



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

AGENDA – REGULAR MEETING

Date: November 6, 2013

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

For information regarding this Agenda please contact:

Randi Johl-Olson, 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.

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

C-1 Call to Order / Roll Call

C-2 Announcement of Closed Session

- a) Conference with Stephen Schwabauer, City Attorney, and Jordan Ayers, Deputy City Manager (Labor Negotiators), Regarding Unrepresented Executive Management, Lodi City Mid-Management Association, Unrepresented Confidential Employees, AFSCME General Services and Maintenance & Operators, Fire Mid-Managers, and Lodi Professional Firefighters; Conference with Stephen Schwabauer, City Attorney, and Dean Gualco, Human Resources Manager (Labor Negotiators), Regarding International Brotherhood of Electrical Workers Pursuant to Government Code §54957.6
- b) Pursuant to Government Code §54956.9(c); One Potential Case; Conference with Legal Counsel – Initiation of Litigation: City of Lodi v. County of San Joaquin Regarding Property Tax Administration Fees

C-3 Adjourn to Closed Session

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

C-4 Return to Open Session / Disclosure of Action

A. Call to Order / Roll Call

B. Presentations

- B-1 Homeless Youth Awareness and Runaway Prevention Month Proclamation (CLK)
- B-2 Presentation of Certificates of Appreciation to Blakely Park Pool Free Swim Donors (PRCS)
- B-3 Presentation of Certificates of Appreciation Relating to the Sister City Committee Kofu, Japan Trip (CLK)

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

- C-1 Receive Register of Claims in the Amount of \$16,890,033.98 (FIN)
- C-2 Approve Minutes (CLK)
 - a) October 15, 22, and 29, 2013 (Shirtsleeve Sessions)
 - b) October 16, 2013 (Regular Meeting)

- C-3 Accept Quarterly Report of Purchases Between \$10,000 and \$20,000 (CM)
- C-4 Accept the Quarterly Investment Report as Required by the City of Lodi Investment Policy (CM)
- Res. C-5 Adopt Resolution Approving the City of Lodi Investment Policy and Internal Control Guidelines (CM)
- C-6 Approve Plans and Specifications and Authorize Advertisement for Bids for Lodi Public Library Phase 3 Remodel Project (PW)
- C-7 Approve Plans and Specifications and Authorize Advertisement for Bids for City Hall Annex First Floor Phase 2 Interior Remodel Project (PW)
- Res. C-8 Adopt Resolution Awarding Contract for DeBenedetti Park Masonry Wall Landscaping, 2160 West Century Boulevard, to Hemington Landscape Services, Inc., of Cameron Park (\$50,531), and Appropriating Funds (\$71,000) (PW)
- C-9 Accept Improvements Under Contract for Well 6R Granular Activated Carbon Treatment System Project (PW)
- C-10 Accept Improvements Under Contract for White Slough Water Pollution Control Facility Digester Painting Project (PW)
- Res. C-11 Adopt Resolution Authorizing the City Manager to Execute Professional Services Agreement for Pretreatment Program Assistance for White Slough Water Pollution Control Facility with Larry Walker Associates, of Davis (\$56,290) (PW)
- Res. C-12 Adopt Resolution Authorizing the City Manager to Execute Amendment to Professional Services Agreement with Carollo Engineers, Inc., of Sacramento (\$90,000) (PW)
- C-13 Authorize the City Manager to Execute Agreement Extending Term of the Northeastern San Joaquin County Groundwater Banking Authority Joint Powers Agreement (PW)
- Res. C-14 Adopt Resolution Approving the Cost Sharing Fee for Fiscal Year 2013/14 Between the City of Stockton and Sirsi, Corp. (\$24,850) (LIB)
- Res. C-15 Adopt Resolution Authorizing the Chief of Police to Enter into an Agreement with the Department of Homeland Security Organized Crime Drug Enforcement Task Force (PD)
- Res. C-16 Adopt Resolution Authorizing the City Manager and Chief of Police to Enter into a Memorandum of Understanding with the California Highway Patrol Delta Regional Auto Theft Team Task Force (PD)
- Res. C-17 Adopt Resolution Authorizing the City Manager to Accept Donation to the Fire Department (\$25,000) (FD)
- Res. C-18 Adopt Resolution Approving Seward Johnson Sculpture Exhibit and Traffic Control Box Art Project and Appropriate Funds (\$39,500) (PRCS)
- Res. C-19 Adopt Resolution Approving CalPERS Employer Paid Member Contributions (CM)
- Res. C-20 Adopt Resolutions Authorizing Converting Existing Contract Staff by: 1) Approving Job Specification, Salary Range, and Addition of One Electric Groundworker and 2) Authorizing Addition of One Electric Lineworker (EU)
- Res. C-21 Set Public Hearing for November 20, 2013, to Consider Adopting Resolution Approving the Planning Commission's Recommendation to Authorize 232 Low-Density Residential Growth Management Allocations for FCB Homes (CD)
- C-22 Set Public Hearing for December 18, 2013, to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Usage-Based and Flat Water Rates for Residential, Commercial, and Industrial Customers (PW)
- C-23 Set Public Hearing for December 18, 2013, to Consider Adopting Resolution Setting Future Water, Wastewater, and Solid Waste Rate Schedules Pursuant to Proposition 218 for Residential, Commercial, and Industrial Customers (PW)

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

G-1 Public Hearing to Consider Unmet Transit Needs in Lodi (PW)

Ord. (Introduce) G-2 Public Hearing to Consider Adopting Uncodified Urgency Interim Ordinance to Extend Interim Ordinance No. 1868, Which Established a Moratorium on 1) the Outdoor Cultivation of Medical Marijuana within the City of Lodi, and 2) the Indoor Cultivation of Medical Marijuana that Creates a Public Nuisance (CA)

Ord. (7) (Introduce) G-3 Public Hearing to Consider Adoption of the 2013 California Building Code, Mechanical Code, Electrical Code, Plumbing Code, Residential Code, Green Building Standard Code, and Fire Code (CD)

H. Communications – None

I. Regular Calendar – None

J. Ordinances – None

K. Adjournment

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

Randi Johl-Olson
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Homeless Youth Awareness and Runaway Prevention Month Proclamation
MEETING DATE: November 6, 2013
PREPARED BY: City Clerk

RECOMMENDED ACTION: Mayor Nakanishi to present proclamation proclaiming the month of November 2013 as “Homeless Youth Awareness and Runaway Prevention Month” in the City of Lodi.

BACKGROUND INFORMATION: The Mayor has been requested to present a proclamation proclaiming the month of November 2013 as “Homeless Youth Awareness and Runaway Prevention Month” in the City of Lodi. Cecilia Arredondo with the San Joaquin Women’s Center will be at the meeting to accept the proclamation.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None.

Randi Johl-Olson
City Clerk

RJO/JMR

APPROVED: _____
Konradt Bartlam, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Present Certificates of Appreciation to Blakely Park Pool Free Swim Donors
MEETING DATE: November 6, 2013
PREPARED BY: Parks, Recreation and Cultural Services Director

RECOMMENDED ACTION: Mayor Nakanishi present certificates of appreciation to Blakely Park Pool free swim donors.

BACKGROUND INFORMATION: The City provides public swimming between Memorial Day weekend and Labor Day each year at the Blakely/Enze Aquatics Complex. Attendance, however, had declined in recent years, with some days drawing only a handful of swimmers despite a nominal entry fee.

Getting more public use from the pool was important to the Parks, Recreation and Cultural Services Department, but even a \$1.50 fee appeared to be a barrier for many potential users, and the cost to provide lifeguards for few swimmers was no longer economically feasible.

Instead of closing the pool, staff solicited donations to cover the cost of lifeguards and swim instruction in order to provide free swimming throughout the summer. The result was 2,748 people – the vast majority children -- enjoyed swimming in 2013 compared to 1,557 in 2012, and stable summer employment for Lodi teens and young adults.

The Michael-David Family Foundation was our chief sponsor, providing free swimming for four weekends and an additional donation for swimming safety instruction. Other donors include Omega Nu and Lodi Health (two weekends each), Lodi Tokay Rotary Club, Lodi Lions, FCB Homes, Reynolds Ranch Partners, Carol Marvel, Lodi City Swim Club, Lodi City Employees Association and the Woodbridge Greens Area Residents.

The Parks, Recreation and Cultural Services Department is grateful for their support in providing safe and healthy recreation to the Lodi community.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

Jeff Hood
Director Parks, Recreation and Cultural Services

APPROVED: _____
Konradt Bartlam, City Manager



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Presentation of Certificates of Appreciation Relating to the Sister City Committee Kofu, Japan Trip

MEETING DATE: November 6, 2013

PREPARED BY: City Clerk

RECOMMENDED ACTION: Mayor Nakanishi present Certificates of Appreciation relating to the Sister City Committee Kofu, Japan trip.

BACKGROUND INFORMATION: Recently, a delegation traveled to Japan to visit Lodi's sister city, Kofu. Mayor Nakanishi will present Certificates of Appreciation to those who participated in this trip and who donated their time, money, and talents toward the success of this friendship tour.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None.

Randi Johl-Olson
City Clerk

APPROVED: _____
Konradt Bartlam, City Manager



CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Receive Register of Claims through October 17, 2013 in the Total Amount of \$16,890,033.98.

MEETING DATE: November 6, 2013

PREPARED BY: Financial Services Manager

RECOMMENDED ACTION: Receive the attached Register of Claims for \$16,890,033.98.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$16,890,033.98 Through 10/17/13. Also attached is Payroll in the amount of \$1,290,044.13.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: As per attached report.

Ruby R. Paiste, Financial Services Manager

RRP/rp

Attachments

APPROVED: _____
Konradt Bartlam, City Manager

Accounts Payable
Council Report

| As of Thursday | Fund | Name | Amount |
|-------------------|-------|--------------------------------|---------------|
| 10/17/13 | 00100 | General Fund | 3,741,063.72 |
| | 00120 | Vehicle Replacement Fund | 279.99- |
| | 00123 | Info Systems Replacement Fund | 5,622.67 |
| | 00160 | Electric Utility Fund | 7,121,157.40 |
| | 00161 | Utility Outlay Reserve Fund | 38,741.51 |
| | 00164 | Public Benefits Fund | 21,931.16 |
| | 00170 | Waste Water Utility Fund | 1,999,955.02 |
| | 00171 | Waste Wtr Util-Capital Outlay | 4,216.57 |
| | 00175 | IMF Storm Facilities | 5,521.40 |
| | 00180 | Water Utility Fund | 46,827.19 |
| | 00181 | Water Utility-Capital Outlay | 1,493,193.90 |
| | 00210 | Library Fund | 9,500.54 |
| | 00234 | Local Law Enforce Block Grant | 5,502.67 |
| | 00235 | LPD-Public Safety Prog AB 1913 | 62.86 |
| | 00236 | LPD-OTS Grants | 1,022.35 |
| | 00239 | CalGRIP | 75.60 |
| | 00260 | Internal Service/Equip Maint | 70,719.13 |
| | 00270 | Employee Benefits | 514,106.96 |
| | 00300 | General Liabilities | 56,989.31 |
| | 00310 | Worker's Comp Insurance | 53,966.39 |
| | 00320 | Street Fund | 1,279.20 |
| | 00321 | Gas Tax-2105,2106,2107 | 33,937.23 |
| | 00322 | Gas Tax -2103 | 210,981.70 |
| | 00325 | Measure K Funds | 239,934.43 |
| | 00331 | Federal - Streets | 145,118.17 |
| | 00340 | Comm Dev Special Rev Fund | 1,032.99 |
| | 00347 | Parks, Rec & Cultural Services | 122,509.40 |
| | 00410 | Bond Interest & Redemption | 424,606.25 |
| | 00459 | H U D | 26,373.45 |
| | 00502 | L&L Dist Z1-Almond Estates | 134.78 |
| | 00503 | L&L Dist Z2-Century Meadows I | 103.68 |
| | 00506 | L&L Dist Z5-Legacy I,II,Kirst | 214.41 |
| | 00507 | L&L Dist Z6-The Villas | 511.36 |
| | 00509 | L&L Dist Z8-Vintage Oaks | 37.09 |
| | 00513 | L&L Dist Z11-Tate Property | 12.09 |
| | 00515 | L&L Dist Z13 | 69.12 |
| | 00516 | L&L Dist Z14-Luca Place | 21.63 |
| | 00517 | L&L Dist Z15-Guild Ave Indust. | 69.12 |
| | 00518 | L&L Dist Z16-W.Kettleman Comm. | 38.40 |
| | 01211 | Capital Outlay/General Fund | 29,638.35 |
| | 01217 | IMF Parks & Rec Facilities | 20,273.59 |
| | 01241 | LTF-Pedestrian/Bike | 6,304.50 |
| | 01250 | Dial-a-Ride/Transportation | 154,079.29 |
| | 01251 | Transit Capital | 242,363.31 |
| | 01410 | Expendable Trust | 25,089.22 |
| | | | ----- |
| Sum | | | 16,874,629.12 |
| | 00184 | Water PCE-TCE-Settlements | 42.00 |
| | 00190 | Central Plume | 15,362.86 |
| | | | ----- |
| Sum | | | 15,404.86 |

Accounts Payable
Council Report

Page - 2
Date - 10/23/13
Amount

As of Fund
Thursday

Name

Total
Sum

16,890,033.98

Council Report for Payroll

Page - 1
Date - 10/23/13

| Payroll | Pay Per Date | Co | Name | Gross Pay |
|-------------------|--------------|-------|--------------------------------|--------------|
| Regular | 09/29/13 | 00100 | General Fund | 770,979.98 |
| | | 00160 | Electric Utility Fund | 156,849.53 |
| | | 00161 | Utility Outlay Reserve Fund | 3,507.31 |
| | | 00170 | Waste Water Utility Fund | 118,044.28 |
| | | 00180 | Water Utility Fund | 14,761.38 |
| | | 00210 | Library Fund | 25,608.02 |
| | | 00235 | LPD-Public Safety Prog AB 1913 | 1,154.00 |
| | | 00239 | CalGRIP | 864.40 |
| | | 00260 | Internal Service/Equip Maint | 13,646.54 |
| | | 00321 | Gas Tax-2105,2106,2107 | 29,645.08 |
| | | 00340 | Comm Dev Special Rev Fund | 20,881.78 |
| | | 00347 | Parks, Rec & Cultural Services | 126,559.95 |
| | | 01250 | Dial-a-Ride/Transportation | 7,541.88 |
| Pay Period Total: | | | | |
| Sum | | | | 1,290,044.13 |



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Minutes
a) October 15, 2013 (Shirtsleeve Session)
b) October 16, 2013 (Regular Meeting)
c) October 22, 2013 (Shirtsleeve Session)
d) October 29, 2013 (Shirtsleeve Session)

MEETING DATE: November 6, 2013

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) October 15, 2013 (Shirtsleeve Session)
b) October 16, 2013 (Regular Meeting)
c) October 22, 2013 (Shirtsleeve Session)
d) October 29, 2013 (Shirtsleeve Session)

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

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl-Olson
City Clerk

Attachments

APPROVED: _____
Konradt Bartlam, City Manager

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 15, 2013**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, October 15, 2013, commencing at 7:00 a.m.

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

Absent: Council Member Mounce

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

B. Topic(s)

B-1 Receive Policy and Rate Information Regarding Water, Wastewater, and Solid Waste Rate Schedules Subject to Proposition 218 Public Hearing to be Held December 18, 2013 (PW)

City Manager Bartlam briefly introduced the subject matter of water, wastewater, and solid waste policy and rate information subject to Proposition 218 processes.

Public Works Director Wally Sandelin and Consultant Bob Reed provided a PowerPoint presentation regarding water, wastewater, and solid waste policy and rate information. Specific topics of discussion included the meter charge schedule, vacant residential rates, rate update, models, Engineering News Record (ENR) Index and rate adjustments, previous rate adjustments, rate structure changes, flat rates, Proposition 218, rate structure changes, usage based rates, rate comparison, sample residential and non-residential bills, solid waste rates, and the adoption process.

In response to Council Member Johnson, Mr. Sandelin stated Santa Clara was included in the comparison because it was one of the few cities with a published meter schedule.

In response to Council Member Hansen, Mr. Sandelin stated that, while there was a rate cap on the wastewater side, there was no cap on the water side and the rate was whatever was published for ENR.

In response to Council Member Johnson, City Attorney Schwabauer stated rate increases not included in the original Proposition 218 notice would require a new Proposition 218 process.

In response to Council Member Hansen, Mr. Sandelin stated infrastructure replacement will be completed in 2017-2018 on the water side but not sure about the wastewater side, which includes sewer lining.

In response to Mayor Nakanishi, Mr. Sandelin stated other agencies are just now beginning to make the infrastructure related decisions that the Lodi City Council made in 2004.

In response to Council Member Johnson, Mr. Sandelin stated the bond issue proposed for debt retirement was \$30 million.

In response to Council Member Hansen, Mr. Sandelin stated the \$11.4 figure in the model includes upgrades for the conveyance facilities and storage ponds and new development is also considered in the model.

In response to Council Member Johnson, Mr. Sandelin stated the City is expecting that the Regional Board is going to require improvements to the conveyance facilities at a cost of \$1.4 million and \$10 million will be used for storage pond construction so that the City no longer needs to discharge to the Delta thereby resulting in a cost savings.

In response to Mayor Nakanishi, Mr. Sandelin stated the previous rate increase included infrastructure upgrades and new debt service for improvements at the White Slough facility.

In response to Council Member Hansen, Mr. Sandelin stated that, while the old financial model was complex and contained errors which required ongoing consultant work, the current model is simplified and tested quarterly by City staff. Mr. Sandelin stated he is confident that the needs of the City are in line with the charges.

In response to Council Member Hansen, Mr. Sandelin confirmed adjustments include factors such as inflation, material costs, and unfunded mandates. A brief discussion ensued between Mr. Sandelin and Mr. Hansen regarding how other communities compare in infrastructure replacement efforts and rates. Mr. Schwabauer confirmed that the rate structure does not include additional revenue generation but rather a redesign of how payment is made from different rate payers in light of water meter usage.

In response to Council Member Johnson, Mr. Sandelin confirmed that staff will be speaking with the City's larger users regarding proposed rates prior to implementation.

In response to Mayor Pro Tempore Katakian, Mr. Schwabauer stated fuel would be included in 100% of the Consumer Price Index (CPI) for solid waste purposes but is not necessarily included in 80% of CPI and tipping fees could be considered separately if necessary.

In response to Mayor Nakanishi, Mr. Sandelin stated there will be a mobile home park rate discussion at a Shirtsleeve Session in December.

In response to Mayor Pro Tempore Katakian, Mr. Bartlam confirmed that the rate structure adjustment will shift costs now mostly born by single-family residential equally amongst all ratepayers. Mr. Schwabauer confirmed a new rate adjustment would be needed for larger unforeseeable circumstances in the future similar to the state mandated White Slough facility improvements. A brief discussion ensued between Mayor Pro Tempore Katakian and Mr. Schwabauer regarding ongoing PCE/TCE remediation and monitoring efforts.

Larry Haverty spoke in regard to his concerns about the City paying for water for the farmers near the White Slough facility at a detriment to Lodi residents at large. Mr. Sandelin and Mr. Schwabauer explained that farming near White Slough is not a revenue generator per se but rather a necessary part of the treatment process to reduce nitrates to allow current discharge into the Delta. They also confirmed that the farming operations currently being conducted are done at a cost savings because it would cost the City significantly more money to farm land.

Shirley Plath spoke in regard to her concerns about billing for water services at a mobile home park based on a bedroom system and the costs associated with water usage by an individual resident at the mobile home park versus a larger group of residents such as a family.

Thomas Sanchez, representing Waste Management, spoke in support of the proposal to base solid waste rates off of 100% of the CPI thereby eliminating individual charges for fuel and tipping, which are currently charged separately in addition to 80% of CPI. Mr. Sanchez stated there may be some decisions made by the County in the next month that may affect his thoughts on the proposal but he is generally in support of the concept.

John Slaughterback spoke in regard to his concerns about facility improvements and upgrades being completed as a result of new development impacts on the system and developers paying their share of the same. Mr. Slaughterback also spoke in support of the City having various programs to help the less fortunate pay for services in difficult times.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:30 a.m.

ATTEST:

Randi Johl-Olson
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, OCTOBER 16, 2013**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of October 16, 2013, was called to order by Council Member Hansen at 5:35 p.m.

