maintenance	\$4,640.00
Supplies	\$1,815.00
<u>Personnel</u>	
Salaries	\$165,480.00
Benefits	\$11,256.00
Postage & Delivery	\$3,000.00
Printing & Reproduction	\$850.00
<u>Professional Fees</u>	
Accounting	\$3,765.00
Administration-City of Lodi	\$19,241.00
Promotion	
FAM Tour Transportation	\$300.00
FAM Tour Lunches	\$400.00
Fam Tour Gift Bags	\$250.00
Group Sales Wine & Dine (2)	\$1,500.00
Online campaign consultant	\$25,000.00
Downtown Banners/Hardware	\$2,500.00
Quarterly Event Calendar	\$1,250.00
Other - graphic & web design, photography, tradeshow giveaways, misc.	\$10,174.00
Rent	\$36,060.00
<u>Repairs</u>	
Computer Repairs	\$800.00
Retail	\$3,000.00
Special Projects	\$16,158.00
<u>Tax &amp; License</u>	
Payroll	\$16,260.00
Property	\$50.00
Licenses	\$25.00
Technology	\$6,945.00
Telephone	\$4,060.00
Trade Shows	\$5,175.00
<u>Travel &amp; Entertainment</u>	
Meals	
Meals - Sales	\$175.00
Meals - Other	\$1,115.00
Travel	
Travel - Sales	\$320.00
Travel - Other	\$6,733.00
Utilities - Gas & Electric	\$5,000.00
<b>Total Expense</b>	<b>\$538,597.00</b>

**Net Profit (Loss)**

**Visit Lodi!**  
**Conference & Visitors Bureau**  
**2015 Work Plan**

## **Marketing/Promotional Activities**

### **Leisure Market**

Targeted Advertising: Ads will be placed in prime target markets as designated by the 2013 brand research studies. Ads will be both hard copy and digital in nature and will include a response measure for tracking purposes wherever possible.

Trade Shows: Visit Lodi! will have a booth at the 2015 Bay Area Travel Show, Sunset Tradeshow and will partner with the Central Valley Tourism Association to promote and represent Lodi at additional shows where possible. Staff will actively promote and recruit partners to participate as a way to have a greater presence at the shows while increasing visibility and promotional opportunity for Lodi. All leads will be tracked and a database of contacts will be maintained for future marketing opportunities.

LodiView: Visit Lodi! will continue to offer LodiView as a monthly e-publication highlighting Lodi events and activities of interest to the tourist. LodiView distribution is currently at over 6,300 subscribers.

Quarterly e-postcards: In 2015 Visit Lodi! will produce quarterly e-postcards that will be mailed to our marketing database. Each postcard will feature a call to action and will give recipients the ability to click through to the Visit Lodi! website for special offers and other Lodi visitor information.

Social Media and Content Management: In 2015 Visit Lodi! will work with a Content Management/Social Media Consultant to develop an integrated content marketing plan. This custom-crafted integrated marketing campaign will incorporate all aspects of our destination's digital brand presence including website, social media, mobile outlets and email. It can include social media training and counseling, marketing campaign related promotional art, marketing campaign management, custom Facebook application, social network advertising and mobile marketing. Additionally a Visit Lodi! travel blog, videos and quarterly e-postcards will support the overall campaign strategy. New this year will include SEO analysis and strategic keyword ad buys to optimize our search engine rankings and presence.

### **Group Market**

Tradeshows: Visit Lodi! will attend three sales shows created for the group market: The California Society of Association Executives (Cal SAE), the Sacramento/Sierra Nevada Chapter of Meeting Professionals International (MPI)

Conference and Trade Show, and Society of Government Meeting Planners (SGMP). All sales leads will be followed up on and added to our database for future marketing opportunities. In addition, Visit Lodi! will partner with the Central Valley Tourism Association to promote and represent Lodi at all national and international group sales shows.