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

C-2 Announcement of Closed Session

- a) Conference with Stephen Schwabauer, City Attorney, and Jordan Ayers, Deputy City Manager (Labor Negotiators), Regarding Unrepresented Executive Management, Lodi City Mid-Management Association, Unrepresented Confidential Employees, AFSCME General Services and Maintenance & Operators, Fire Mid-Managers, and Lodi Professional Firefighters; Conference with Stephen Schwabauer, City Attorney, and Dean Gualco, Human Resources Manager (Labor Negotiators), Regarding International Brotherhood of Electrical Workers Pursuant to Government Code §54957.6
- b) Prospective Sale of Current Fire Station 2 Property Located at 705 East Lodi Avenue, Lodi, CA; the Negotiating Parties are Wayne Craig for J-C General Engineering, Inc.; and Michael Gums on Behalf of the Lloyd P. & Mildred J. Gums Family Trust, and Rad Bartlam for the City of Lodi; Price and Terms of the Sale are Under Negotiation; Government Code §54956.8
- c) Conference with Legal Counsel - Anticipated Litigation - Significant Exposure to Litigation Pursuant to Subdivision (b) of Section 54956.9; One Case; Pursuant to Government Code §54956.9(b)(3)(A) Facts, Due to Not Being Known to Potential Plaintiffs, Shall Not be Disclosed

C-3 Adjourn to Closed Session

At 5:35 p.m., Council Member Hansen adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:40 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Council Member Hansen reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

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

In regard to Item C-2 (b), the City Council provided direction to place the subject property out for public bid.

A. Call to Order / Roll Call

The Regular City Council meeting of October 16, 2013, was called to order by Council Member Hansen at 7:00 p.m.

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

B. Presentations

B-1 Firefighter Muscular Dystrophy Association "Fill the Boot" Fundraiser Proclamation (FD)

Council Member Hansen presented proclamation to Fire Engineer Trevor Lambert setting Saturday, October 26, 2013, as the date for the Firefighter Muscular Dystrophy Association "Fill the Boot" fundraiser in the City of Lodi.

B-2 Caregiver Day Proclamation (CLK)

Council Member Hansen presented proclamation to a representative of Healings in Motion proclaiming Saturday, November 2, 2013, as "Caregiver Day" in the City of Lodi.

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

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

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, and Council Member Mounce

Noes: None

Absent: Mayor Pro Tempore Katzakian, and Mayor Nakanishi

C-1 Receive Register of Claims in the Amount of \$965,783.23 (FIN)

Claims were approved in the amount of \$965,783.23.

C-2 Approve Minutes (CLK)

The minutes of October 1, 2013 (Shirtsleeve Session), October 2, 2013 (Regular Meeting), and October 8, 2013 (Shirtsleeve Session) were approved as written.

C-3 Adopt Resolution Authorizing the City Manager to Execute Purchase Order with Sole-Source Provider, Pape Machinery, of French Camp, for Repair of Damage to John Deere 210K Tractor (\$27,371) (PW)

Adopted Resolution No. 2013-175 authorizing the City Manager to execute purchase order with sole-source provider, Pape Machinery, of French Camp, for repair of damage to John Deere 210K tractor in the amount of \$27,371.

C-4 Adopt Resolution Awarding Contract for Replacement of Raywood Ash Trees, Phase II, to West Coast Arborists, Inc., of Anaheim (\$25,350) (PW)

Adopted Resolution No. 2013-176 awarding contract for Replacement of Raywood Ash Trees, Phase II, to West Coast Arborists, Inc., of Anaheim, in the amount of \$25,350.

C-5 Adopt Resolution Awarding Contract for Kofu Park Parking Lot Improvements, 1145 South

Ham Lane, to A. M. Stephens Construction Company, Inc., of Lodi (\$146,231.65) (PW)

Adopted Resolution No. 2013-177 awarding contract for Kofu Park Parking Lot Improvements, 1145 South Ham Lane, to A. M. Stephens Construction Company, Inc., of Lodi, in the amount of \$146,231.65.

C-6 Accept Improvements Under Contract for DeBenedetti Park Maintenance Yard Enclosure (PW)

Accepted the improvements under contract for DeBenedetti Park maintenance yard enclosure.

C-7 Accept Improvements Under Contract for Hutchins Street Square Pool Refinishing Project (PW)

Accepted the improvements under contract for Hutchins Street Square Pool Refinishing Project.

C-8 Accept Improvements Under Contract for Americans with Disabilities Act Improvement Project - Phase 2, Lodi Softball Complex and Salas Park (PW)

Accepted the improvements under contract for Americans with Disabilities Act Improvement Project - Phase 2, Lodi Softball Complex and Salas Park.

C-9 Accept Improvements Under Contract for 2013 Asphalt Rubber Cape Seal Project (PW)

Accepted the improvements under contract for 2013 Asphalt Rubber Cape Seal Project.

C-10 Adopt Resolution Authorizing the City Manager to Execute Three-Year Renewal Agreement with Environmental Systems Research Institute, Inc., of Redlands, for Geographic Information System Software (\$162,000) (PW)

Adopted Resolution No. 2013-178 authorizing the City Manager to execute three-year renewal agreement with Environmental Systems Research Institute, Inc., of Redlands, for geographic information system software in the amount of \$162,000.

C-11 Adopt Resolution Authorizing the City Manager to Execute Amendment to Professional Services Agreement for Geographical Information System Consulting Services with Websoft Developers, Inc., of Davis (\$49,000) (PW)

Adopted Resolution No. 2013-179 authorizing the City Manager to execute amendment to professional services agreement for geographical information system consulting services with Websoft Developers, Inc., of Davis, in the amount of \$49,000.

C-12 Adopt Resolution Authorizing the City Manager to Execute a Contract with Lodi Health for the Fire Department's Annual Physicals (FD)

Adopted Resolution No. 2013-180 authorizing the City Manager to execute a contract with Lodi Health for the Fire Department's annual physicals.

C-13 Adopt Resolution Authorizing the Lodi Police Department to Participate in a Selective Traffic Enforcement Program Grant and Sobriety Checkpoint Grant Funded by the Office of Traffic Safety and Appropriating Funds (\$182,300) (PD)

Adopted Resolution No. 2013-181 authorizing the Lodi Police Department to participate in a Selective Traffic Enforcement Program Grant and Sobriety Checkpoint Grant funded by the Office

of Traffic Safety and appropriating funds in the amount of \$182,300.

C-14 Adopt Resolution Approving Impact Mitigation Fee Program Annual Report for Fiscal Year 2012/13 (PW)

Adopted Resolution No. 2013-182 approving Impact Mitigation Fee Program Annual Report for Fiscal Year 2012/13.

C-15 Adopt Resolution Regarding the Viability of Energy Storage for the City of Lodi (EU)

Adopted Resolution No. 2013-183 regarding the viability of energy storage for the City of Lodi.

C-16 Adopt Resolutions Authorizing Converting Existing Contract Staff by: 1) Approving Job Specification, Salary Range, and Addition of One Electric Groundworker and 2) Authorizing Addition of One Electric Lineworker (EU)

This item was pulled from the agenda by staff.

C-17 Set Public Hearing for November 6, 2013, to Consider Adoption of the 2013 California Building Code, Mechanical Code, Electrical Code, Plumbing Code, Residential Code, Green Building Standard Code, and Fire Code (CD)

Set public hearing for November 6, 2013, to consider adoption of the 2013 California Building Code, Mechanical Code, Electrical Code, Plumbing Code, Residential Code, Green Building Standard Code, and Fire Code.

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 6.3). 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.

Kathy Grant invited the City Council and the public to participate in the 17th Annual Sandhill Crane Festival to be held at Hutchins Street Square on November 1-3, 2013, and provided a brief overview of the various festival activities.

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

Council Member Mounce urged the community to go to Chili's for the fundraiser held by the City's firefighters for breast cancer awareness.

Council Member Johnson announced that representatives from the City of Lincoln would be visiting the City of Lodi and its downtown area and urged citizens to purchase tickets to the Hall of Fame Dinner hosted by the Boys and Girls Club.

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

None.

G. Public Hearings

G-1 Public Hearing to Consider Resolution Approving Storm Drainage and Parks Impact Mitigation Fee Program Schedule of Fees (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Council Member Hansen called for the public hearing to consider approving storm drainage and parks Impact Mitigation Fee Program schedule of fees.

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding storm drainage and neighborhood parks impact mitigation fees. Specific topics of discussion included background, purpose of fees, storm drainage fee zones and fees, and park fee zones and fees.

In response to Council Member Hansen, Mr. Sandelin confirmed that the proposed fee program applies to new development through which a future developer will either need to construct new parks or pay a fee.

In response to Council Member Hansen, Mr. Sandelin stated there are two new parks on the horizon that the developer will be constructing. Mr. Sandelin confirmed that the Recreation Commission and staff assist in identifying parks-related needs for the community, which are communicated to developers for consideration.

In response to Council Member Hansen, Mr. Sandelin confirmed that the Lodi Shopping Center was not required to build a park under the former program.

In response to Council Member Mounce, Mr. Bartlam confirmed that the proposed program will correct a loophole so that the situation that occurred with the Lodi Shopping Center will not happen again and developers in the future will need to construct a park or pay the related impact fee.

Council Member Hansen opened the public hearing.

Mark Cahue spoke in support of the availability of parks in the City to play soccer and offered to assist in constructing more parks in the community.

Council Member Hansen closed the public hearing after receiving no further comments.

Council Member Mounce made a motion, second by Council Member Johnson, to adopt Resolution No. 2013-184 approving storm drainage and parks Impact Mitigation Fee Program schedule of fees.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, and Council Member Mounce

Noes: None

Absent: Mayor Pro Tempore Katakian, and Mayor Nakanishi

G-2 Public Hearing to Consider Adopting a Resolution Setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Development Fees for 2014 (CD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Council Member Hansen called for the public hearing to consider adopting a resolution setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan development fees for 2014.

City Manager Bartlam provided a brief overview of the San Joaquin County Habitat Conservation and Open Space development fees as set forth in the staff report.

In response to Council Member Johnson, Mr. Bartlam confirmed that the City would no longer be able to participate in the program if it does not adopt the new fees and development entities would need to find alternate ways to mitigate their habitat and agricultural losses.

In response to Council Member Mounce, Mr. Bartlam stated if it did not approve the fees the City would lose tools including the ability to sell certain lands for mitigation like it did to the Northern California Power Agency because developers would be able to purchase land outside of San Joaquin County for mitigation.

Council Member Hansen opened the public hearing.

Steve Mayo spoke in support of the proposed action to adopt the proposed 2014 San Joaquin County Multi-Species Habitat Conservation and Open Space Plan development fees. In response to Council Member Hansen, Mr. Mayo provided a brief explanation regarding how the fees are set based on comparable land sales and the process associated with the same.

Council Member Hansen closed the public hearing after receiving no further comment.

Council Member Johnson made a motion, second by Council Member Hansen, to adopt Resolution No. 2013-185 setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan development fees for 2014.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, and Council Member Mounce

Noes: None

Absent: Mayor Pro Tempore Katzakian, and Mayor Nakanishi

H. Communications

H-1 Appointment to the Greater Lodi Area Youth Commission (Adult Advisor) (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, to make the following appointment:

Greater Lodi Area Youth Commission (Adult Advisor)

Bre Baszler, term to expire May 31, 2016

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, and Council Member Mounce

Noes: None

Absent: Mayor Pro Tempore Katzakian, and Mayor Nakanishi

H-2 Post for Expiring Terms on the Lodi Animal Advisory Commission, Lodi Senior Citizens Commission, Personnel Board of Review, and San Joaquin County Mosquito & Vector Control District and Re-Post for Vacancy on Site Plan and Architectural Review Committee (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, to direct the City Clerk to post for the following expiring terms and re-post for the following vacancy:

Lodi Animal Advisory Commission

Linda Castelanelli, term to expire December 31, 2013
John R. Primasing, term to expire December 31, 2013

Lodi Senior Citizens Commission

Sandy Beglau, term to expire December 31, 2013
Pat Hill, term to expire December 31, 2013

Personnel Board of Review

Ed Miller, term to expire January 1, 2014
Bill Russell, term to expire January 1, 2014
Jim Schweickardt, term to expire January 1, 2014

San Joaquin County Mosquito & Vector Control District

Jack Fiori, term to expire December 31, 2013

Site Plan and Architectural Review Committee

One vacancy, term to expire January 1, 2014

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hansen, Council Member Johnson, and Council Member Mounce

Noes: None

Absent: Mayor Pro Tempore Katzakian, and Mayor Nakanishi

I. Regular Calendar - None

J. Ordinances

J-1 Adopt Ordinance No. 1884 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 2.04 - City Council Meetings - by Repealing and Reenacting Sections 2.04.130, 'Addressing the Council,' and 2.04.150, 'Decorum,' in Their Entirety" (CLK)

Council Member Hansen 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. 1884 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 2.04 - City Council Meetings - by Repealing and Reenacting Sections 2.04.130, 'Addressing the Council,' and 2.04.150, 'Decorum,' in Their Entirety," which was introduced at a regular meeting of the Lodi City Council held October 2, 2013.

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 7:45 p.m.

ATTEST:

Randi Johl-Olson
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 22, 2013**

The October 22, 2013, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Randi Johl-Olson
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 29, 2013**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, October 29, 2013, commencing at 7:00 a.m.

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

Absent: Mayor Pro Tempore Katzakian

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

B. Topic(s)

B-1 Lodi Electric Utility Module Report (EU)

Electric Utility Director Elizabeth Kirkley provided a PowerPoint presentation regarding Lodi Electric Utility modules ("green boxes"). Specific topics of discussion included regulations, safety, vault versus module access, reliability, maintenance programs, customer requirements, utility practices, communication protocols, before and after photographs, modules and other boxes, transformer and module, Lakeshore Drive, and equipment blockages.

In response to Council Member Mounce, Construction and Maintenance Supervisor Barry Fisher stated blow ups such as seen in the demonstration in the presentation happen with overhead transformers about three to four times a year and there are less violent flashes underground. Mr. Fisher stated the demonstration involved a lower voltage than what the City has and provided a brief overview of the protections taken against such incidents.

In response to Mayor Nakanishi, Ms. Kirkley stated the primary reasons for bringing the green boxes above ground is for safety and reliability purposes.

In response to Council Member Hansen, Ms. Kirkley stated the difference between patrolling and inspecting is that patrolling involves a quick visual look of equipment whereas an inspection is a more detailed review.

In response to Council Member Johnson, Ms. Kirkley stated the requirement to have boxes comes from the Public Utility Commission (PUC) and its general order.

In response to Council Member Hansen, Ms. Kirkley stated currently burned out street lights are reported by citizens and there is no night program to monitor the same.

In response to Council Member Mounce, Ms. Kirkley stated the lighter green areas shown on the map is the current focus of bringing certain boxes above ground. Ms. Kirkley provided an overview of what boxes will be coming above ground versus staying below ground.

In response to Mayor Nakanishi, City Manager Bartlam stated there is no requirement to bring the boxes above ground but the City is doing so for safety and reliability purposes.

In response to Council Member Mounce, Mr. Fisher provided an overview of challenges with previous construction from 30 years ago and the resulting rust in the underground utility connections as a result of water collection.

In response to Council Member Mounce, Ms. Kirkley stated the result of hitting utility boxes with cars would be similar to hitting an electric utility pole and there are mechanisms in place to de-energize the lines. Ms. Kirkley also provided an overview of the new set up of boxes at the Lakeshore address.

In response to Council Member Hansen, Ms. Kirkley stated the full project will take several years to complete. A brief discussion ensued between Council Member Hansen and Ms. Kirkley regarding the ability to conceal and screen boxes from the front of the home for visual preference.

In response to Mayor Nakanishi, Ms. Kirkley stated the time to fix an underground box takes longer to fix than an above ground box and the neighborhood may be affected.

Myrna Wetzel spoke in support of painting the boxes to make them more aesthetically pleasing.

Dave Bertocchini, resident of Lakeshore Drive, spoke in regard to his concerns about the lack of property owner contact when placing the above ground box and the subsequent discussion regarding placing the box back below the ground. He also spoke in regard to insufficient landscaping, lack of due process, and complaints in other areas across the country regarding the placement of above ground electric boxes and remedies.

In response to Mayor Nakanishi, Ms. Kirkley stated currently 12 out of 30 properties have two utility boxes and it is estimated that 50 to 60 properties out of 200 will have two utility boxes by project completion.

A brief discussion ensued amongst the City Council regarding bringing back an item for full City Council consideration and action on the subject matter of limiting the number of utility boxes on a single property parcel. General direction was provided regarding the same.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:00 a.m.

ATTEST:

Randi Johl-Olson
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Accept Quarterly Report of Purchases between \$10,000 and \$20,000

MEETING DATE: November 6, 2013

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Accept quarterly report of purchases between \$10,000 and \$20,000.

BACKGROUND INFORMATION: During the third calendar quarter of 2013, the following purchases were awarded. Background information for each purchase is attached as Exhibits A through Q.

| Exh. | Date | Contractor | Project | Award Amt. |
|------|---------|--------------------------------------|-------------------------------------|-------------|
| A | 7/1/13 | Dell | Server Support Renewal | \$13,992.00 |
| B | 7/1/13 | Classroom Essentials Online | Kirst Hall Chair Replacement | \$10,778.23 |
| C | 7/3/13 | Downtown Ford | EUD Field Services | \$19,642.71 |
| D | 7/3/13 | Downtown Ford | EUD Field Services | \$19,062.75 |
| E | 7/6/13 | Logical Design Inc. | IBM Support and Maintenance | \$15,714.00 |
| F | 7/16/13 | Milsoft Utility Solutions | Milsoft Software Maintenance | \$14,370.00 |
| G | 7/18/13 | Adamson Police Products | Duty and Training Ammunition | \$19,440.00 |
| H | 7/18/13 | San Diego Police Equipment Co., Inc. | Duty and Training Ammunition | \$10,970.47 |
| I | 7/24/13 | Municipal Emergency Services, Inc. | Morning Pride Turnout 2013 | \$18,650.52 |
| J | 8/13/13 | HD Supply | #477 MCM Bare AA Conductor | \$10,206.00 |
| K | 8/20/13 | Ricoh USA, Inc. | Police Department Copiers | \$10,511.50 |
| L | 8/21/13 | Municipal Maintenance Equipment | Vacuum Truck Blower Repair | \$19,800.15 |
| M | 8/26/13 | Golden State Flow Measurement Inc. | Grape Festival Meter Replacement | \$13,560.21 |
| N | 9/2/13 | CDWG | MS Office Upgrades | \$12,508.32 |
| O | 9/4/13 | Dell | PC Replacement | \$16,714.19 |
| P | 9/12/13 | Lodi Sporting Goods | Soccer Goals for DeBenedetti Park | \$14,990.40 |
| Q | 9/19/13 | All-phase Electric Supply Co. | Holophane Light Fixtures and Globes | \$13,176.00 |

FISCAL IMPACT: Varies by project. All purchases were budgeted in the 2013-2014 Financial Plan.

FUNDING AVAILABLE: Funding as indicated on Exhibits.

Jordan Ayers, Deputy City Manager

Attachments

APPROVED: _____
Konradt Bartlam, City Manager

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Server Support Renewal
DEPARTMENT: ISD
CONTRACTOR Dell
AWARD AMOUNT: \$13,992.00
DATE OF RECOMMENDATION: 7/1/2013

BIDS OR PROPOSALS RECEIVED:
Dell Marketing LP \$13,992.00

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Factory warranties for several of the City's critical Dell servers expired and needed to be renewed.

FUNDING: 100411.7335

Prepared by: Steve Mann

Title: IS Manager

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Kirst Hall Chair Replacement
DEPARTMENT: Parks, Recreation and Cultural Services
CONTRACTOR Classroom Essentials Online
AWARD AMOUNT: \$10,778.23
DATE OF RECOMMENDATION: 7/1/13

BIDS OR PROPOSALS RECEIVED:

| | |
|----------------------|-------------------|
| Classroom Essentials | \$9,979.84 |
| | plus tax \$798.39 |
| Belnick Incorporated | \$15,407.22 |
| Mity-Lite | \$12,964.55 |

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:
Low Bid

FUNDING: 347112.7719 (\$10,000) and 347115.7331 (\$778.23)

Prepared by: Mandi Dumlao

Title: Senior Admin Clerk

Reviewed by: Debbie Bridwell

Purchase Order No 21952

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: EUD Field Services
DEPARTMENT: Electric Utility
CONTRACTOR Downtown Ford
AWARD AMOUNT: \$19,642.71
DATE OF RECOMMENDATION: July 3, 2013

BIDS OR PROPOSALS RECEIVED:
Downtown Ford \$19,642.71

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This vehicle is being purchased to replace a Dodge Stratus used by field services. This Ford Pick-up truck is being purchased under the CMAS list, State of California Contract #1-13-23-20A.