Fam Tours: Visit Lodi! Group Sales Manager will host a biannual Fam Tour for meeting planners and group decision makers as a tool to showcase Lodi as a group meeting destination.

Direct Mail Campaign: Quarterly fliers/brochures will be sent to group sales decision makers to reinforce the vision of Lodi as a go-to destination for meetings/conferences/events. Quarterly mailers will keep Lodi top-of-mind for meeting planners, association leaders and social/fraternal groups.

Sales Calls: Staff will make face-to-face sales appointments to group decision makers out of the area in an effort to sell them on bringing their group events and meetings to Lodi. Additionally, sales staff will utilize cold calls to meeting planners and association leaders as a way to maintain visibility and continually educate potential clients to the value of Lodi as a meeting destination.

Wine & Dine: Visit Lodi! will hold two out-of-the-area Wine & Dine social events for group decision makers as an alternative to the FAM Tour. These events will provide an opportunity for Visit Lodi! staff to promote Lodi to hard-to-reach decision makers.

Meeting Professionals Organizations: The Group Sales Manager will maintain memberships in MPI, SGMP and CalSAE and regularly attend meetings and events of these organizations. This gives Visit Lodi! an opportunity to help build business relationships with group decision makers.

Sponsorships and Incentives: Visit Lodi! will utilize sponsorships and incentives at tradeshow and industry events (when appropriate and as funding allows) as a method by which to introduce the group market to Lodi as a destination. Sponsorships may be used as an incentive to facilitate bringing a group event to Lodi. Examples are sponsoring a wine reception at a meeting planner's conference or offering a cash incentive to bring a group to Lodi.

### **Customer Service/Hospitality**

Visitor Information Packets: Visitor information will be distributed on request via email or through access on our website.

Website: The goal of the Visit Lodi! website is twofold: 1.) To educate and create awareness of Lodi as a visitor destination and to 2.) Provide the highest

degree of customer service by ensuring that visitor information is complete, up-to-date and easily accessible. Visit Lodi! will utilize the new blog and social media advertising as a way to drive people to the website.

Lodi Brand Retail: Visit Lodi! will carry a variety of Lodi logo wear, postcards and gift items for sale.

Visitor Publications: Visit Lodi! will develop and maintain a number of publications geared to increase availability of visitor information.

- **Lodi Visitor Guide:** An updated Lodi Visitor Guide will be presented for distribution in the summer of 2015. The book which is designed to showcase Lodi to potential visitors and tourists is currently distributed to hotels, wineries, venues and other tourist attractions. It is one of the main marketing pieces for Visit Lodi! and is mailed upon request as well as distributed at travel trade and sales shows. Consumers will be able to access the guide on-line and advertisers in the guide will have the ability to change their on-line ads 4 times throughout the year giving them flexibility in their advertising campaigns.
- **Festival & Events Calendar:** Visit Lodi! will produce an in-house designed/printed Festival & Events Calendar. The Calendar, produced quarterly, is a quick reference to events in the Lodi area and is distributed at the hotels, wineries, attractions, tradeshow, and included in visitor information packets.
- **Visitor Attraction Map & Guide:** The Visitor Attraction Map & Guide is distributed to hotels, wineries and attractions for their use and will be sent out to visitors upon request as well as utilized as give-a-ways at tradeshow. The map is designed to fold into a brochure so that it can be used in a card rack or as a self-mailer.
- **Meeting Facilities Brochure:** The Meeting Facilities Brochure is designed to provide information to potential consumers on event facilities and will be utilized heavily by Sales staff when promoting local venues to the group market.

Hotel Brochure Distribution: Visit Lodi! staff will provide a monthly brochure distribution service to all Lodi hotels, wineries and attractions. The goal is to ensure that visitor information is widely available and easily accessible to guests.

## **Events**

**Tourism Luncheon:** May 2015, Visit Lodi! will host the 9<sup>th</sup> Annual Tourism Luncheon. The Luncheon is designed to give Visit Lodi! the opportunity to promote their programs and services to the greater Lodi community.