FUNDING: 1611201.7851

Prepared by: Thomas Dean

Title: Electric Materials Technician

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: EUD Field Services
DEPARTMENT: Electric Utility
CONTRACTOR Downtown Ford
AWARD AMOUNT: \$19,062.75
DATE OF RECOMMENDATION: July 3, 2013

BIDS OR PROPOSALS RECEIVED:
Downtown Ford \$19,062.75

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This vehicle is being purchased to replace a Windstar Van used by field services. This Ford Pick-up truck is being purchased under the CMAS list, State of California Contract #1-13-23-20A.

FUNDING: 1611201.7851

Prepared by: Thomas Dean

Title: Electric Materials Technician

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: IBM Support and Maintenance
DEPARTMENT: Internal Svcs - ISD
CONTRACTOR Logical Design Inc
AWARD AMOUNT: \$15,714
DATE OF RECOMMENDATION: 7/6/13

BIDS OR PROPOSALS RECEIVED:
Logical Design Inc. \$15,714

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This is an annual support contract covering hardware and software for the IBM AS400 computer. IBM requires that renewals be purchased through the original vendor, in this case Logical Design Inc.

FUNDING: 100411.7335

Prepared by: Steve Mann

Title: IS Manager

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Milsoft Software Maintenance
DEPARTMENT: Electric Utility
CONTRACTOR Milsoft Utility Solutions
AWARD AMOUNT: \$14,370.00
DATE OF RECOMMENDATION: July 16, 2013

BIDS OR PROPOSALS RECEIVED:
Milsoft Utility Solutions \$14,370.00

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This purchase is from a sole source supplier. Milsoft is the only supplier of maintenance services for Milsoft software.

FUNDING: 160612.7369

Prepared by: Thomas Dean

Title: Electric Materials Technician

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Duty and Training Ammunition
DEPARTMENT: Police Department
CONTRACTOR Adamson Police Products
AWARD AMOUNT: \$19,440.00
DATE OF RECOMMENDATION: July 18, 2013

BIDS OR PROPOSALS RECEIVED:
 Adamson Police Products \$19,440.00
 Dooley Enterprises \$19,980.00

"NO BID" or NO RESPONSE RECEIVED:
 NA - No other suppliers authorized to sell Ammo

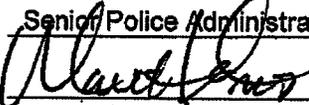
BACKGROUND INFORMATION & BASIS FOR AWARD:

There are only two authorized Winchester ammunition dealers that supply specific law enforcement ammo. Both Adamson Police Products and Dooley Enterprises offer the ammunition at the same price. It is recommended that the purchase be made from Adamson as the ammo can be picked up in Hayward and we do not have to pay over \$500 in shipping.

FUNDING: 101031.7306

Prepared by: Patsy Tucker 

Title: Senior Police Administrative Clerk

Reviewed by: 

Purchase Order No. 21968

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Duty and Training Ammunition
DEPARTMENT: Police Department
CONTRACTOR San Diego Police Equipment Co., Inc.
AWARD AMOUNT: \$10,970.47
DATE OF RECOMMENDATION: July 18, 2013

BIDS OR PROPOSALS RECEIVED:
San Diego Police Equipment Co., Inc. \$10,970.47

"NO BID" or NO RESPONSE RECEIVED:
NA - No other suppliers authorized to sell Ammo

BACKGROUND INFORMATION & BASIS FOR AWARD:

Federal Ammunition designated San Diego Police Equipment Co., Inc., as the sole provider of law enforcement .223 ammunition. A copy of the Federal distributor contact information for California is attached. Federal ammunition from any other source is not available in the quantities and pricing provided by the manufacturers distributor.

FUNDING: 101031.7306

Prepared by: Patsy Tucker

Title: Senior Police Administrative Clerk

Reviewed by: 

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Morning Pride Turnout 2013
DEPARTMENT: Fire
CONTRACTOR Municipal Emergency Services, Inc
AWARD AMOUNT: \$18,650.52
DATE OF RECOMMENDATION: July 24, 2013

BIDS OR PROPOSALS RECEIVED:
MES \$18,650.52

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:
Western Fire Chiefs GPO "piggyback, publicly awarded contract" per 44 C.F.R. & 13.36 (b)(1)

FUNDING: 102012.7306

Prepared by: Jeff S. Larson

Title: Battalion Chief

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: #477 MCM BARE AA CONDUCTOR
DEPARTMENT: Electric Utility
CONTRACTOR HD Supply
AWARD AMOUNT: \$10,206.00
DATE OF RECOMMENDATION: August 13, 2013

BIDS OR PROPOSALS RECEIVED:

| | |
|-----------------|-------------|
| HD Supply | \$10,206.00 |
| All Phase | \$10,659.96 |
| General Pacific | \$19,663.22 |

"NO BID" or NO RESPONSE RECEIVED:

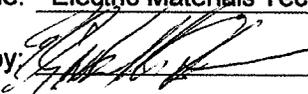
BACKGROUND INFORMATION & BASIS FOR AWARD:

This cable is being purchased for an Electric Utility project which will require replacing 10,000 feet of 477 cable.

FUNDING: 160.1496

Prepared by: Thomas Dean

Title: Electric Materials Technician

Reviewed by:  _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Police Department Copiers
DEPARTMENT: Police
CONTRACTOR Ricoh USA, Inc.
AWARD AMOUNT: \$10,551.50
DATE OF RECOMMENDATION: 8/20/2013

BIDS OR PROPOSALS RECEIVED:

Ricoh USA, Inc. \$10,511.50

"NO BID" or NO RESPONSE RECEIVED:

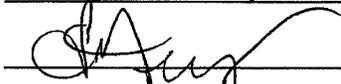
BACKGROUND INFORMATION & BASIS FOR AWARD:

The City of Lodi Police Department has leased five photocopier machines from Ricoh USA (formerly IKON) since July 2008. Ricoh has agreed to extend the lease for an additional three (3) years at the same rates exactly as charged before.

FUNDING: 101031.7302

Prepared by: Kirk J. Evans

Title: Management Analyst

Reviewed by: 

Purchase Order No. 22060

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Vacuum Truck Blower Repair
DEPARTMENT: Public Works
CONTRACTOR Municipal Maintenance Equipment (MME)
AWARD AMOUNT: \$19,800.15
DATE OF RECOMMENDATION: 08/21/2013

BIDS OR PROPOSALS RECEIVED:
MME \$19,800.15

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Public Works Municipal Utility Services operates a 1998 Vac-Con Vacuum truck (04-038) for the maintenance and cleaning of the utility sewer pipes. One of the main components of the truck (suction fan assembly) is rusted out completely. Fleet Services recommends the complete new suction fan assembly replacement. MME is the exclusive authorized Vac-Con dealer for replacement parts in California.

FUNDING: 170405.7333 170401.7333 180451.7333

Prepared by: Randy Laney

Title: Fleet Services Supervisor

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Grape Festival Meter Replacement
DEPARTMENT: Public Works Dept
CONTRACTOR Golden State Flow Measurement Inc.
AWARD AMOUNT: \$13,560.21
DATE OF RECOMMENDATION: 8/26/13

BIDS OR PROPOSALS RECEIVED:
Golen State Flow Measurement Inc. \$13,560.21

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This is a sole source provider, Golen State Flow Measurement is the only Distributor in Northern CA for Senses meters.

FUNDING: 1801496.

Prepared by: _____

Title: _____

Reviewed by: _____

Purchase Order No. 22067

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: MS Office Upgrades
DEPARTMENT: ISD
CONTRACTOR CDWG
AWARD AMOUNT: \$12,508.32
DATE OF RECOMMENDATION: 9/2/13

BIDS OR PROPOSALS RECEIVED:
CDWG \$12,508.32

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

City Council approved the purchase of an upgraded email system. It was determined that 33 City PCs are running old software that will not work once the email system is upgraded. These PCs will be upgraded to MS Office 2010, a compatible version with the new system.

FUNDING: 123001.7715

Prepared by: Steve Mann

Title: IS Manager

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: PC Replacement
DEPARTMENT: ISD
CONTRACTOR: Dell
AWARD AMOUNT: \$16,714.19
DATE OF RECOMMENDATION: 9/4/13

BIDS OR PROPOSALS RECEIVED:
Dell \$16,714.19

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Thirteen computers in Fire, Community Center, Human Resources, MSC, Police Partners, Parks and Recreation, and Library have been identified by the Deputy City Manager as being too old and needing replacement.

FUNDING: 123001.7715

Prepared by: Steve Mann

Title: IS Manager

Reviewed by: _____

Purchase Order No. 22085

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Soccer goals for DeBenedetti Park
DEPARTMENT: Parks, Recreation, & Cultural Svcs
CONTRACTOR Lodi Sporting Goods
AWARD AMOUNT: \$14,990.40
DATE OF RECOMMENDATION: 9/12/13

BIDS OR PROPOSALS RECEIVED:

| | |
|-------------------------|-------------|
| Lodi Sporting Goods | \$14,990.40 |
| Sports Facilities Group | \$15,364.20 |
| BSN Sports | \$20,338.00 |

"NO BID" or NO RESPONSE RECEIVED:

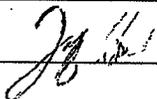
BACKGROUND INFORMATION & BASIS FOR AWARD:

DeBeneditti park will be City of Lodi's newest Sport facility with the addition of soccer goals. Three vendors were asked to quote Bison All Aluminum "No Tip" Portable Soccer Goals. Lodi Sporting Goods was the low bidder for exact product specified.

FUNDING: 1217045.1820

Prepared by: Steve Dutra

Title: Parks Superintendent

Reviewed by: 

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Holophane light fixtures and globes
DEPARTMENT: Electric Utility
CONTRACTOR All-phase Electric Supply Co.
AWARD AMOUNT: \$13,176.00
DATE OF RECOMMENDATION: 09/19/13

BIDS OR PROPOSALS RECEIVED:

| | |
|---------------------------|-------------|
| All-phase Electric Supply | \$13,176.00 |
| CED | \$14,860.31 |
| Platt | \$13,892.53 |

"NO BID" or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This is inventoried by the EUD for replacement of units that are damaged or have reached the end of their useful life.

FUNDING: 160.1496

Prepared by: Thomas Dean

Title: Electric Materials Technician

Reviewed by: 

9/19/13



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Accept the Quarterly Investment Report as Required by the City of Lodi Investment Policy

MEETING DATE: November 6, 2013

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Accept the quarterly investment report as required by the City of Lodi Investment Policy.

BACKGROUND INFORMATION: Government Code Section 53646 has been amended to no longer mandate this report on investments to the legislative body of the local agency. Nevertheless, it is encouraged, and the report is attached for City Council review.

The total of all invested funds as of the quarter ending September 30, 2013 is \$84,118,174.20. The average annualized return on all invested funds over the quarter has been 0.79 percent.

The total earnings on all invested funds for FY 2013-14 year-to-date is \$188,299.00. The average annualized return on all invested funds for FY 2013-14 year-to-date is 0.79 percent.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: As per attached report.

Jordan Ayers
Treasurer

Attachment

APPROVED: _____
Konradt Bartlam, City Manager



**CITY OF LODI
INTERNAL SERVICES DEPARTMENT
BUDGET DIVISION**

September 30, 2013 INVESTMENT STATEMENT

| | | |
|--|---|------------------------|
| Local Agency Investment Funds * | 46.3% of Portfolio | |
| Int. earnings for Qtr. ending 09-30-13 | 0.27% | |
| LODI | Local Agency Inv Fund (LODI) | 38,947,558.82 |
| | Subtotal LAIF | 38,947,558.82 |
| | | |
| CalTRUST | 46.6% of Portfolio | |
| Int. earnings for Qtr. ending 09-30-13 | 0.84% | |
| CalTRUST Short-Term Account | Investment Trust of California | 8,036,157.05 |
| Int. earnings for Qtr. ending 09-30-13 | 1.52%% | |
| CalTRUST Medium-Term Account | Investment Trust of California | 31,143,267.85 |
| | Subtotal CalTRUST | 39,179,424.90 |
| | | |
| Certificates of Deposit | 0.60% of Portfolio | |
| matures 03/08/2014 | Bank of Ag. & Comm. (cost) 0.35% int. | 250,000.00 |
| matures 06/18/2014 | Central Valley Comm. Bank (cost) 0.32% int. | 250,000.00 |
| | Subtotal CD | 500,000.00 |
| | | |
| Passbook/Checking Accounts | 6.5% of Portfolio | |
| Farmers & Merchants | demand account - no interest earnings | 1,275,258.83** |
| Farmers & Merchants - Money Mkt. | 0.35% interest earnings | 500,335.15 |
| Farmers & Merchants - Payroll | demand account - no interest earnings | 30,493.53 |
| Farmers & Merchants - Central Plume | demand account - no interest earnings | 4,997.50 |
| Farmers & Merchants - CP Money Mkt. | 0.35% interest earnings | 3,680,105.47 |
| | Subtotal P/C Accts | 5,491,190.48 |
| | TOTAL | \$84,118,174.20 |

Based on the approved budget and to the extent the budget is adhered to, liquidity is available, and the City will be able to meet its expenditure requirements for the next six months. This portfolio is in compliance with the City of Lodi Investment Policy.



 Susan Bjork
 Supervising Budget Analyst

10/24/2013

 Date

* In accordance with the terms of the Local Agency Investment Fund, invested funds may be utilized on the same day if transaction is initiated before 10:00 a.m.

** This amount is a compensating balance required to obtain an earnings credit rate.



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Approving the City of Lodi Investment Policy and Internal Control Guidelines

MEETING DATE: November 6, 2013

PREPARED BY: Deputy City Manager/Treasurer

RECOMMENDED ACTION: Adopt resolution approving the City of Lodi investment policy and internal control guidelines.

BACKGROUND INFORMATION: California Government Code Section 53646 endorses an annual review of the City’s investment policy by City Council. Accordingly, the attached policy is presented for Council review and approval.

For this year, staff recommends a few modifications. All changes have been highlighted throughout the policy:

- On page 4 under “Reporting,” the wording “annually in November” should be removed and “as changes are needed.” added to indicate this policy will be presented to Council only if and when changes are required.
- On page 6, the Certificate of Deposit Account Registry Service (CDARS) should be added as a permitted investment. This service offers a deposit instrument that breaks up large deposits and places them across a network of banks and savings institutions around the United States. CDARS allows the City to deposit funds in a single bank that then invests the funds in several certificates of deposit below the FDIC insurance limits. CDARS deposits are competitively bid among authorized providers. This service helps diversify the City’s portfolio while conforming to our primary objective of preserving safety of principal.
- On page 22, as part of the Glossary, the addition of a definition of CDARS is recommended to clarify that the City will select a depository institution in accordance with CA Gov. Code Sec. 53601.8. There are a few bank branches located in Lodi that can provide this service.

The policy is in compliance with state laws governing the investment of local agency funds and provides internal control guidelines to protect City of Lodi funds from misappropriation, speculation and fraud. The objectives of Lodi’s investment policy remain, in priority order: safety, liquidity, and return.

FISCAL IMPACT: None.

FUNDING AVAILABLE: N/A.

Jordan Ayers
Treasurer

Attachment

APPROVED: _____
Konradt Bartlam, City Manager

RESOLUTION NO. 2013-_____

A RESOLUTION OF THE LODI CITY
COUNCIL ADOPTING THE CITY OF LODI
INVESTMENT POLICY AND INTERNAL
CONTROL GUIDELINES

=====

WHEREAS, pursuant to California Government Code §53646, the City Council may annually review and adopt the City of Lodi Investment Policy; and

WHEREAS, the Policy, attached hereto marked Exhibit A, is in compliance with State laws governing the investment of local agency funds and provides internal control guidelines to protect the funds of the City from misappropriation, speculation, and fraud.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi has reviewed and hereby adopts the City of Lodi Investment Policy and Internal Control Guidelines, which shall be effective this date.

Dated: November 6, 2013

=====

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL
City Clerk

2013-_____

CITY OF LODI

INVESTMENT POLICY
AND
INTERNAL CONTROL GUIDELINES

TABLE OF CONTENTS

| SECTION | DESCRIPTION | Page |
|----------------|--|-------------|
| I | Investment Policies | |
| | Introduction | 1 |
| | Scope | 1 |
| | Objectives | 1 |
| | Delegation of Authority | 2 |
| | Prudence | 2 |
| | Ethics and Conflicts of Interest | 3 |
| | Monitoring and Adjusting the Portfolio | 3 |
| | Internal Controls | 3 |
| | Reporting | 3 |
| | Authorized Investments | 4 |
| | Banks and Security Dealers | 6 |
| | Purchase of CD's from Local Institutions | 7 |
| | Safekeeping and Collateralization | 8 |
| | Administration | 8 |
| II | Internal Controls | |
| | General | 11 |
| | Procedures | 12 |
| | Treasury Function Responsibilities | 13 |
| III | Sample of Investment Forms | |
| | Investment Bid Sheet | 15 |
| | Broker/Dealer Questionnaire | 16 |
| IV | Glossary | 21 |

**INVESTMENT
POLICIES**

INVESTMENT POLICY

1. INTRODUCTION

The purpose of this policy is to state the City's policies and procedures to be used for the investment of surplus funds in a prudent and systematic manner conforming to all state and local statutes governing the investment of public funds. Safety of principal is given the highest priority. In addition, this statement is intended to formalize investment-related activities to provide the highest investment return with maximum security while meeting daily cash flow demands.

2. SCOPE

The investment policy applies to all funds under the direct authority of the Deputy City Manager/City Treasurer of the City of Lodi, including but not limited to the General Fund, Special Revenue Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds and Trust and Agency Funds. All funds are accounted for in the City's Comprehensive Annual Financial Report. Investments of debt proceeds held by bond trustee are governed by the provisions of the debt agreements and to the extent that they are permissible investments of funds of the City. Proceeds of bonds will be invested in accordance with the ordinance, resolution, indenture or other agreement governing the issuance of the bonds.

3. OBJECTIVES

Funds of the City will be invested with the following objectives in priority order:

Safety:

Safety of principal is the foremost objective of the investment program. Investments of the City of Lodi shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The City of Lodi will diversify its investments by security type and institution. Financial institutions and broker/dealers will be prequalified and monitored as well as investment instruments they propose.

Liquidity:

The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated. This will be accomplished through maturity diversification in accordance with California Government Code 53635 and the State Local Agency Investment Fund with immediate withdrawal provision.

INVESTMENT POLICY

Return on Investments:

The City's investment portfolio shall be invested to achieve a "bench marked average" rate of return through economic cycles, that will protect these funds from the effects of inflation and the risks associated with higher returns, as long as it does not diminish the objectives of Safety and Liquidity, while preserving and protecting capital in the overall portfolio.

The "bench marked average" rate of return targeted to achieve this objective is the annual rate of return on the one-year U.S. Treasury Bill. Whenever possible and in a manner consistent with the objectives of safety of principal and liquidity, a yield higher than the "bench marked average" rate of return shall be sought.

4. DELEGATION OF AUTHORITY

The Treasurer is designated by the authority of the legislative body as the investment officer of the City as provided for in Government Code Section 53607 and is responsible for the investment decisions and activities of the City. The Treasurer will develop and maintain written administrative procedures for the operation of the investment program, consistent with this investment policy. The Treasurer shall hereafter assume full responsibility for such transactions until such time as the delegation of authority is revoked, and shall make a monthly report of such transactions to the legislative body. In order to optimize total return through active portfolio management, daily activity may be delegated to the Supervising Budget Analyst.

5. PRUDENCE

The standard of prudence to be applied by the Treasurer will be the "prudent investor" standard, in accordance with Government Code Section 53600.3 which states "...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

INVESTMENT POLICY

6. ETHICS AND CONFLICTS OF INTEREST

The City Treasurer is governed by The Political Reform Act of 1974 regarding disclosure of material financial interests as well as Government Code Section 87103. The City Treasurer shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair the ability to make impartial investment decisions.

7. MONITORING AND ADJUSTING THE PORTFOLIO

The Treasurer will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments, and will adjust the portfolio accordingly.

8. INTERNAL CONTROLS

The Treasurer will establish a system of written internal controls, which will be reviewed annually by the City's independent audit firm. The controls will be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes or imprudent actions.