## **Communications**

**Newsletter:** Visit Lodi!'s digital newsletter Tourism-at-a-Glance will feature new business openings, events and other items of interest to those vested in the tourism industry as well as information on programs and services offered by the Visit Lodi! Conference & Visitors Bureau. The newsletter will be distributed to local business leaders and elected officials.

## **Research**

**Data:** Visit Lodi! is committed to utilizing data to drive marketing decisions, programs and services. In addition to collecting and reporting Lodi TOT, social media, and leisure and group visitor trends, staff will seek out new ROI measures.

RESOLUTION NO. 2014-\_\_\_\_\_

A RESOLUTION OF INTENTION OF THE LODI CITY COUNCIL TO LEVY ANNUAL ASSESSMENT FOR LODI TOURISM BUSINESS IMPROVEMENT DISTRICT, ESTABLISHING PUBLIC HEARING DATE, AND APPROVING ANNUAL REPORT

WHEREAS, the Lodi Tourism Business Improvement District was established December 20, 2004, by City Council Ordinance 1753, and as amended by Ordinances 1756 and 1818; and

WHEREAS, the Annual Report, as required by Streets and Highways Code Section 36533, has been submitted to the Board of Directors of said improvement district.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that it does hereby resolve, determine, and finds as follows:

- 1. Approves the Annual Report as submitted, said report being on file with the City Clerk.
2. Establishes December 17, 2014, in the City Council Chambers, Carnegie Forum, 305 West Pine Street, Lodi, California, at 7:00 p.m., or as soon thereafter as possible, as the date, place, and time to hold the public hearing.
3. It is the intention of the City Council to levy and collect assessments within the Lodi Tourism Business Improvement District for the calendar year 2015 (the District's fiscal year).
4. The proceeds from the Lodi Tourism Business Improvement District assessment shall be used to administer marketing programs to promote the City of Lodi as a tourism destination and to fund projects, programs, and activities that benefit hotels within the City of Lodi.
5. At the time of the public hearing, written and oral protests may be made. The form and manner of protests shall comply with Streets and Highways Code Sections 36524 and 36525.

Dated: October 28, 2014

I hereby certify that Resolution No. 2014-\_\_\_\_\_ was passed and adopted by the City Council of the City of Lodi in a special meeting held October 28, 2014, by the following votes:

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

JENNIFER M. ROBISON
City Clerk



**CITY OF LODI  
COUNCIL COMMUNICATION**

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**AGENDA TITLE:** Authorize City Manager to Execute Memorandum of Understanding Relating to Central Valley Project Improvement Act Judicial Action Pursuant to the Northern California Power Agency Legislative and Regulatory Program Agreement

**MEETING DATE:** October 28, 2014 - Special Meeting

**PREPARED BY:** City Attorney

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**RECOMMENDED ACTION:** Authorize City Manager to execute Memorandum of Understanding relating to Central Valley Project Improvement Act Judicial Action pursuant to the Northern California Power Agency Legislative and Regulatory Program Agreement

**BACKGROUND INFORMATION:** The Northern California Power Agency (NCPA) filed a complaint against the U. S. Bureau of Reclamation on September 4, 2014, with respect to the overpayment of Central Valley Project Improvement Act (CVPIA) Restoration Funds, on behalf of NCPA and its members. The action, *Northern California Power Agency, City of Redding, California, City of Roseville, California, and City of Santa Clara, California v. the United States* (United States Court of Federal Claims Case No. 14-817C) (the "CVPIA litigation"), seeks the recovery of over \$45 million in overcharges imposed by the Bureau over the last six years for the CVPIA Restoration Fund.