9. REPORTING

The Treasurer will submit a quarterly investment report to the City Council, in accordance with Government Code Section 53646, to disclose the following information:

- A listing of individual securities held at the end of the reporting period by authorized investment category.
- Percentage of the portfolio represented by each investment category.
- Institution
- Average life and final maturity of all investments listed.
- Coupon, discount or earnings rate.
- Par value or cost of the security
- Current market value of securities with maturity in excess of 12 months and the source of this valuation.
- Ability of the city to meet its expenditure requirements for the next six months or provide an explanation of why sufficient funds will not be available as required by Gov. Code 53646 (b)(3).

The quarterly investment report to the Lodi City Council, acting legislative authority, as endorsed by Government Code Section 53646, will be in addition to the Treasurer's monthly report and accounting of all receipts, disbursements and fund balances.

INVESTMENT POLICY

In addition, the investment policy will be submitted to the City Council ~~annually in November~~ as changes are needed. Any changes will be noted and formal adoption in the form of a resolution of the City Council is required.

10. AUTHORIZED INVESTMENTS

The City will invest surplus funds not required to finance the immediate needs of the City as provided in California Government Code Sections 16429.1, 53601, 53601.6, 53601.8, 53635, 53635.2, 53638 and 53684. In selecting authorized investments consideration must be given to credit ratings and collateralization of applicable instruments. A list of these instruments is provided below. These limitations, diversification and maturity scheduling will depend upon whether the funds being invested are considered short-term or long-term funds. All funds will be considered short-term except those reserved for capital projects and special assessment prepayments being held for debt retirement.

Pooled Accounts

The City of Lodi is authorized by policy, to invest in the Local Agency Investment Fund (LAIF), a voluntary program created by statute, which began in 1977 as an investment alternative for California's local governments and special districts and continues today under the State Treasurer's Administration. The enabling legislation of the LAIF is Section 16429.1,2,3 of the California Government Code.

The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1953 and has oversight provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller.

All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and market valuation is conducted monthly.

It has been determined that the State of California cannot declare bankruptcy under Federal regulations, thereby allowing the Government Code Section 16429.3 to stand. This Section states that "money placed with the state treasurer for deposit in the LAIF shall not be subject to either: (a) transfer or loan pursuant to Sections 16310, 16312, or 16313, or (b) impoundment or seizure by any state official or state agency."

The LAIF provides a book entitled "The Local Agency Investment Fund Answer Book" which resides in the City of Lodi Treasurer's office and provides current answers to the following questions, which are required prior to investing in any pooled/fund account.

INVESTMENT POLICY

- A description of eligible investment securities and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listing.
- A fee schedule and when and how it is assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

The City of Lodi is authorized by policy to invest in shares issued by the Investment Trust of California (CalTRUST), a joint powers authority created under the authority of California Government Code Section 6509.7, as an investment alternative for California's local governments and special districts. CalTRUST began in 2005 and has oversight provided by a Board of Trustees, consisting of experienced local treasurers and finance directors.

All securities purchased by CalTRUST are securities which are eligible for direct local agency investment under the authority of California Government Code Section 53601. All securities are purchased at market value, and market valuation of all securities in the CalTRUST portfolios is conducted on a daily basis. The CalTRUST program offers three account options: the CalTRUST Heritage Money Market option, which provides same-day liquidity (access to funds); the CalTRUST Short-Term Fund, which offers next-day liquidity; and the CalTRUST Medium-Term Fund, which provides monthly liquidity.

Short-Term Portfolio Diversification

The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities.

Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment will be made in any security which at the time of the investment has a term remaining to maturity in excess of five years, unless the City Council has granted express authority to make that investment either specifically or as part of an investment program and approved by the City Council no less than three months prior to the investment.

City of Lodi

INVESTMENT POLICY

| Permitted Investments | Maximum Maturity | Percent of Portfolio |
|---|-------------------------|-----------------------------|
| U.S. Treasury Obligations (Bills, notes and bonds) | 5 Years | 100% |
| U.S. Government Agency Securities and Instrumentalities | 5 Years | 100% |
| Bankers Acceptances | 180 days | 40% |
| Certificates of Deposit | 5 Years | 100% |
| Negotiable Certificates of Deposit | 5 Years | 30% |
| Commercial Paper | 270 days | 40% |
| California State Local Agency Investment Fund | Indefinite | 100% |
| Passbook Deposits | Indefinite | 100% |
| Repurchase Agreements | Not Authorized | N/A |
| Reverse Repurchase agreements | Not Authorized | N/A |
| Mutual Funds | Indefinite | 20% |
| Medium Term Notes | 5 Years | 30% |
| CalTRUST Pooled Accounts | Indefinite | 100% |
| Certificate of Deposit Account Registry Service (CDARS) | 5 Years | 30% |

The City Treasurer will not invest in Repurchase Agreements and Reverse Repurchase agreements. Pooled funds invested for the City by entities such as California State Local Agency Investment Fund, and NCPA may invest in repurchase and reverse repurchase agreements. If repurchase agreements are legal and authorized, by policy, a Master Repurchase Agreement must be signed with the bank or dealer.

Diversification by Financial Institution

Bankers' Acceptances (Bas)

No more than 25% of the total portfolio with any one institution.

Certificates of Deposit (CDs)

No more than 33% of the total portfolio with any one institution.

California State Local Agency Investment Fund

No more than \$50 million in any one account, effective November 16, 2009.

Maturity Scheduling

Investment maturities for operating funds shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures (payroll, bond payments) as well as considering sizable blocks of anticipated revenue (taxes, franchise fees). Maturities in this category will be timed to comply with the following guidelines:

| | |
|-----------------|--------------|
| Under 30 days | 10% minimum |
| Under 90 days | 25% minimum |
| Under 270 days | 50% minimum |
| Under 1 year | 75% minimum |
| Under 18 months | 90% minimum |
| Under 2 years | 95% minimum |
| Under 5 years | 100% minimum |

City of Lodi

INVESTMENT POLICY

Long-Term Portfolio Diversification

Investments and diversification for the long-term portfolio will be the same as the short-term portfolio. Maturity scheduling will be timed according to anticipated need. For example, investment of capital project funds will be timed to meet contractor payments, usually for a term not to exceed three years. Investment of prepaid assessment funds will be tied to bond payment dates, after cash flow projections are made using a forecasting model which considers prepayment rate, delinquency rate, interest on bonds and income on investments.

11. BANKS AND SECURITY DEALERS

The Treasurer will consider the credit worthiness of institutions in selecting financial institutions for the deposit or investment of City funds. These institutions will be monitored to ensure their continued stability and credit worthiness.

Investment transactions will only be made with pre-approved financial institutions. Banks will provide their most recent Consolidated Report of Condition (“call report”) at the request of the Treasurer.

The Treasurer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will be maintained of approved security brokers/dealers selected for credit worthiness, who maintain an office in the State of California. This includes primary dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with the following:

- Audited financial statements
- Proof of Financial Industry Regulatory Authority registration.
- Trading Resolution
- Proof of State Registration
- Completed broker/dealer questionnaire
- Certification of having read the City of Lodi’s investment policy and depository contracts.

An annual review of the financial condition and registration of qualified bidders will be conducted by the Treasurer. The City will not normally use more than three qualified dealer/brokers to obtain bids.

City of Lodi

INVESTMENT POLICY

12. PURCHASE OF CDs FROM LOCAL INSTITUTIONS

To the extent reasonable and within the limits specified above, the Treasurer may purchase a Certificate of Deposit, up to the amount fully insured by the Federal Deposit Insurance Corporation (FDIC), from each bank and savings and loan institution located within the corporate limits of the City to promote economic development and as a statement of support for those institutions maintaining an office in Lodi. These investments are limited to those institutions which offer Certificates of Deposit insured by the Federal Deposit Insurance Act and have a Community Reinvestment Act Rating of satisfactory or above.

To aid in the diversification of the portfolio, additional Certificates of Deposit in amounts up to fully insured FDIC limits, may be purchased from local institutions provided the investment has the safety, liquidity and a rate of return comparable to that offered from LAIF at the time the original investment is made.

13. SAFEKEEPING AND COLLATERALIZATION

All investment securities purchased by the City will be held in third-party safekeeping by an institution designated as primary agent. The custodian will hold these securities in a manner that establishes the City's right of ownership. The primary agent will issue a safekeeping receipt to the City listing the specific instruments, rate, maturity and other pertinent information. Deposit type securities (i.e., certificates of deposit) will be collateralized.

Collateral for time deposits in savings and loans will be held by the Federal Home Loan Bank or an approved Agent of Depository. If collateral is government securities, 110% of market value to the face amount of the deposit is required. Promissory notes secured by first mortgages and first trust deeds used as collateral require 150% of market value to the face amount of the deposit. An irrevocable letter of credit issued by the Federal Home Loan Bank of San Francisco requires 105% of market value to the face amount of the public deposit.

The collateral for time deposits in banks should be held in the City's name in the bank's Trust Department, or alternately, in the Federal Reserve Bank. The City may waive collateral requirements for deposits which are fully insured up to limits prescribed by the FDIC.

The amount of securities placed with an agent of depository will at all times be maintained in accordance with California Government Code 53652.

City of Lodi

INVESTMENT POLICY

14. ADMINISTRATION

The following administrative policies will be strictly observed:

a. Payment

All transactions will be executed on a delivery versus payment basis which should be done by the City's safekeeping agent.

b. Bid

A competitive bid process in which three competitive bids are obtained, when practical, will be used to place all investment purchases. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, bids will be requested for instruments which meet the maturity requirement. If no specific maturity is required, a market trend (yield curve) analysis will be conducted to determine which maturities would be most advantageous.

c. Wire Transfers

All wire transfers will be approved by the Treasurer or Supervising Budget Analyst. The City's bank will verify each transaction with a predetermined City employee other than the individual sending the wire transfer.

Pre-formatted wire transfers will be used to restrict the transfer of funds with preauthorized accounts only.

d. Confirmations

Receipts for confirmation of a purchase of authorized securities should include the following information: trade date; par value; maturity; rate; price; yield; settlement date; description of securities purchased; net amount due; third-party custodial information. Confirmations of all investment transactions are to be received by the Treasurer within three business days.

e. Pooled Cash

The City will consolidate into one bank account and invest on a pooled concept basis. Interest earnings will be allocated monthly based on current cash balances.

f. Bond Proceeds

The City will comply with applicable federal tax law and regulations in connection with the investment of bond proceeds.

**INTERNAL
CONTROLS**

City of Lodi

INTERNAL CONTROLS

GENERAL

Through this system of internal control, the City is adopting procedures and establishing safeguards to prevent or limit the loss of funds invested or held for investment due to errors, losses, misjudgments and improper acts. Internal control procedures are not intended to address every possible situation but are intended to provide a reasonable and prudent level of protection for the City's funds.

1. Objectives

These procedures and policies are established to ensure:

- the orderly and efficient conduct of investment practices, including adherence to investment policies
- the safeguarding of surplus cash
- the prevention or detection of errors and fraud
- the accuracy and completeness of investment records
- the timely preparation of reliable investment reports.

2. General Control Policies

The following policies are to be used to safeguard investments:

- **Organization**

A description of responsibilities and procedures for the investment of City funds, lines of authority and reporting requirement will be maintained.

- **Personnel**

Only qualified and assigned personnel will be authorized to approve investment transactions; make and liquidate investments; maintain investment records; and maintain custody of negotiable instruments. Personnel assigned responsibility for the investment of City surplus funds will maintain their professional qualifications by continued education and membership in professional associations.

- **Segregation of functions**

No one having general ledger functions will have responsibility for the investment of City funds.

- **Safekeeping**

All securities are to be held in the name of the City of Lodi. The City will contract with a third party, usually a bank, to provide custodial services and securities safekeeping.

Although a cost is involved, the risk of losing physical securities outweighs the fees involved. Preference should be given to custodial services which include reporting services as part of their service, including marking the portfolio to market value, performance evaluation and internal reporting.

City of Lodi

INTERNAL CONTROLS

- **Reconciliation of records**

Regular and timely reconciliation will be made of detailed securities records with the general ledger control account.

- **Performance evaluation**

Performance statistics will be maintained and reported monthly as provided in the Investment Policies. The indices to be used is the rate of return for the one-year U.S. Treasury Bill and the annual rate of return for the Local Agency Investment Fund (LAIF) managed by the State Treasurer's Office.

PROCEDURES

1. Assigned Responsibilities

a. City Council responsibilities:

- Adoption of City's investment policies by Resolution
- Review and evaluation of investment performance.

b. Deputy City Manager/Treasurer duties and responsibilities:

- Formulating, recommending and implementing the City's investment policies
- Approves all investment transactions prior to execution of any transaction
- Approves broker/dealer arrangements.

c. Supervising Budget Analyst duties and responsibilities:

- Recommends broker/dealer arrangements
- Recommends investments
- Executes investment transactions
- Maintains records of all investment transactions
- Prepares monthly investment report for City Council review
- Prepare fiscal year end investment reports for City's independent audit firm review
- Review's financial condition of the City's depositories (banks) at least annually for compliance with collateralization requirements under government code and financial condition and reports results to City Treasurer.

d. Financial Services Manager duties and responsibilities:

- Maintains general ledger control account and duplicate records of investment transactions
- Verifies investment records and reconciles detailed securities records with general ledger control accounts.

e. City's independent audit firm.

- Will review the City's investment policies and procedures and make appropriate recommendations and findings as to compliance and steps to be taken to improve internal controls.

City of Lodi

TREASURY FUNCTION RESPONSIBILITIES

FUNCTION

RESPONSIBILITIES

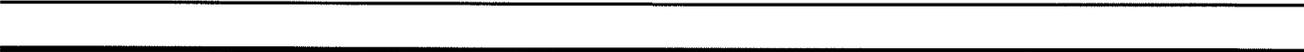
1. Recommendations:

- Recommends broker/dealer arrangements
- Recommends investments

Supervising Budget Analyst
Supervising Budget Analyst

| | |
|---|--|
| 2. Authorization of Investment Transactions | |
| <ul style="list-style-type: none"> • Formal investment policy prepared by • Formal investment policy approved by • Investment transactions approved by • Broker/deal arrangements approved by | <p>Deputy City Manager/Treasurer City Council Deputy City Manager/Treasurer Deputy City Manager/Treasurer</p> |
| 3. Execution of Investment Transactions | Supervising Budget Analyst |
| 4. Recording of Investment Transactions | |
| <ul style="list-style-type: none"> • Recording of transactions in Treasurer's records • Recording of transactions in Accounting records | <p>Supervising Budget Analyst Financial Services Manager</p> |
| 5. Safeguarding of assets and records | |
| <ul style="list-style-type: none"> • Maintenance of Treasurer's records • Reconciliation of Treasurer's records to accounting records • Review of (a) financial institution's financial condition, (b) safety, liquidity, and potential yields of investment instruments, and (c) reputation and financial condition of investment brokers | <p>Supervising Budget Analyst Financial Services Manager</p> |
| <ul style="list-style-type: none"> • Periodic reviews of collateral • Review and evaluation of performance | <p>Supervising Budget Analyst City Council</p> |
| 6. Preparation of reports | Supervising Budget Analyst |
| 7. Periodic review of investment portfolio for conformance to City's investment policy | City's Audit Firm |

**SAMPLE
INVESTMENT FORMS**



**CITY OF LODI
INVESTMENT BID SHEET**

Date:

Cycle to:
Management Analyst: ___
Fin. Services Manager: ___

| | Transaction #1 | | Transaction #2 | | Transaction #3 | |
|-----------------------|----------------|----------|----------------|----------|----------------|------|
| | Invest | Withdraw | Invest | Withdraw | Invest | Sell |
| Recommended Selection | | | | | | |
| Primary Dealer | | | | | | |
| Quotes | | | | | | |
| Firm | | | | | | |
| Dealer | | | | | | |
| Telephone # | | | | | | |

6. Identify the personnel who will be trading with or quoting securities to our agencies employees:

| Name | Title | Telephone No. |
|------|-------|---------------|
|------|-------|---------------|

7. National Headquarters Address:

Corporate Contract: _____

Telephone No.: _____

Compliance Officer (Name, Address, Telephone): _____

8. What was your firm's total volume in US Government and Agency securities trading last calendar year?

9. Which securities are offered by your firm?

- | | |
|---|--|
| <input type="checkbox"/> US Treasury | <input type="checkbox"/> Commercial Paper |
| <input type="checkbox"/> US Treasury Notes | <input type="checkbox"/> BAs Domestic |
| <input type="checkbox"/> US Treasury Bonds | <input type="checkbox"/> BAs Foreign |
| <input type="checkbox"/> Agencies (specify) | <input type="checkbox"/> Repurchase Agreements |
| <input type="checkbox"/> Negotiable CD's | <input type="checkbox"/> Reverse Repurchase Agreements |

10. List your personnel who have read the City of Lodi Treasurer's Investment Policy.

11. Please identify your public-sector clients in our geographical area who are most comparable to our government with which you currently do business.

12. Have any of your clients ever sustained a loss on a securities transaction arising from misunderstanding or misrepresentation of the risk characteristics of the instrument? If so, please explain.

13. Have any of your public-sector clients ever reported to your firm, its officers or employees, orally or in writing, that they sustained a loss exceeding 10% of the original purchase price in a single year on any individual security purchased through your firm? Explain.

14. Has your firm ever been subject to a regulatory or state/federal agency investigation for alleged improper, fraudulent, disreputable or unfair activities related to the sale of securities? Have any of your employees ever been so investigated? Explain.

15. Has a public sector client ever claimed in writing that your firm or members of your firm were responsible for investment losses?

16. Please include samples of research reports that your firm regularly provides to public-sector clients.

17. Please explain your normal delivery process. Who audits these fiduciary systems?

18. Please provide certified financial statements and other indicators regarding your firm's capitalization.

19. Describe the capital line and trading limits that support/limit the office that would conduct business with our government.

20. What training would you provide to our employees and investment officers?

21. Has your firm consistently complied with the Federal Reserve Bank's capital adequacy guidelines? As of this date, does your firm comply with the guidelines? Has your capital position ever fallen short? By what factor (1.5x, 2x, etc.). Does your firm presently exceed the capital adequacy guidelines, measure of risk? Include certified documentation of your capital adequacy as measured by the Federal Reserve standards.
22. Do you participate in the Securities Investor Protection Corporation (SIPC) insurance program? If not, why?
23. What portfolio information do you require from your clients?
24. What reports, confirmations and paper trail will we receive?
25. Enclose a complete schedule of fees and charges for various transactions.
26. How many and what percentage of your transactions failed last month? Last year?
27. Describe the precautions taken by your firm to protect the interest of the public when dealing with governmental agencies as investors.
28. Is your firm licensed by the State of California as a broker/dealer? Y/N _____

CERTIFICATION ATTACHED

CERTIFICATION

I hereby certify that I have personally read the latest adopted resolution of investment policies and objectives of the City of Lodi Treasurer and the California Government Codes pertaining to the investments of the City of Lodi, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out to transaction conducted between our firm and the City of Lodi. All sales personnel will be routinely informed of the City of Lodi's investment objectives, horizon, outlook, strategies and risk constraints whenever we are so advised. We pledge to exercise due diligence in informing the City of Lodi of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

SIGNED _____ TITLE _____ DATE _____

COUNTERSIGNED _____ DATE _____
(Person in charge of government securities operations)

NOTE: Completion of Questionnaire is only part of the City of Lodi's Certification process and DOES NOT guarantee that the applicant will be approved to do business with the City of Lodi.

On this _____ day of _____ 20____ before me the
undersigned Notary Public personally appeared
() personally known to me
() proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) subscribed to the within
instrument and acknowledged that _____ executed it.

State of _____

County of _____

WITNESS my hand and official seal.
Notary's Signature

GLOSSARY

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

AGENT: an agent is a firm or individual which executes orders for others or acts on behalf of others (the principal). The agent is subject to the control of the principal and does not have title to the principal's property. The agent may charge a fee or commission for this service.

AGENCIES: federal agency securities and/or Government-sponsored enterprises.

AGREEMENT: an agreement is an arrangement or understanding between individual traders to honor market quotes within predetermined limits on dollar amount and size.

AMORTIZATION: straight-line reduction of debt by means of periodic payments sufficient to meet current interest charges and to pay off the debt at maturity.

ARBITRAGE: a technique used to take advantage of price differences in separate markets. This is accomplished by purchasing securities, negotiable instruments or currencies in one market for immediate sale in another market at a better price.

ASKED: the price at which securities are offered.

AT THE MARKET: a trading term for the buying or selling of securities at the current market price rather than at a predetermined price.

BANKERS ACCEPTANCE (BA): a bearer time draft for a specified amount payable on a specified date. An individual or business seeking to finance domestic or international trade draws it on a bank. Commodity products collateralize the BA. Sale of goods is usually the source of the borrower's repayment to the bank. The bank finances the borrower's transaction and then often sells the BA on a discount basis to an investor. At maturity, the bank is repaid and the investor holding the BA receives par value from the bank.

BASIS PRICE: price expressed in yield-to-maturity or the annual rate of return on the investment.

BEAR MARKET: a period of generally pessimistic attitudes and declining market prices. (Compare: Bull market)

BELOW THE MARKET: a price below the current market price for a particular security.

BID AND ASKED OR BID AND OFFER: the price at which an owner offers to sell (asked or offer) and the price at which a prospective buyer offers to buy (bid). It is often referred to as a quotation or a quote. The difference between the two is called the spread.

BOND: an interest-bearing security issued by a corporation, government, governmental agency or other body, which can be executed through a bank or trust company. A bond is a form of debt with an interest rate, maturity, and face value, and is usually secured by specific assets. Most bonds have a maturity of greater than one year, and generally pay interest semiannually.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

BOND ANTICIPATION NOTE (BAN): short-term notes sold by states and municipalities to obtain interim financing for projects which will eventually be financed by the sale of bonds.

BOND DISCOUNT: the difference between a bond's face value and a selling price, when the selling price is lower than the face value.

BOND RATING: the classification of a bond's investment quality. (See: Rating).

BOND RESOLUTION: a legal order or contract by a governmental unit to authorize a bond issue. A bond resolution carefully details the rights of the bondholders and the obligation of the issuer.

BOOK VALUE: the amount at which a security is carried on the books of the holder or issuer. The book value is often the cost, plus or minus amortization, and may differ significantly from the market value.

BROKER: a middleman who brings buyers and sellers together and handles their orders, generally charging a commission for this service. In contrast to a principal or a dealer, the broker does not own or take a position in securities.

BULL MARKET: a period of generally optimistic attitudes and increasing market prices. (Compare: Bear Market).

BUYERS MARKET: a market where supply is greater than demand, giving buyers an advantage in purchase price and terms.

CALL: an option to buy a specific asset at a certain price within a particular period.

CALLABLE: a feature which states a bond or preferred stock may be redeemed by the issuer prior to maturity under terms designated prior to issuance.

CALL DATE: the date on which a bond may be redeemed before maturity at the option of the issuer.

CALLED BONDS: bonds redeemed before maturity.

CALL PREMIUM: the excess paid for a bond or security over its face value.

CALL PRICE: the price paid for a security when it is called. The call price is equal to the face value of the security, plus the call premium.

CALL PROVISION: the call provision describes the details by which a bond may be redeemed by the issuer, in whole or in part, prior to maturity. A Security with such a provision will usually have a higher interest rate than comparable, but noncallable securities.

CAPITAL GAIN OR LOSS: the amount that is made or lost, depending upon the difference between the sale price and the purchase price of any capital asset or security.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

CAPITAL MARKET: the market in which buyers and sellers, including institutions, banks, governments, corporations and individuals, trade debt and equity securities.

CASH SALE: a transaction calling for the delivery and payment of the securities on the same day that the transaction takes place.

CERTIFICATE OF DEPOSIT (CD): debt instrument issued by a bank that usually pays interest. Institutional CD's are issued in denominations of \$100,000 or more. Maturities range from a few weeks to several years. Competitive forces in the marketplace set interest rates.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SERVICE (CDARS): Deposits made with a "selected" depository institution, in accordance with California Government Code Section 53601.8, that uses a private entity to assist in the placement of certificates of deposit. Such deposits shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration. The selected depository institution shall serve as custodian for each certificate of deposit that is issued with placement service for the City of Lodi's account.

COLLATERAL: securities or other property, which a borrower pledges for the repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COLLATERAL NOTE: a promissory note, which specifically mentions the collateral, pledged by the borrower for the repayment of an obligation.

COMMERCIAL PAPER: short-term obligations with maturities ranging from 2 to 270 days issued by banks, corporations, and other borrowers to investors with temporarily idle cash. Such instruments are unsecured and usually discounted, although some are interest-bearing.

COMMISSION: the brokers or agent's fee for purchasing or selling securities for a client.

COUPON: the annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

COVENANT: a pledge in the bond resolution or indenture of the issuing government to perform in a way that may benefit the bondholders, or to refrain from doing something that might be disadvantageous to them.

COVER: the spread between the winning bid (or offer) and the next highest bid (or the next lowest offer). It is useful as a basis for evaluation of the bids.

COVERAGE RATIO: the ratio of income available to pay a specific obligation versus the total amount obligated. This is a measure of financial stability.

CREDIT ANALYSIS: a critical review and appraisal of the economic and financial condition of a government agency or corporation. The credit analysis evaluates the issuing entity's ability to meet its debt obligations, and the suitability of such obligations for underwriting or investment.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

CURRENT MATURITY: amount of time left to the maturity of an obligation.

DEBENTURE: a bond secured by the general credit of the issuer rather than being backed by a specific lien on property as in mortgage bonds.

DEBT COVERAGE: this term is normally used in connection with revenue and corporate bonds. It indicates the margin of safety for payment of debt, reflecting the number of times by which earnings for a certain period of time exceed debt payable during the same period.

DEBT LIMIT (OR CEILING): the maximum amount of debt that can legally be acquired under the debt-incurring power of a state or municipality.

DEBT SERVICE: interest and principal obligation on an outstanding debt. This is usually for a one-year period.

DEFAULT: failure to pay principal or interest promptly when due.

DELIVERY VERSUS PAYMENT: securities industry procedure, common with institutional accounts, whereby delivery of securities sold is made to the buying customer's bank in exchange for payment, usually in the form of cash. (Institutions are required by law to require "assets of equal value" in exchange for delivery.) Also called Cash on Delivery.

DERIVATIVE: contracts written between a City and a counter party such as a bank, insurance company or brokerage firms. Their value is derived from the value of some underlying assets such as Treasury Bonds or a market index such as LIBOR. Derivatives are used to create financial instruments to meet special market needs. Two contrasting reasons for the use of derivatives are: 1) to limit risk or transfer it to those willing to bear it; and, 2) to speculate about future interest rates and leverage in hope of increasing returns.

DISCOUNT: the difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after a sale also is considered to be at a discount.

DIVERSIFICATION: dividing investment funds among a variety of securities offering independent returns.

DUE DILIGENCE: exercising of due professional care in the performance of duties.

FACE VALUE: the principal amount owed on a debt instrument. It is the amount on which interest is computed and represents the amount that the issuer promises to pay at maturity.

FANNIE MAE: trade name for the Federal National Mortgage Association.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): federal agency established in 1933 that guarantees (within limits) funds on deposit in member banks and performs other functions such as making loans to or buying assets from members banks to facilitate mergers or prevent failures.

FEDERAL FUNDS RATE: the rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

FEDERAL HOME LOAN BANKS (FHLB): government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, credit

unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: the central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

FIDUCIARY: an individual or group, such as a bank or trust company, which acts for the benefit of another party or to which certain property is given to hold in trust, according the trust agreement.

FISCAL YEAR: an accounting or tax period comprising any twelve-month period. The City's fiscal year starts July 1.

FREDDIE MAC: trade name for the Federal Home Loan Mortgage Corporation.

FULL FAITH AND CREDIT: the unconditional guarantee of the United States government backing a debt for repayment.

GENERAL OBLIGATION BONDS (GO's): bonds secured by the pledge of the municipal issuer's full faith and credit, usually including unlimited taxing power.

GINNIE MAE: trade name for the Government National Mortgage Association.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FmHA mortgages. The term "pass-through" is often used to describe Ginnie Maes.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

HOLDER: the person or entity which is in possession of a negotiable instrument.

INDEBTEDNESS: the obligation assumed by a borrower, guarantor, endorser, etc. to repay funds which have been or will be paid out on the borrower's behalf.

INDENTURE: a written agreement used in connection with a security issue. The document sets the maturity date, interest rate, security and other terms for both the issue holder, issuer and, when appropriate, the trustee.

INTEREST RATE: the interest payable each year on borrowed funds expressed as a percentage of the principal.

INVESTMENT: use of capital to create more money, either through income-producing vehicles or through more risk-oriented ventures designed to result in capital gains.

INVESTMENT PORTFOLIO: a collection of securities held by a bank, individual, institution, or government agency for investment purposes.

IRREVOCABLE LETTER OF CREDIT: instrument or document issued by a bank guaranteeing the payment of a customer's drafts up to a stated amount for a specified period. It substitutes the bank's credit for the buyer's and eliminates the seller's risk. This arrangement cannot be changed or terminated by the one who created it without the agreement of the beneficiary.

ISSUE PRICE: the price at which a new issue of securities is put on the market.

ISSUER: any corporation or governmental unit, which borrows money through the sale of securities.

JOINT AND SEVERAL OBLIGATION: a guarantee to the holder in which the liability for a bond or note issue may be enforced against all parties jointly or any one of them individually so that one, several or all may be held responsible for its payment.

LAIF: trade name for California State Local Agency Investment Fund.

LEGAL INVESTMENT: a list of securities in which certain institutions and fiduciaries may invest as determined by regulatory agencies.

LEGAL OPINION: an opinion concerning the legality of a bond issue, usually written by a recognized law firm specializing in the approval of public borrowings.

LIQUIDITY: a liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

MARKETABILITY: the measure of ease with which a security can be sold in the secondary market.

MARKET ORDER: an order to buy or sell securities at the prevailing bid or ask price on the market.

MARKET VALUE: the price at which a security is trading and could presumably be purchased or sold.

MARKET VS. QUOTE: quote designates the current bid and ask on a security, as opposed to the price at which the last security order was sold.

MASTER REPURCHASE AGREEMENT: a written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: the date that the principal or stated value of debt instrument becomes due and payable. It is also used as the length of time between the issue date and the due date.

MONEY MARKET the market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

MORTGAGE BOND: a bond secured by a mortgage on property. The value of the property used as collateral usually exceeds that of the mortgage bond issued against it.

NEGOTIABLE: a term used to designate a security, the title to which is transferable by delivery. Also used to refer to the ability to exchange securities for cash or near-cash instruments.

NO PAR VALUE: a security issued with no face or par value.

NON-NEGOTIABLE: a security whose title or ownership is not transferable through a simple delivery or endorsement. (See: Negotiable.)

OBLIGATION: a responsibility for paying back a debt.

OFFER: the price of a security at which a person is willing to sell.

OFFERING: placing securities for sale to buyers. The offering usually states the price and terms.

OPEN MARKET OPERATIONS: purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

PAR VALUE: the stated or face value of a security expressed as a specific dollar amount marked on the face of the security; the amount of money due at maturity. Par value should not be confused with market value.

PAYING AGENT: the agency, usually a commercial bank, which dispenses the principal and interest payable on a maturing issue.

PORTFOLIO: the collection of securities held by an individual or institution.

PREMIUM: the amount by which the price paid for a security exceeds the par value. Also, the amount that must be paid over the par value to call an issue before maturity.

PRIMARY DEALER: a group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRINCIPAL: the face or par value of an instrument. It does not include accrued interest.

PRUDENT INVESTOR RULE: an investment standard adopted by the State of California in 1995. It states that a trustee shall consider the entire investment portfolio when determining the prudence of an individual investment; diversification is explicitly required within a portfolio; suitability of an investment is a primary determinant; and delegation of investment management is acceptable.

PRUDENT MAN RULE: an investment standard established in 1630. It states that a trustee who is investing for another should behave in the same way as a prudent individual of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUOTATION (QUOTE): the highest bid to buy or the lowest offer to sell a security in any market at a particular time.

RATE OF RETURN: 1) the yield which is attainable on a security based on its purchase price or its current market price. 2) This may be the amortized yield to maturity on a bond the current income returns.

RATING: the designation used by investors' services to rate the quality of a security's creditworthiness. Moody's ratings range from the highest Aaa, down through Aa, A, Baa, Ba, B, etc., while Standard and Poor's ratings range from the highest AAA, down through AA, A, BBB, BB, B, etc.

REFINANCING: rolling over the principal on securities that have reached maturity or replacing them with the sale of new issues. The object may be to save interest costs or to extend the maturity of the loan.

REGISTERED BOND: a bond whose principal and/or interest is payable only to that person or organization which is registered with the issuer. This form is not negotiable and it can be transferred only when endorsed by the registered owner.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

REPURCHASE AGREEMENT (REPO): agreement between a seller and a buyer, usually of U.S. Government securities, whereby the seller agrees to repurchase the securities at an agreed upon price and, usually, at a stated time. The attraction of repos is the flexibility of maturities that makes them an ideal place to "park" funds on a very temporary basis. Dealers also arrange *reverse repurchase agreements*, whereby they agree to buy the securities and the investor agrees to repurchase them at a later date.

REVENUE ANTICIPATION NOTES (RAN): short-term notes sold in anticipation of receiving future revenues. The notes are to be paid from the proceeds of those revenues.

REVENUE BOND: a state or local bond secured by revenues derived from the operations of specific public enterprises, such as utilities. Such bonds are not generally backed by the taxation power of the issuer unless otherwise specified in the bond indenture.

SAFEKEEPING: a service banks offer to customers for a fee, where securities are held in the bank's vaults for protection.

SECURED DEPOSIT: bank deposits of state or local government funds which, under the laws of certain jurisdictions, must be secured by the pledge of acceptable securities.

SECONDARY MARKET: a market made for the purchase and sale of outstanding issues following the initial distribution.

SECURED DEPOSIT: bank deposits of state or local government funds which, under the laws of certain jurisdictions, must be secured by the pledge of acceptable securities.

SECURITIES: investment instruments such as bonds, stocks and other instruments of indebtedness or equity.

SECURITIES & EXCHANGE COMMISSION: agency created by Congress to protect investors in securities transactions by administering securities legislation.

SERIAL BOND: bonds of the same issue, which have different maturities, coming due over a number of years rather than all at once. This allows the issuer to retire the issue in small amounts over a long period of time.

SETTLEMENT DATE: date by which an executed order must be settled, either by buyer paying for the securities with cash or by a seller delivering the securities and receiving the proceeds of the sale for them.

SINKING FUND: a reserve fund set aside over a period of time for the purpose of liquidating or retiring an obligation, such as a bond issue, at maturity.

SPECIAL ASSESSMENT BONDS: bonds that are paid back from taxes on the property that is benefiting from the improvement being financed. The issuing governmental entity agrees to make the assessments and earmark the tax proceeds to repay the debt on these bonds.

SPREAD: the difference between two figures or percentages. For example, it may be the difference between the bid and asked prices of a quote, or between the amount paid when bought and the amount received when sold.

City of Lodi

GLOSSARY OF COMMONLY USED FINANCIAL TERMS

TAX ANTICIPATION NOTES (TAN): short-term notes issued by states or municipalities to finance current operations in anticipation of future tax collections which would be used to repay the debt.

TAX-EXEMPT BONDS: interest paid on municipal bonds issued by state and local governments or agencies is usually exempt from federal taxes, and in some cases, the state and/or local taxes. The interest rate paid on these bonds is generally lower than rates on non-exempt securities.

TERMS: the conditions of the sale or purchase of a security.

TREASURY BILL (T-BILL): a non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS AND NOTES: obligations of the U. S. government which bear interest. Notes have maturities of one to seven years, while bonds have longer maturities.

TREASURY BONDS: long-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

TRUSTEE: a bank designated as the custodian of funds and the official representative for bondholders.

UNDERWRITER: a dealer bank or other financial institution, which arranges for the sale and distribution of a large batch of securities and assumes the responsibility for paying the net purchase price.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one-reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: the annual rate of return on an investment, expressed as a percentage of the investment.

YIELD CURVE: graph showing the term structure of interest rates by plotting the yields of all bonds of the same quality with maturities ranging from the shortest to the longest available. The resulting curve shows if short-term interest rates are higher or lower than long-term rates. For the most part, the yield curve is positive (short-term rates are lower), since investors who are willing to tie up their money for a longer period of time usually are compensated for the extra risk they are taking by receiving a higher yield.



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for Lodi Public Library Phase 3 Remodel Project

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve plans and specifications and authorize advertisement for bids for Lodi Public Library Phase 3 Remodel Project.

BACKGROUND INFORMATION: The Lodi Library Board has been developing plans to renovate the Lodi Public Library and has implemented the renovation as a phased project. Phases 1 and 2 were successfully completed in 2009.

City Council awarded the professional services agreement for design of the Lodi Public Library Phase 3 Remodel to WMB Architects, of Stockton, on May 1, 2013.

The Phase 3 Project will complete carpet, lighting, communications, space conditioning and furniture upgrades within the remodel area. Rooms to accommodate tutoring, a computer lab, meetings, café-style seating and a teen sitting area will also be provided. Working with Library and Public Works staff, WMB Architect has completed plans and specifications for the Phase 3 project. A drawing of the project floor plan is attached for reference as Exhibit A.

The planned bid opening date is December 5, 2013. The project estimate is \$340,000.

FISCAL IMPACT: None.

FUNDING AVAILABLE: Funding will be identified at project award.

F. Wally Sandelin
Public Works Director

Prepared by Gary Wiman, Construction Project Manager
FWS/GRW/pmf
Attachment
cc: Library Services Manager

APPROVED: _____
Konradt Bartlam, City Manager



WMB ARCHITECTS

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Suite 226
Stockton CA 95207

209.944.9110 T
209.944.5711 F
www.wmbarchitects.com

Larry Wenell
Tim Mattheis
Tom Bowe
Doug Davis
Melanie View
Principal Architects

Lodi Public Library
Phase III Renovation
201 W. Locust Street
Lodi, California

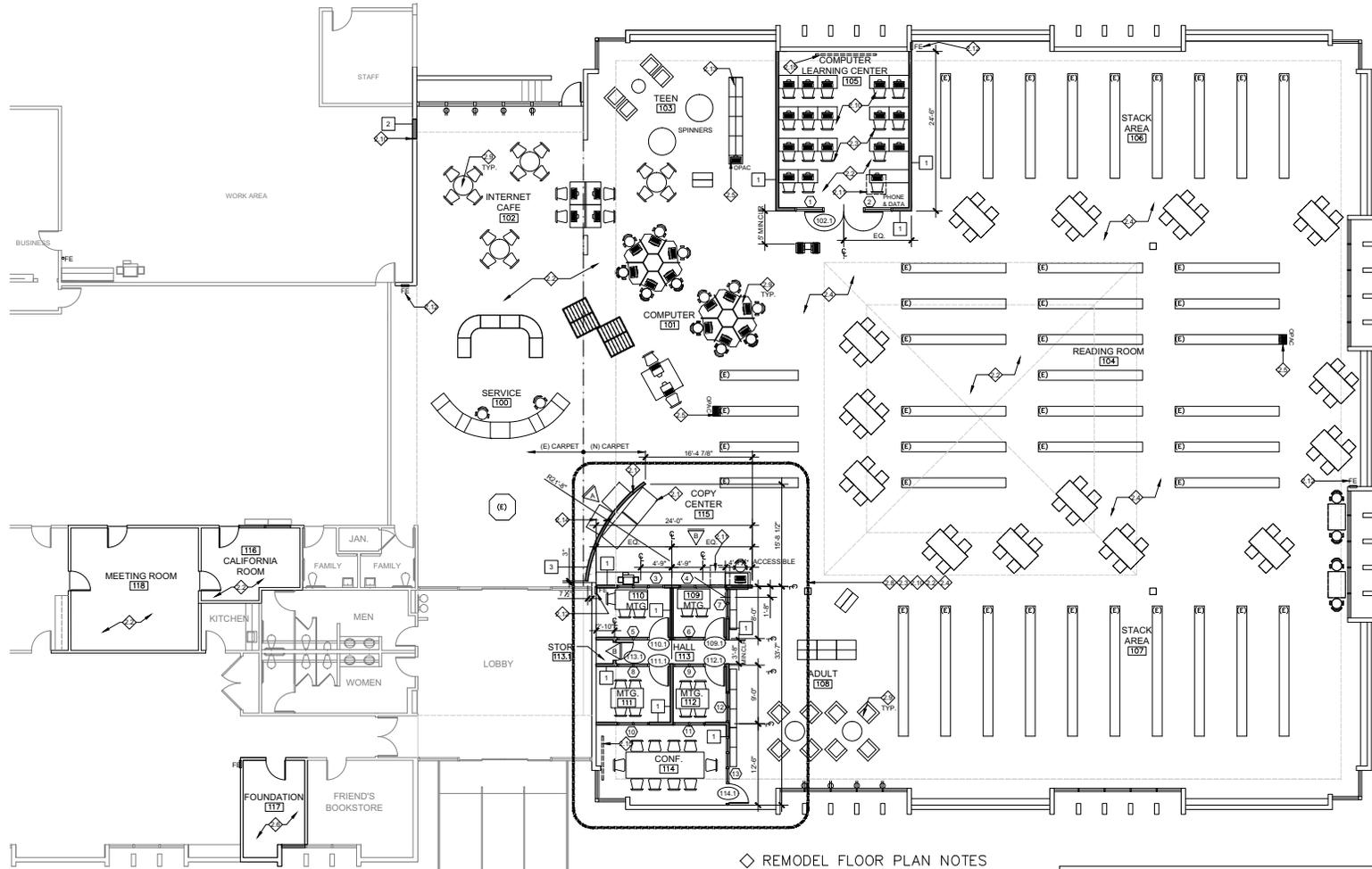
NOTATION PLAN



08.08.13 Const. Documents

PUBLISH HISTORY

△ DATE REVISION SET



REMODEL FLOOR PLAN
SCALE: 1/8" = 1'-0"