Prior to the filing of the CVPIA litigation, NCPA Commissioners unanimously agreed that the success of the litigation would depend in large part on all NCPA Members assuring their ongoing support for and involvement in the CVPIA litigation. The NCPA Commission agreed that governance of the CVPIA litigation would be by the Commission, including any decision to dismiss, settle, appeal or respond to an appeal, with decisions made by votes weighted by relative CVP allocations, and costs of the CVPIA litigation will be allocated amongst the members by relative CVP allocation.

The Memorandum before Council, modifies the City's opt out authority under the Legislative and Regulatory Program Agreement (the "L&RPA") of which the City is a party. The Memorandum has been unanimously approved by the NCPA Commission and staff supports the modification. As revised, the opt out provision for the CVPIA litigation would provide as follows:

Notwithstanding any provision of the L&RPA to the contrary, no member [of NCPA] will attempt to exercise any 60 day opt out under the L&RPA until such time as the CVPIA litigation is resolved to the Commission's satisfaction. Provided, however, that any member may exercise its 60-day option to opt out in the event of an adverse final decision in the CVPIA litigation in the Court of Federal Claims, by providing notice of such decision to NCPA within 45-days of such adverse decision. For purpose of clarity, in the event of a judgment or final decision in the Court of Federal Claims (the trial court level) favorable to NCPA, an appeal by the United States shall not give rise to an option to opt out. However, in the event of a judgment or final decision in the Court of Federal Claims (the trial court

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APPROVED:

\_\_\_\_\_  
Stephen Schwabauer, City Manager

level) adverse to NCPA, each member would have an option to opt out of any appeal or further proceedings by NCPA.

Staff recommends that the City Council authorize the City Manager to execute the Memorandum of Understanding relating to the CVPIA litigation, a copy of which is attached hereto as Exhibit A.

**FISCAL IMPACT:** Not Applicable.

Approved: \_\_\_\_\_

Janice D. Magdich  
City Attorney

cc: Liz Kirkley, Electric Utility Director

Attachment

**Memorandum of Understanding Relating to CVPIA Judicial Action Pursuant to the NCPA Legislative and Regulatory Program Agreement**

On August 28, 2014, the NCPA Commission unanimously approved the filing of litigation against the U.S. Bureau of Reclamation with respect to the overpayment of CVPIA Restoration Funds by NCPA Members. Such action has been filed and is named *Northern California Power Agency, City of Redding, California, City of Roseville, California, and City of Santa Clara, California v. the United States* (United States Court of Federal Claims case no. 14-817C) (the “CVPIA litigation”). At the time of such approval, all NCPA Commissioners present agreed that the success of the CVPIA litigation will depend in large part on all NCPA Members assuring their ongoing support for and involvement in the CVPIA litigation. Therefore, approval by the Commission was made with the understanding that each Member agrees that:

- (1) governance of the CVPIA litigation shall be by the NCPA Commission (including whether to dismiss, settle, appeal or respond to an appeal), with decisions made by votes weighted by relative CVP allocations, and costs of the CVPIA litigation will be allocated amongst the members by relative CVP allocation; and
- (2) notwithstanding any provision of the Legislative and Regulatory Program Agreement (the “L&RPA”) to the contrary, no member will attempt to exercise any 60 day opt out under the L&RPA until such time as the CVPIA litigation is resolved to the Commission’s satisfaction. Provided, however, that any member may exercise its 60 day option to opt out in the event of an adverse final decision in the CVPIA litigation in the Court of Federal Claims, by providing notice of such decision to NCPA within 45 days of such adverse decision. For purposes of clarity, in the event of a judgment or final decision in the Court of Federal Claims (the trial court level) favorable to NCPA, an appeal by the United States shall not give rise to an option to opt out. However, in the event of a judgment or final decision in the Court of Federal Claims (the trial court level) adverse to NCPA, each member would have an option to opt out of any appeal or further proceedings by NCPA.

This memorandum of understanding reflects each Member’s agreement to the foregoing.

**Accepted by NCPA Member:**

Name of NCPA Member: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

2329449.3

Approved as to form \_\_\_\_\_  
City Attorney