WALL LEGEND

- (E) WALL FRAMING TO REMAIN
- (N) CARPET THROUGHOUT - SEE INTERIOR FINISHES SCHEDULE AND CARPET PATTERN PLAN
- (N) CARPET THROUGHOUT - SEE CARPET PATTERN PLAN AND INTERIOR FINISHES SCHEDULE
- (E) WALL FRAMING TO BE REMOVED
- (N) FRAMED WALL

GENERAL NOTES

1. PROTECT AND PRESERVE CARPET IN AREAS WHERE IT IS TO REMAIN
 2. PATCH AND TEXTURE ALL WALLS IN AREAS OF WORK PRIOR TO PAINTING
 3. (E) BRICK TO REMAIN WITHOUT FINISH; PROTECT DURING CONSTRUCTION
- ◇ REMODEL FLOOR PLAN NOTES
- 2.1 +48" LOW WALL W/ TRANSLUCENT TOP - SEE DETAIL A/ A10.1
 - 2.2 PAINT ALL WALLS IN AREA OF WORK - SEE INTERIOR FINISHES SCHEDULE
 - 2.3 (N) CARPET THROUGHOUT - SEE INTERIOR FINISHES SCHEDULE AND CARPET PATTERN PLAN
 - 2.4 (N) CARPET THROUGHOUT - SEE CARPET PATTERN PLAN AND INTERIOR FINISHES SCHEDULE
 - 2.5 END-OF-RANGE COMPUTER STATION BY OWNER. SEE ELECTRICAL PLANS FOR POWER REQUIREMENTS
 - 2.6 SEE MECHANICAL PLANS FOR SCOPE OF WORK
 - 2.7 NOT USED
 - 2.8 PAINT ALL WALLS IN MEETING ROOMS - SEE INTERIOR FINISHES SCHEDULE
 - 2.9 FURNITURE TO BE PROVIDED AND INSTALLED BY OTHERS - TYP.
 - 2.10 INSTALL (N) WALL BASE TO MATCH (E) - TYP.
 - 2.11 (E) CEILING ACCESS PANEL ABOVE TO REMAIN
 - 2.12 (E) FIRE EXTINGUISHER
 - 2.13 ANCHOR (E) BOOKSHELVES TO FLOOR USING 1/2" WEDGE BOLTS @ 24" O.C. W/ 3 1/2" EMSED
 - 2.14 EQUIPMENT TO BE PROVIDED AND INSTALLED BY OWNER
 - 2.15 PULL-DOWN CEILING MOUNTED PROJECTION SCREEN BY OWNER

| WALL SCHEDULE | | | | | | |
|---|--|--|--------------------------|----------|----------|------|
| NO. | SIZE/TYPE | INSULATION | INTERIOR | EXTERIOR | F.R. | U.L. |
| 1 | 3 1/2" 20 GA. MTL. STUDS @ 16" O.C. | R-11 F.G. BATT | 3/4" GYP. BD. BOTH SIDES | | | |
| 2 | 20 GA. MTL. STUDS @ 16" O.C. - INFL. WALL | R-19 F.G. BATT | 3/4" GYP. BD. BOTH SIDES | | | |
| 3 | 3 1/2" 20 GA. MTL. STUDS @ 16" O.C. TO 4' A.F.F. | NO INSULATION | 3/4" GYP. BD. BOTH SIDES | | | |
| STUD SIZE | | | | | | |
| APPLICATION | | SIZE/GAUGE FOR 16" O.C. SPACING | | | MAX. HT. | |
| INTERIOR STUDS WITH MIN. 2" GYP. BD. BOTH SIDES, FULL HEIGHT OF STUD. | | 3 1/2" 20 GA. - SSMA DESIGNATION: 362S125-30 | | | 15'-0" | |
| | | 4" 18 GA. - SSMA DESIGNATION: 400S125-43 | | | 18'-0" | |
| | | 6" 20 GA. - SSMA DESIGNATION: 600S125-30 | | | 20'-0" | |

WMB PROJECT:
10-103



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Plans and Specifications and Authorize Advertisement for Bids for City Hall Annex First Floor Phase 2 Interior Remodel Project

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve plans and specifications and authorize advertisement for bids for City Hall Annex First Floor Phase 2 Interior Remodel Project.

BACKGROUND INFORMATION: The project is the next phase in remodeling the first floor of the former Police Station for use by the Recreation and Fire Administration divisions. The Phase 1 demolition and abatement project was successfully completed in August 2013.

City Council awarded the professional services agreement for design of the City Hall Annex Remodel to WMB Architects, of Stockton, on August 15, 2012. Design work could not be completed until the Phase 1 work was completed.

The Phase 2 project will include offices, public lobbies, public counters, ADA access, ADA staff bathroom facilities, lighting, communications, space conditioning and associated staff support areas. There are currently 27 staff members in the two divisions. The area is approximately 6,000 square feet. The project also includes several items to improve services to the entire building, as well as the Civic Center complex. These are a new emergency generator, installation of new main electrical switchgear, relocating the data server and telephone rooms from the basement to the first floor, relocating the radio room to the first floor, and installation of a new chiller unit to serve the City Hall Annex, as well as Carnegie Forum and City Hall. A drawing of the project floor plan is attached for reference as Exhibit A.

The planned bid opening date is January 9, 2014. The project estimate is \$2,800,000.

FISCAL IMPACT: Locating Fire Administration in the Civic Center complex will be more convenient to the public for the building permit process. The office space currently used by the Recreation Division will be utilized by the Parks staff, which will make the Parks Annex once again available for rental.

FUNDING AVAILABLE: Funding will be identified at project award.

F. Wally Sandelin
Public Works Director

Prepared by Gary Wiman, Construction Project Manager
FWS/GRW/pmf
Attachment
cc: Fire Chief
Parks, Recreation and Cultural Services Director

APPROVED: _____
Konradt Bartlam, City Manager



WMB ARCHITECTS

5757 Pacific Avenue
Suite 226
Stockton CA 95207
209.944.9110 T
209.944.5711 F
www.wmbarchitects.com

Larry Wenell
Tim Mattheis
Tom Bowe
Doug Davis
Melanie Vieux
Principal Architects

**CITY HALL ANNEX
1ST FLOOR PHASE II
INTERIOR REMODEL**

210 W. Elm Street
Lodi, Ca.

FLOOR PLAN



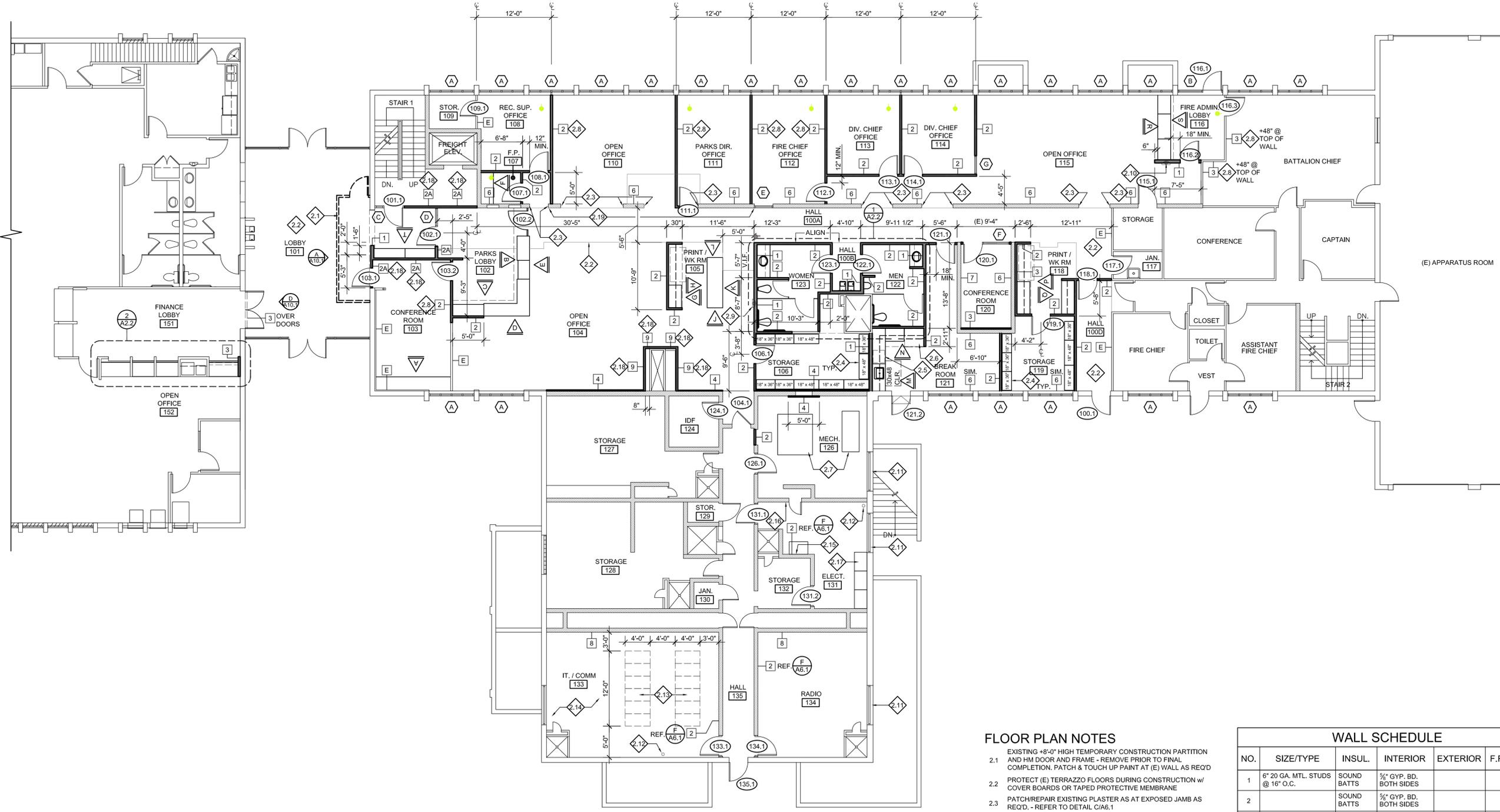
08.15.13 PERMIT APPL.

PUBLISH HISTORY

△ DATE REVISION/SET

WMB PROJECT:
12-62

A2.1



FLOOR PLAN - 1ST FLOOR
SCALE : 1/8" = 1'-0"

FLOOR PLAN LEGEND:

- EXISTING FRAMED WALL
- EXISTING CONCRETE BLOCK WALL
- NEW FRAMED WALL - REFER TO WALL SCHEDULE

FLOOR PLAN NOTES

- 2.1 EXISTING +8'-0" HIGH TEMPORARY CONSTRUCTION PARTITION AND HM DOOR AND FRAME - REMOVE PRIOR TO FINAL COMPLETION. PATCH & TOUCH UP PAINT AT (E) WALL AS REQ'D
- 2.2 PROTECT (E) TERRAZZO FLOORS DURING CONSTRUCTION w/ COVER BOARDS OR TAPED PROTECTIVE MEMBRANE
- 2.3 PATCH/REPAIR EXISTING PLASTER AS AT EXPOSED JAMB AS REQ'D. - REFER TO DETAIL C/A6.1
- 2.4 FREE STANDING STORAGE SHELVING - REFER TO SPECIFICATIONS - FIELD VERIFY DIMENSIONS OF SPACES PRIOR TO ORDERING SHELVES
- 2.5 NON-COMMERCIAL DISHWASHER - REFER TO SPECIFICATIONS
- 2.6 NON-COMMERCIAL REFRIGERATOR - REFER TO SPECIFICATIONS
- 2.7 NEW MECHANICAL EQUIPMENT - PROVIDE 6" CONCRETE HOUSE KEEPING PAD - REFER TO MECHANICAL DRAWINGS
- 2.8 EXTEND WALL FRAMING TO UNDERSIDE OF DECK ABOVE w/ 5/8" GYP. BD. ON ONE SIDE AND SOUND BATTS - REFER TO DETAIL D/A6.1
- 2.9 NEW SEMI RECESSED FIRE EXTINGUISHER CABINET AND NEW FIRE EXTINGUISHER
- 2.10 INSTALL (E) SEMI-RECESSED FIRE EXTINGUISHER CABINET AND NEW FIRE EXTINGUISHER
- 2.11 NEW LOUVER - REFER TO MECHANICAL DRAWINGS & DETAIL M/A6.1
- 2.12 NEW FIRE EXTINGUISHER w/ WALL MOUNT
- 2.13 RACKS PROVIDED BY OWNER, INSTALLED BY CONTRACTOR - VERIFY LAYOUT WITH THE CITY PRIOR INSTALLATION
- 2.14 FIRE SUPPRESSION SYSTEM - REFER TO SPECIFICATIONS; UTILIZE EXISTING SHOWER AREA FOR TANK STORAGE
- 2.15 COORDINATE NEW WALL FRAMING w/ EXISTING PIPING - SEAL AROUND PIPE PENETRATIONS
- 2.16 PATCH & REPAIR HOLES IN EXISTING MASONRY WALL
- 2.17 ELECTRICAL SERVICE PANELS - REFER TO ELECTRICAL DRAWINGS
- 2.18 RATED WALL SHALL BE CONSTRUCTED FULL HEIGHT TO UNDERSIDE OF METAL DECK - BLOCK IN AND AROUND EXISTING OPEN WEB JOIST & FLUTED DECK, CUT IN GYP. BD. & TAPE
- 2.19 EXISTING PLASTER FINISH TERMINATES @ +8'-0" A.F.F. - EXTEND PLASTER FINISH TO +8'-8" A.F.F.

WALL SCHEDULE

| NO. | SIZE/TYPE | INSUL. | INTERIOR | EXTERIOR | F.R. | U.L. |
|-----|---------------------------------------|-------------|-----------------------------------|----------------------------------|-------|------|
| 1 | 6" 20 GA. MTL. STUDS @ 16" O.C. | SOUND BATTS | 5/8" GYP. BD. BOTH SIDES | | | |
| 2 | | SOUND BATTS | 5/8" GYP. BD. BOTH SIDES | | | |
| 2A | | SOUND BATTS | 5/8" TYPE 'X' GYP. BD. BOTH SIDES | | 1 HR. | U465 |
| 3 | 3 3/4" 20 GA. MTL. STUDS @ 16" O.C. | | 5/8" GYP. BD. ON EXPOSED SIDE | | | |
| 4 | 1 1/2" 20 GA. MTL. FURRING @ 16" O.C. | | 5/8" GYP. BD. ON EXPOSED SIDE | | | |
| 5 | (E) MTL. STUDS | SOUND BATTS | 5/8" GYP. BD. BOTH SIDES | | | |
| 6 | (E) CONCRETE BLOCK WALL | | 1/2" GYP. BD. (TAGGED SIDE) | | | |
| 7 | (E) CONCRETE BLOCK WALL | | 1/2" GYP. BD. BOTH SIDES | | | |
| 8 | (E) CONCRETE BLOCK WALL | | 3/4" T&G PLYWOOD | | | |
| 9 | 4" 20 GA. CT MTL. STUDS @ 16" O.C. | | 5/8" TYPE 'X' GYP. BD. | 1" TYPE 'X' GYP. BD. SHAFT LINER | 1 HR. | U465 |
| E | (E) MTL. STUDS | | (E) WALL FINISH | | | |

NOTES:
1. U.O.N., WALLS SHALL TERMINATE 12" ABOVE THE FINISHED CEILING AND BRACED TO FLOOR DECK ABOVE - REFER TO DETAILS A&B/A6.1
2. 5/8" WATER RESISTANT GYPSUM BOARD REQUIRED AT PLUMBING FIXTURES AND BEHIND TILED WALLS.



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Awarding Contract for DeBenedetti Park Masonry Wall Landscaping, 2160 West Century Boulevard, to Hemington Landscape Services, Inc., of Cameron Park (\$50,531) and Appropriating Funds (\$71,000)

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution awarding contract for DeBenedetti Park masonry wall landscaping, 2160 West Century Boulevard, to Hemington Landscape Services, Inc., of Cameron Park, in the amount of \$50,531, and appropriating funds in the amount of \$71,000.

BACKGROUND INFORMATION: The master plan for DeBenedetti Park includes a maintenance yard consisting of park maintenance facilities, a storm drainage pump station, a municipal well and a masonry wall surrounding the facilities at the southwest corner of Century Boulevard and Heavenly Way. The pump station, well, and masonry wall projects have been completed.

This project consists of landscaping the street frontage adjacent to the newly-installed masonry wall. The project includes the installation of a new concrete mow strip, automatic irrigation system, soil preparation, sod turf, native planting materials, and other incidental and related work, all as shown on the plans and specifications for the project. The landscaping will look similar to the existing landscaping along Heavenly Way and Century Boulevard.

Plans and specifications for this project were approved on September 4, 2013. The City received the following nine bids for this project on October 9, 2013.

| Bidder | Location | Bid |
|-----------------------------------|----------------|--------------|
| Engineer's Estimate | | \$33,921.30 |
| Hemington Landscape Services | Cameron Park | \$50,531.00 |
| Grover Landscape Services | Modesto | \$52,853.00 |
| Sierra Landscape Services | Stockton | \$53,526.50 |
| Green Growth Industries | Pleasanton | \$57,788.00 |
| Aerco Pacific | Rancho Cordova | \$59,539.00* |
| Marina Landscaping | Anaheim | \$60,387.00 |
| Emert Construction | Stockton | \$60,464.00 |
| Dominguez Landscape Services | Sacramento | \$84,505.18 |
| Environmental Landscape Solutions | Sacramento | \$91,040.00 |

The appropriated funds will cover the contract amount, staff time and contingencies for the total project.

APPROVED: _____
Konradt Bartlam, City Manager

Adopt Resolution Awarding Contract for DeBenedetti Park Masonry Wall Landscaping,
2160 West Century Boulevard, to Hemington Landscape Services, Inc., of Cameron Park (\$50,531) and
Appropriating Funds (\$71,000)
November 6, 2013
Page 2

FISCAL IMPACT: The project will increase the long-term maintenance cost of the added landscaping area.

FUNDING AVAILABLE:

| | |
|---|-----------------|
| Requested Appropriation: | |
| Storm Impact Mitigation Fees (175043): | \$29,000 |
| Water Capital (181043): | \$30,000 |
| Parks Impact Mitigation Fees (1217043): | <u>\$12,000</u> |
| | \$71,000 |

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Chris Boyer, Assistant Engineer
FWS/CB/pmf
cc: Deputy Public Works Director – Utilities
Parks, Recreation and Cultural Services Director

CITY OF LODI, CALIFORNIA

THIS CONTRACT made by and between the CITY OF LODI, State of California, herein referred to as the "City," and HEMINGTON LANDSCAPE SERVICES, INC., herein referred to as the "Contractor."

WITNESSETH:

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

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

| | |
|------------------------|-------------------------------------|
| Notice Inviting Bids | The July 2006 Edition, |
| Information to Bidders | Standard Specifications, |
| General Provisions | State of California, |
| Special Provisions | Business and Transportation Agency, |
| Bid Proposal | Department of Transportation |
| Contract | |
| Contract Bonds | |
| Plans | |

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

ARTICLE I - That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the City and under the condition expressed in the two bonds bearing even date with these presents and hereunto annexed, the Contractor agrees with the City, at Contractor's cost and expense, to do all the work and furnish all the materials except such as are mentioned in the specifications to be furnished by the City, necessary to construct and complete in a good workmanlike and substantial manner and to the satisfaction of the City the proposed improvements as shown and described in the Contract Documents which are hereby made a part of the Contract.

ARTICLE II - The City hereby promises and agrees with the Contractor to employ, and does hereby employ, the Contractor to provide all materials and services not supplied by the City and to do the work according to the terms and conditions for the price herein, and hereby contracts to pay the same as set forth in Section 5.600, "Measurement, Acceptance and Payment," of the General Provisions, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

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

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

The work consists of developing 0.39 acres of street landscaping frontage around the newly-constructed masonry wall at the northeast end of DeBenedetti Park. The existing land shall be re-graded and landscaped. Work shall also include the installation of new concrete mow strip, automatic irrigation system, soil preparation, sod turf, native planting materials, and other incidental and related work, all as shown on the plans and specifications for "DeBenedetti Park Masonry Wall Landscaping, 2360 West Century Boulevard".

CONTRACT ITEMS

| ITEM NO. | DESCRIPTION | UNIT | EST'D. QTY | UNIT PRICE | TOTAL PRICE |
|----------|---|------|------------|-------------|-------------|
| 1. | Furnish and Install Erosion Control Plan | LS | 1 | \$ 750.00 | \$ 750.00 |
| 2. | Clearing and Grubbing | LS | 1 | \$ 3,750.00 | \$ 3,750.00 |
| 3. | Dust Control | LS | 1 | \$ 1,200.00 | \$ 1,200.00 |
| 4. | Rough and Fine Grading | SF | 17,240 | \$ 0.25 | \$ 4,310.00 |
| 5. | Furnish and Install New 4"x12" Concrete Mow Strip | LF | 27 | \$ 7.50 | \$ 202.50 |
| 6. | Furnish and Install Soil Amendments | LBS | 450 | \$ 8.50 | \$ 3,825.00 |
| 7. | Furnish and Install Landscape Mulch | CY | 60 | \$ 43.00 | \$ 2,580.00 |
| 8. | Furnish and Install Automatic Irrigation System w/ Controller and Backflow Device | SF | 17,240 | \$ 1.25 | \$21,550.00 |

| ITEM NO. | DESCRIPTION | UNIT | EST'D. QTY | UNIT PRICE | TOTAL PRICE |
|----------|---|------|------------|-------------|-------------|
| 9. | Furnish and Install New 90/10 Turf Sod and Fertilizer | SF | 7,940 | \$ 0.45 | \$ 3,573.00 |
| 10. | Furnish and Install New 15-Gallon Trees | EA | 23 | \$ 75.00 | \$ 1,725.00 |
| 11. | Furnish and Install Shrub Plant Materials | LS | 1 | \$ 5,315.50 | \$ 5,315.50 |
| 12. | Furnish All Labor, Materials and Equipment to Provide a 90-Day Landscape Maintenance Period | LS | 1 | \$ 1,750.00 | \$ 1,750.00 |
| TOTAL | | | | | \$50,531.00 |

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

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

ARTICLE VII - The City is to furnish the necessary rights-of-way and easements and to establish lines and grades for the work as specified under the Special Provisions. All labor or materials not mentioned specifically as being done by the City will be supplied by the Contractor to accomplish the work as outlined in the specifications.

ARTICLE VIII - The Contractor agrees to commence work pursuant to this contract within 15 calendar days after the City Manager has executed the contract and to diligently prosecute to completion within **20 WORKING DAYS**.

WHEN SIGNING THIS CONTRACT, THE CONTRACTOR AGREES THAT THE TIME OF COMPLETION FOR THIS CONTRACT IS REASONABLE AND THE CONTRACTOR AGREES TO PAY THE CITY LIQUIDATED DAMAGES AS SET FORTH IN SECTION 6-04.03 OF THE SPECIAL PROVISIONS. CONTRACTOR AGREES THAT THIS AMOUNT MAY BE DEDUCTED FROM THE AMOUNT DUE THE CONTRACTOR UNDER THE CONTRACT.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date written below.

CONTRACTOR:

CITY OF LODI

By: _____
Konradt Bartlam
City Manager

By: _____

Date: _____

Title

Attest

City Clerk

(CORPORATE SEAL)

Approved As To Form

_____ 
D. Stephen Schwabauer
City Attorney

1. AA# _____

2. JV# _____

CITY OF LODI APPROPRIATION ADJUSTMENT REQUEST

| | | | |
|-------------------------|---|----------|------------|
| TO: | Internal Services Dept. - Budget Division | | |
| 3. FROM: | Rebecca Areida-Yadav | 5. DATE: | 10/14/2013 |
| 4. DEPARTMENT/DIVISION: | Public Works | | |

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

| | FUND # | BUS. UNIT # | ACCOUNT # | ACCOUNT TITLE | AMOUNT |
|------------------------------|--------|-------------|-----------|----------------------------|--------------|
| A. SOURCE OF FINANCING | 175 | | 3205 | Fund Balance | \$ 29,000.00 |
| | 181 | | 3205 | Fund Balance | \$ 30,000.00 |
| | 1217 | | 3205 | Fund Balance | \$ 12,000.00 |
| | | | | | |
| | | | | | |
| B. USE OF FINANCING | 175 | 175043 | 1825.1900 | Debenedetti Park Enclosure | \$ 29,000.00 |
| | 181 | 181043 | 1825.1900 | Debenedetti Park Enclosure | \$ 30,000.00 |
| | 1217 | 1217043 | 1825.1900 | Debenedetti Park Enclosure | \$ 12,000.00 |
| | | | | | |
| | | | | | |

7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

Contract with Hemington Landscape Services for the landscaping at the Debenedetti Park masonry wall.

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: _____ Res No: _____ Attach copy of resolution to this form.

Department Head Signature: Wally Sander

8. APPROVAL SIGNATURES

Deputy City Manager/Internal Services Manager _____ Date _____

Submit completed form to the Budget Division with any required documentation.
Final approval will be provided in electronic copy format.

RESOLUTION NO. 2013-_____

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING
AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE
CONTRACT FOR DEBENEDETTI PARK MASONRY WALL
LANDSCAPING, 2160 WEST CENTURY BOULEVARD AND
FURTHER APPROPRIATING FUNDS

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on October 9, 2013, at 11:00 a.m., for DeBenedetti Park Masonry Wall Landscaping, 2160 West Century Boulevard, described in the plans and specifications therefore approved by the City Council on September 4, 2013; and

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

| Bidder | Bid |
|-----------------------------------|---------------|
| Hemington Landscape Services | \$ 50,531.00 |
| Grover Landscape Services | \$ 52,853.00 |
| Sierra Landscape Services | \$ 53,526.50 |
| Green Growth Industries | \$ 57,788.00 |
| Aerco Pacific | \$ 59,539.00* |
| Marina Landscaping | \$ 60,387.00 |
| Emert Construction | \$ 60,464.00 |
| Dominguez Landscape Services | \$ 84,505.18 |
| Environmental Landscape Solutions | \$ 91,040.00 |

*Corrected Bid Total

WHEREAS, staff recommends awarding the contract for DeBenedetti Park Masonry Wall Landscaping, 2160 West Century Boulevard, to the low bidder, Hemington Landscape Services, Inc., of Cameron Park, California, in the amount of \$50,531.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby award the contract for DeBenedetti Park Masonry Wall Landscaping, 2160 West Century Boulevard, to the low bidder, Hemington Landscape Services, Inc., of Cameron Park, California, in the amount of \$50,531; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute the contract; and

BE IT FURTHER RESOLVED that funds be appropriated for the project from Storm Impact Mitigation Fees, Water Capital and Parks Impact Mitigation Fees, in the amount of \$71,000.

Dated: November 6, 2013

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL-OLSON
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Accept Improvements Under Contract for Well 6R Granular Activated Carbon Treatment System Project

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Accept improvements under contract for Well 6R Granular Activated Carbon Treatment System Project.

BACKGROUND INFORMATION: The contract was awarded to Vinciguerra Construction, of Jackson, in the amount of \$596,810, on August 15, 2012. The contract has been completed in substantial conformance with the plans and specifications approved by City Council.

This project consisted of furnishing and installing a granular activated carbon (GAC) treatment system for Well 6R.

The contract completion date was October 8, 2013. The final contract price was \$630,306.47. The difference between the original contract amount and final contract amount is due to an increase in the units of concrete placed (\$8,000.00) and Change Orders #1 (\$8,610.62) and #2 (\$16,885.85) which are related to additional waste water line demolition and replacement work primarily on Washington Street, and some additional aggregate base on site.

Following acceptance by the City Council, as required by law, the City Engineer will file a Notice of Completion with the County Recorder's office. The notice serves to notify vendors and subcontractors that the project is complete and begins their 30-day period to file a stop notice requiring the City to withhold payments from the prime contractor in the event of a payment dispute.

FISCAL IMPACT: Annual operation and maintenance costs for the water utility will increase as a result of this project. Operation costs are reimbursed through the City's DBCP settlement

FUNDING AVAILABLE: This project was funded by Water Capital Outlay Fund (181048).

F. Wally Sandelin
Public Works Director

Prepared by Gary Wiman, Construction Project Manager
FWS/GRW/pmf
cc: Deputy Public Works Director – Utilities
Senior Civil Engineer

APPROVED: _____
Konradt Bartlam, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Accept Improvements Under Contract for White Slough Water Pollution Control Facility Digester Painting Project

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Accept improvements under contract for White Slough Water Pollution Control Facility Digester Painting Project.

BACKGROUND INFORMATION: The contract was awarded to Euro Style Management, of North Highlands, in the amount of \$73,000, on August 7, 2013. The contract has been completed in substantial conformance with the plans and specifications approved by City Council.

This project provided for the necessary maintenance to the metal piping and roof components of digesters Nos. 1, 2 and 3. If the digesters were not painted, the oxidation or rust would have continued until it went through the piping, resulting in a digester failure and emergency painting.

The contract completion date was September 25, 2013. The final contract price remained unchanged at \$73,000.

Following acceptance by the City Council, as required by law, the City Engineer will file a Notice of Completion with the County Recorder's office. The notice serves to notify vendors and subcontractors that the project is complete and begins their 30-day period to file a stop notice requiring the City to withhold payments from the prime contractor in the event of a payment dispute.

FISCAL IMPACT: The project will reduce maintenance costs associated with the digester piping.

FUNDING AVAILABLE: This project was funded by the Plant Maintenance Capital Improvement account.

F. Wally Sandelin
Public Works Director

Prepared by Sean Nathan, Associate Civil Engineer
FWS/SEN/pmf
cc: Associate Civil Engineer Nathan
Deputy Public Works Director – Utilities
City Engineer/Deputy Public Works Director
Wastewater Plant Superintendent

APPROVED: _____
Konradt Bartlam, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement for Pretreatment Program Assistance for White Slough Water Pollution Control Facility with Larry Walker Associates, of Davis (\$56,290)

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute Professional Services Agreement for Pretreatment Program assistance for White Slough Water Pollution Control Facility with Larry Walker Associates, of Davis, in the amount of \$56,290.

BACKGROUND INFORMATION: The United States Environmental Protection Agency (USEPA) and the Central Valley Regional Water Quality Control Board (RWQCB) through a consultant, CDM Smith, conducted a Pretreatment Compliance Inspection of White Slough Water Pollution Control Facility (WSWPCF) on March 28, 2013. The Pretreatment Compliance Inspection Summary Report, dated August 2, 2013, included requirements that must be implemented and other recommendations that should be considered for implementation. The findings identified three primary areas of the Pretreatment Program that need to be revised and updated:

- Sewer Use Ordinance
- Enforcement Response Plan
- Local Limits

The City developed its current local limits using USEPA's 1987 Guidance Manual on the Development and Implementation of Local Discharge Limitations under the Pretreatment Program. USEPA subsequently updated that document with the 2004 Local Limits Development Guidance, which provides better guidance on local limits development. WSWPCF staff does not possess the expertise to complete this work, and Larry Walker Associates (LWA) has successfully performed this work for other agencies throughout California and is recognized for their pretreatment technical expertise by both the USEPA and RWQCB.

Staff recommends approval of the LWA Professional Services Agreement for the WSWPCF Pretreatment Program assistance in the amount of \$56,290.

FISCAL IMPACT: This work is necessary to maintain regulatory compliance and failure to complete could result in monetary penalties.

FUNDING AVAILABLE: Wastewater Plant (170403)

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Larry Parlin, Deputy Public Works Director - Utilities
FWS/LP/pmf

APPROVED: _____
Konradt Bartlam, City Manager

AGREEMENT FOR PROFESSIONAL SERVICES

**ARTICLE 1
PARTIES AND PURPOSE**

Section 1.1 Parties

THIS AGREEMENT is entered into on _____, 2013, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and LARRY WALKER ASSOCIATES (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 Pretreatment Program Assistance for White Slough Water Pollution Control Facility (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 November 15, 2013 and terminates upon the completion of the Scope of Services or on December 31, 2014, 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), 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 of the City of Lodi or its officers or agents.

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: Larry Parlin

To CONTRACTOR: Larry Walker Associates
 707 Fourth Street, Suite 200
 Davis, CA 95616

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:

RANDI JOHL-OLSON
City Clerk

KONRADT BARTLAM
City Manager

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

LARRY WALKER ASSOCIATES

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: 170403
(Business Unit & Account No.)

Doc ID:WP\Projects\PSAs\LarryWalkerAssociates

CA:rev.07.2013

707 Fourth Street, Suite 200
Davis, CA 95616

530.753.6400
530.753.7030 fax

www.lwa.com



September 30, 2013

Mr. Larry Parlin
Deputy Public Works Director
City of Lodi
1331 South Ham Lane
Lodi, CA 95242

Scope of Services for Pretreatment Program Assistance

Dear Mr. Parlin:

Per your request, Larry Walker Associates (LWA) is pleased to submit this scope of services to the City of Lodi (City) to provide assistance with its Pretreatment Program.

The United States Environmental Protection Agency (USEPA) and the Central Valley Regional Water Quality Control Board (Regional Water Board) through a consultant, CDM Smith, conducted a Pretreatment Compliance Inspection (PCI) of the White Slough Water Pollution Control Facility (Facility) on 28 March 2013. The *Pretreatment Compliance Inspection Summary Report*, dated 2 August 2013, (Summary Report) summarized the PCI, including requirements that must be implemented and recommendations that may be considered for implementation. The findings identified three primary areas of the Pretreatment Program that needed to be updated:

- Sewer Use Ordinance (SUO);
- Enforcement Response Plan (ERP); and
- Local limits.

Scope of Services

LWA proposes the following scope of services to support the City's Pretreatment Program:

- Task 1. Project Management
- Task 2. Review Existing Data and Information
- Task 3. Develop Local Limits Sampling Plan
- Task 4. Provide Local Limits Monitoring Support
- Task 5. Establish Local Limits
- Task 6. Assist with Public Participation
- Task 7. Respond to Regional Water Board Comments
- Task 8. Update Sewer Use Ordinance (Optional)

- Task 9. Update Enforcement Response Plan (Optional)

Each task is discussed in more detail below.

Task 1: Project Management

LWA will provide on-going project management, which includes regular communication with the City regarding the project schedule, budgets, expenditures and other issues related to the administration of the contract.

Task 2. Review Existing Data and Information

The City developed its current local limits using USEPA's 1987 *Guidance Manual on the Development and Implementation of Local Discharge Limitations Under the Pretreatment Program*. USEPA subsequently updated that document with the 2004 *Local Limits Development Guidance (Local Limits Guidance)*, which provides better guidance on how to approach local limits development.

LWA will review background information in order to determine if all pollutants of concern (POCs) have been addressed or if other POCs need local limits development. This review will also allow LWA to determine the extent of any additional sampling, which may be required for local limits development. The information to be reviewed will include, at a minimum, the following:

- Sewer Use Ordinance;
- 2011 and 2012 Pretreatment Annual Reports;
- Current industrial user survey;
- Recent industrial monitoring data;
- Current National Pollutant Discharge Elimination System (NPDES) permit;
- Recent Facility data (influent, effluent, biosolids);
- Recent collection system data; and
- Process unit diagrams and design capacities.

LWA will review the City's NPDES permit compliance history over the past two years to determine whether local limits currently in place provide sufficient protection of the Facility from pass-through and interference.

As part of this task, LWA will also conduct a site visit to determine appropriate locations for sample collection and equipment set-up.

Task 3. Develop Local Limits Sampling Plan

Based on the review of the information and data in Task 2, LWA will develop a Local Limits Sampling Plan that outlines the steps required for local limits development/update and approval by the Regional Water Board. It is expected that some degree of

sampling will likely be required. The sampling plan will be developed following Local Limits Guidance and federal pretreatment program regulations, and include the following elements:

- White Slough Water Pollution Control Facility description;
- Local limits development approach;
- Proposed sampling plan, including identification of POCs and sampling locations and procedures;
- Appropriate analytical detection limits for each POC;
- Sampling containers, container cleaning procedures, and sampling procedures to minimize/eliminate contamination; and
- Appropriate quality assurance/quality control (QA/QC) program for sampling and analytical control.

LWA will prepare draft and final versions of the Local Limits Sampling Plan for the City to review.

Task 4. Provide Local Limits Monitoring Support

As stated previously, it is anticipated that some level of sampling will be required to collect the water quality data necessary to develop technically-based, defensible local limits. According to Local Limits Guidance, a publicly-owned treatment works similar to the size of the Facility may need to conduct local limits sampling for up to 14 consecutive days. The extent of the sampling will be determined in Tasks 2 and 3.

This scope of work provides the City with two options for local limits sampling:

LWA will prepare field logs and sample chain-of-custody forms for the monitoring effort. LWA will provide technical support during the local limits monitoring effort, including training City staff, as needed, for sampling activities and answering questions related to the sampling activities. This task does not include LWA providing staff for sampling events, conducting analytical laboratory coordination, or procuring sampling equipment. The City will provide sampling crews, sampling equipment, sample delivery to laboratories, and in-house or contract laboratory services.

Local Limits Guidance also recommends conducting consecutive daily sampling during dry weather periods. Depending on when the project commences and the weather, sampling efforts may be delayed as late as Spring 2014.

Task 5. Establish Local Limits

LWA will update, develop, and recommend local limits for appropriate POCs. Using site-specific data, existing data, and data obtained during local limits monitoring, LWA will compute local limits for conventional and toxic pollutants following Local Limits Guidance. Local limits will be based on requirements in the City's NPDES permit,

collection system and Facility performance data, process upset and inhibition levels, and other regulatory requirements.

Numeric local limits, based on allowable headworks loading criteria, will be established based on one or more of the following criteria:

- Allowable headworks loading based on prevention of:
 - Pass-through;
 - Exceedance of NPDES permit effluent limits;
 - Interference with Facility operations;
 - Treatment process inhibition;
 - Exceedance of biosolids restrictions;
- Collection system effects based on prevention of:
 - Fire/explosion;
 - Corrosion;
 - Flow obstruction;
 - Heat effects; and
 - Fume toxicity.

LWA will prepare a Local Limits Report presenting the proposed local limits and technical justification for their establishment. Local limits will be presented as maximum allowable industrial loads (MAILs), which will be submitted to the Regional Water Board for approval. The City will reserve the right to determine the appropriate allocation of the MAILs once they have been approved. However, LWA will convert these MAILs to uniform concentration limits to allow the City to compare proposed local limits to existing local limits and industrial user data, which is typically the first step in determining the appropriate local limit allocation methods.

A draft report will be submitted to the City for review and comment. LWA will conduct a meeting or conference call with the City to present the draft report and to discuss any comments that the City may have on the draft report. A final draft report will be produced and provided to the City for submittal to the Regional Water Board for comment and approval.

Task 6. Assist with Public Participation

Part 403 of Title 40 of the Code of Federal Regulations requires the City conduct a public participation phase in local limits development to inform the public as well as the regulated industrial users. LWA will assist the City in conducting public participation activities including providing outreach to industrial users.

Task 7. Respond to Regional Water Board Comments

Upon submittal of the final draft Local Limits Report to the Regional Water Board, the Regional Water Board typically uses an independent contractor to review and audit the Local Limits Report. This process may take up to two years. When the audit findings are available, LWA will assist the City in preparing its response. Based on the City's response, LWA will make necessary modifications to the final draft report and finalize the Local Limits Report.

Task 8: Update Sewer Use Ordinance

This is an optional task. The Summary Report identified specific changes that must be made to the City's SUO. LWA will review and revise City's SUO, including incorporation of the Pretreatment Streamlining Rules, such that it complies with all applicable Federal Pretreatment Regulations.

LWA will prepare a draft SUO for the City's review. The City's legal counsel will need to review the draft SUO prior to providing the document for public comment. After the public comment period, LWA will address and incorporate relevant public comments and prepare a final draft electronic document that the City can submit to the Regional Water Board and City Council for approval.

The City will also need to update its SUO upon completion of the local limits update. Because it is unclear when the Regional Water Board may approve the proposed local limits, this update of the SUO will not include an update to the local limits.

Task 9: Update Enforcement Response Plan

This is an optional task. The Summary Report identified specific changes that must be made to the City's ERP, which details the escalating steps of enforcement actions that the City can take against an industrial user in the event of non-compliance with its industrial user permit. LWA will review and revise the City's ERP such that it complies with all applicable Federal Pretreatment Regulations.

LWA will prepare a draft ERP for the City's review. The City's legal counsel will need to review the draft ERP prior to providing the document for public comment. After the public comment period, LWA will address and incorporate relevant public comments and prepare a final draft electronic document that the City can submit to the Regional Water Board and City Council for approval.

Project Schedule

A general project schedule is presented in the table below.

| Task No. | Task | Anticipated Schedule for Completion ⁽¹⁾ |
|----------|---|--|
| 1 | Project Management | On-going |
| 2 | Review Existing Data and Information | 1 Month |
| 3 | Develop Local Limits Sampling Plan | 1 Month |
| 4 | Provide Local Limits Monitoring Support | 2 Months ⁽²⁾ |
| 5 | Establish Local Limits | 6 Months |
| 6 | Assist with Public Participation | 8 Months |
| 7 | Respond to Regional Water Board Comments | ⁽³⁾ |
| 8 | Update Sewer Use Ordinance (Optional) | 2 Months |
| 9 | Update Enforcement Response Plan (Optional) | 2 Months |

(1) Schedule is time after receiving a Notice to Proceed.

(2) Depending on when the Notice to Proceed is received and weather conditions, this task may be delayed by four to six months.

(3) This task is contingent on receiving comments from the Regional Water Board. It is anticipated that this task will take approximately one month after receiving comments.

Cost Estimate

The work described above will be conducted on a time and materials basis according to LWA's current billing rates with a not-to-exceed amount of \$56,290. LWA billing rates are adjusted annually on July 1. A detailed cost breakdown by task is presented in **Attachment A**.

We look forward to the opportunity to work with the City and respond to your needs in an efficient and effective manner. Please feel free to contact me should you have any questions or concerns regarding this scope of services and/or cost estimate.

Yours truly,



Brian Laurensen, P.E.
Vice President

Attachment A – Cost Estimate

ATTACHMENT A

Cost Estimate

| Task | Description | Labor Hours | | | | | | Total Labor Costs | Other Direct Costs | Total Cost |
|------|--|----------------------------|----------------------------|-----------------------------|------------------------|---------------------------|-------------|-------------------|--------------------|------------|
| | | Project Manager (\$205/hr) | Project Advisor (\$255/hr) | Project Engineer (\$185/hr) | Field Staff (\$140/hr) | Contract Admin (\$140/hr) | Total Hours | | | |
| 1 | Project Management | 8 | | | | 12 | 20 | \$ 3,320 | \$ 200 | \$ 3,520 |
| 2 | Review Existing Data and Information | 2 | | 20 | | | 22 | \$ 4,110 | \$ 100 | \$ 4,210 |
| 3 | Develop Local Limits Sampling Plan | 2 | | 20 | | | 22 | \$ 4,110 | | \$ 4,110 |
| 4 | Provide Local Limits Monitoring Support | 8 | | 16 | | | 24 | \$ 4,600 | \$ 100 | \$ 4,700 |
| 5 | Establish Local Limits | 8 | 4 | 80 | | | 92 | \$17,460 | \$ 100 | \$ 17,560 |
| 6 | Assist with Public Participation | 8 | | 4 | | | 12 | \$ 2,380 | \$ 200 | \$ 2,580 |
| 7 | Respond to Regional Water Board Comments | 8 | 2 | 8 | | | 18 | \$ 3,630 | | \$ 3,630 |
| 8 | Update Sewer Use Ordinance | 4 | 2 | 40 | | | 46 | \$ 8,730 | | \$ 8,730 |
| 9 | Update Enforcement Response Plan | 4 | 2 | 32 | | | 38 | \$ 7,250 | | \$ 7,250 |
| | TOTAL | 52 | 10 | 220 | | 12 | 294 | \$55,590 | \$ 700 | \$ 56,290 |



Insurance Requirements for Contractor The Contractor shall take out and maintain during the life of this contract, insurance coverage as listed below. These insurance policies shall protect the Contractor and any subcontractor performing work covered by this contract 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 contract, 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. <u>COMPREHENSIVE GENERAL LIABILITY</u> \$1,000,000 Ea. Occurrence \$2,000,000 Aggregate | 2. <u>COMPREHENSIVE AUTOMOBILE LIABILITY</u> \$1,000,000 - Ea. Occurrence |
| 3. <u>PROFESSIONAL LIABILITY / ERRORS AND OMISSIONS</u> \$1,000,000 Ea. Occurrence | |

NOTE: 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.).

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, 95241-1910; (2) The insurance certificate must state, on its face or as an endorsement, a description of the project that it is insuring.

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

- (a) Additional Named Insured Endorsement
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.
(This endorsement shall be on a form furnished to the City and shall be included with Contractor's policies.)
- (b) Primary Insurance Endorsement
Such insurance as is afforded by the endorsement for the Additional Insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the insurance afforded by this endorsement.
- (c) 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.
- (d) 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.
- (e) 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 W. Pine St., Lodi, CA 95240.

Compensation Insurance The Contractor shall take out and maintain during the life of this contract, 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 contract 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 by the company without 30 days' prior written notice of such cancellation or reduction in coverage to the Risk Manager, City of Lodi, 221 W. Pine St., Lodi, CA 95240.

NOTE: No contract agreement will be signed nor will any work begin on a project until the proper insurance certificate is received by the City.

RESOLUTION NO. 2013-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE A
PROFESSIONAL SERVICES AGREEMENT FOR
PRETREATMENT PROGRAM ASSISTANCE FOR THE
WHITE SLOUGH WATER POLLUTION CONTROL
FACILITY WITH LARRY WALKER ASSOCIATES

=====

WHEREAS, the United States Environmental Protection Agency (USEPA) and the Central Valley Regional Water Quality Control Board (RWQCB) conducted a Pretreatment Compliance Inspection of White Slough Water Pollution Control Facility (WSWPCF) on March 28, 2013. The Pretreatment Compliance Inspection Summary Report, dated August 2, 2013, included requirements that must be implemented and other recommendations that should be considered for implementation; and

WHEREAS, WSWPCF staff does not possess the expertise to complete the work required by the Pretreatment Compliance Inspection Summary Report; however, Larry Walker Associates (LWA) has successfully performed this work for other agencies throughout California and is recognized for their pretreatment technical expertise by both the USEPA and RWQCB; and

WHEREAS, staff recommends approval of the Professional Services Agreement for the White Slough Water Pollution Control Facility Pretreatment Program Assistance with Larry Walker Associates, of Davis, California, in the amount of \$56,290.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute a Professional Services Agreement for Pretreatment Program Assistance for White Slough Water Pollution Control Facility with Larry Walker Associates, of Davis, California, in the amount of \$56,290.

Dated: November 6, 2013

=====

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL-OLSON
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Amendment to Professional Services Agreement with Carollo Engineers, Inc., of Sacramento (\$90,000)

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute amendment to Professional Services Agreement with Carollo Engineers, Inc., of Sacramento, in the amount of \$90,000.

BACKGROUND INFORMATION: On April 18, 2012, City Council approved a Professional Services Agreement with Carollo Engineers, Inc., to provide Surface Water Treatment Plant (SWTP) transition management services. These services include technical support and assistance with the Pall membrane system, review of plant operations and performance data, and assistance with special studies required by the California Department of Public Health (CDPH), which regulates the facility. Carollo has successfully provided these services, and its continued assistance is important as the SWTP transitions to unattended operation in early 2014.

Additional major tasks to be completed in 2014 include:

- CDPH One-Year Operations Report
- Develop Final Criteria for Unmanned Operation
- Obtain Final CDPH Permit
- Ongoing SWTP Performance Review

Staff recommends approving the amendment to provide these services on a time-and-material basis for an amount not to exceed \$90,000 through December 31, 2014.

FISCAL IMPACT: These services will result in stable operation and maintenance costs.

FUNDING AVAILABLE: Surface Water Treatment Plant (180461)

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Larry Parlin, Deputy Public Works Director - Utilities
FWS/LP/pmf

APPROVED: _____
Konradt Bartlam, City Manager

AMENDMENT NO. 1

Carollo Engineers, Inc.
Professional Services Agreement

THIS AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT, is made and entered this _____ day of November, 2013, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and CAROLLO ENGINEERS, INC. (hereinafter "CONTRACTOR").

WITNESSETH:

1. WHEREAS, CONSULTANT and CITY entered into a Professional Services Agreement (Agreement) on April 24, 2012, and a Contract Extension Agreement (Extension) on July 12, 2013, as set forth in Attachment 1 (attached).
2. WHEREAS, CITY requested to amend said Agreement as set forth in Attachment 2 (attached) and by extending the Term to December 31, 2014; and
3. WHEREAS, CONSULTANT agrees to said amendment.

NOW, THEREFORE, the parties agree to amend the Scope of Services and Fee as set forth in the Agreement as Attachments 1 and 2, respectively. The Term of the Agreement shall be extended to December 31, 2014. All other terms shall be as set forth in the Agreement.

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Amendment No. 1 on _____, 2013.

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

CAROLLO ENGINEERS, INC.
Hereinabove called "CONTRACTOR"

KONRADT BARTLAM
City Manager

NAME:
TITLE:

Attest:

RANDI JOHL-OLSON, City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney

CONTRACT EXTENSION AGREEMENT

CAROLLO ENGINEERS, INC.
SURFACE WATER TREATMENT FACILITY TRANSITION MANAGEMENT

THIS CONTRACT EXTENSION AGREEMENT, made and effective this 12th day of July, 2013, by and between the CITY OF LODI, a municipal corporation, hereinafter called "City", and CAROLLO ENGINEERS, INC., hereinafter called "Contractor."

WITNESSETH:

1. CONTRACT: Contractor and City, entered into a contract for Surface Water Treatment Facility Transition Management on April 24, 2012.
2. TERM AND TERMS: The term of this Contract Extension Agreement shall be for a period of 1 (one) year, commencing immediately and terminating June 30, 2014. All other terms and conditions will remain as set forth in the Contract for Surface Water Treatment Facility Transition Management attached hereto as Exhibit 1 and made a part hereof as though fully set forth herein.

IN WITNESS WHEREOF, City and Contractor have executed this Contract Extension Agreement on the date and year first above written.

CITY OF LODI, a municipal corporation
hereinabove called "City"

CAROLLO ENGINEERS, INC.
hereinabove called "Contractor"



 KONRADT BARTLAM, City Manager



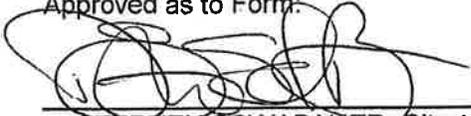
 Kathleen Marks, Vice President

Attest:



 RANDI JOHL-OLSON, City Clerk

Approved as to Form:



 D. STEPHEN SCWABAUER, City Attorney

AGREEMENT FOR PROFESSIONAL SERVICES

**ARTICLE 1
PARTIES AND PURPOSE**

Section 1.1 Parties

THIS AGREEMENT is entered into on April 24, 2012, by and between the CITY OF LODI, a municipal corporation (hereinafter "CITY"), and CAROLLO ENGINEERS, 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 Surface Water Treatment Facility Transition Management Services (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 1, 2012 and terminates upon the completion of the Scope of Services or on June 30, 2013, 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), 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 of the City of Lodi or its officers or agents.

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: Larry Parlin

To CONTRACTOR: Carollo Engineers, Inc.
2880 Gateway Oaks Drive, Suite 300
Sacramento, CA 95833
Attn: Kathy Marks

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 apply to this contract. In the event of a conflict between the terms of this contract 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:

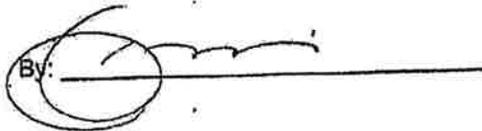


RANDI JOHL
City Clerk



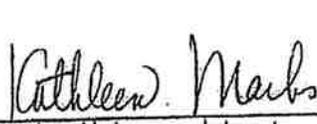
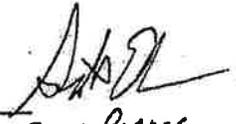
KONRADT BARTLAM, City Manager

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

By: 

Attachments:
Exhibit A - Scope of Services
Exhibit B - Fee Proposal
Exhibit C - Insurance Requirements

CONTRACTOR: Carollo Engineers, Inc.

By:  
Name: Kathleen Marks SCOTT PARKER
Title: Vice-President VICE-PRESIDENT

Funding Source: 180461
(Business Unit & Account No.)

Doc ID: Projects\Water\SWTF\PSA Carollo Engineers

CArev.01.2012

**City of Lodi
Surface Water Treatment Facility
Transition Management Services**

SCOPE OF SERVICES

INTRODUCTION

The City of Lodi is completing the construction of a new surface water treatment plant (SWTP) which will be using Pall Membranes to treat Mokelumne River water for domestic use. The SWTP was designed by HDR who is providing the engineering services during construction including the O&M Manual. The California Department of Public Health has told the City that they want operator staffing with Pall experience running this SWTP. A new supervisory control and data acquisition (SCADA) system will be implemented at the SWTP and will replace the existing well monitoring and control system. The City has requested that Carollo Engineers provide an engineer who has Pall experience to assist with the startup, training, and optimization of the SWTP.

The City has hired a chief operator and will hire four new operators and one electrician/instrumentation technician. The City will need assistance to determine the best way to get laboratory testing completed, heavy maintenance completed and SCADA maintenance completed.

The new SCADA system will control the existing wells and their new hypochlorite feed from plant. The system will also have to work with the 3 million gallon storage reservoir and use the City's water rights. The City has 1,000 acre feet (AF) of pre 1914 water rights consisting of 1,000 AF from October through March and 5,000 AF from March through October. In addition, the City has 1,000 to 2,000 AF of purchased water banked over the past 8 years that will have to be tracked and managed.

The SWTP construction contractor (Overaa) plans to start plant testing in July and turn the plant over to the City in August. Overaa appears to be on schedule. Based on this schedule the City would like these startup services to start no later than May 1, 2012.

It is understood by all parties that after startup, the SWTP will take several years to bring to normal optimized operation. This will include:

- Modifications to overcome supplied equipment deficiencies and issues that cannot be resolved during construction.
- Process optimization to produce best quality water, which will have to be determined based on plant actual treatment process performance.
- If the plant treatment process is direct filtration with Pall micro filtration (MF), it may require more MF optimization to produce better system availability (e.g., minimize cleanings and downtime). MF permeate quality is independent from raw water quality
- If there is a pretreatment process unit upstream of Pall MF, it may be worth optimizing it. For example, producing 2 NTU water with a clarifier upstream of the membranes is not necessary. 5 NTU won't make a difference and coagulant could be saved.
- Optimization to minimize staffing, electrical and chemical consumption

SCOPE OF SERVICES

The following listed tasks provide a laundry list of items that will require varying degrees of assistance depending on the staff availabilities and capabilities. The hours and fees for each of these tasks are estimates that will be adjusted between the tasks based on direction from staff.

- A. Assist to Develop Required Staff and Define Outsourced Activities**
 - a. Have Chief Operator
 - b. About to hire operators
 - c. Will hire Electrician/Instrumentation
 - d. Need to determine how lab work will be done, develop testing schedules and lab contracts for external analysis , and implement
 - e. Need to determine how heavy maintenance will be done, and implement
 - f. Need to determine how SCADA maintenance will be done, and implement

- B. Assist in Developing Standard Operating Procedures (SOP)**
 - a. Use HDR O&M and Operations Plan to develop
 - b. Use Pall Manuals to develop
 - c. Meet Regulatory Standards

- C. Performance Monitoring (Assist in Meeting Requirements to Maintain Warranties)**
 - a. Procedures to Maintain membranes
 - i. Normalized permeability - this is a very important consideration. Permeability is an intrinsic characteristic of the membrane. When normalized (e.g., typically at 20 deg-C) and monitored; it allows the operation staff to control the status of the membrane independently from the operations parameters. Feed pressure or transmembrane pressure may vary with water temperature and flow. The approach allows the operations staff to be proactive instead of being reactive, which means lower risk of being short in capacity because of a dirty membrane.
 - ii. Flushing
 - iii. Chemical Cleaning
 - 1. Backwash or reverse flow (RF)
 - 2. Forward flushing (FF)
 - 3. Maintenance Clean (Chemically Enhanced Backwash)
 - 4. Full Blown Cleaning (Clean-In-Place)
 - b. Review water quality data and operating data for the MF system every month
 - i. Monthly review
 - ii. Report deviations from expected performance immediately
 - c. Attend quarterly meetings to discuss current status of the MF membranes
 - d. Document the condition of the MF system quarterly

- D. Assist in Developing Maintenance Procedures**
 - a. Assist staff to select a computerized maintenance management system (CMMS)
 - b. Assist staff to input equipment into CMMS
 - c. Implement and optimize the maintenance management

- E. Operator Training – Formal classroom and "Hands-on" field training**
 - a. Operations
 - b. Maintenance
 - c. Instrumentation

- d. Control system
 - e. Laboratory
- F. Set Up Facility Testing and Acceptance Plan
- a. Testing for plant performance
 - b. Laboratory sampling and analysis
 - c. Process control
- G. Technical Assistance to Regulatory Issues (CDPH) and Operations
- a. Help develop plant regulatory submittals:
 - i. Operational Plan – in HDR scope
 - ii. Prepare a Stage 2 DBP Monitoring Plan for our distribution system
 - iii. Validation of Pressure Decay Integrity Testing. CDPH may require it before allowing the City to send the finished water to the distribution system.
 - iv. Disinfection (CT) basin tracer study
 - b. Submittal will be through City Management
 - c. Troubleshooting deviations from expected performance
 - d. Respond to questions from operating staff and City management
 - e. Advise the City on membrane replacement needs and schedules
 - f. Provide guidance on the development of improved membrane cleaning procedures
- H. SCADA Programming
- a. Provide Wonderware programming of the SCADA system to:
 - i. Assist with the integration of plant, wells, well head treatment
 - ii. Assist to develop a control system to use available surface water based on water rights
 - iii. Assist to set up and format reports for operation and CDPH
 - iv. Revise displays to provide needed information
 - v. adjust controls for minor equipment and instrument modifications needed
- I. Project Management
- a. Provide a monthly invoice and progress report
 - b. Coordinate staffing with project and City staff availability
 - c. Coordinate quality assurance and documentation

**EXHIBIT B
City of Lodi
Transition Management Services
Cost Proposal**



| Task Description | Hours by Classification | | | | | | | | | | Estimated Costs | | |
|---|--|--|--|---|---|------------------------|-------------|---------------|-------------------|-----------------|-----------------|-------------------|-------------------|
| | Erica Gillista Senior Professional \$249 | Vincent Riquelbert Senior Professional \$248 | Bradley Sessions Senior Professional \$230 | Jeff Janowiak Senior Professional 170 | Mark Weston Senior Professional 180 | Fee Scheduler \$151 | Doc \$96 | Other \$96 | PECE | Travel Expenses | Other Expenses | Subtotal | Estimate |
| Task A Assist to Develop Staff and Define Outsourced Activities | 8 | 40 | 40 | | | | 8 | 24 | \$ 6,670 | | \$ 200 | \$ 5,900 | |
| Task B Assist to develop SOPs | 40 | 40 | 40 | | | | 8 | 88 | \$ 19,650 | \$ 1,100 | \$ 1,500 | \$ 21,600 | |
| Task C Performance Monitoring | 48 | 56 | 24 | | | | 24 | 168 | \$ 36,340 | \$ 1,566 | \$ 2,700 | \$ 39,000 | |
| Task D Assist in Developing Maintenance Procedures | 8 | 24 | 24 | | | | 2 | 34 | \$ 7,700 | \$ 303 | \$ 1,400 | \$ 9,100 | |
| Task E Operator Training | 48 | 80 | 80 | 18 | | 18 | 16 | 178 | \$ 37,020 | \$ 1,672 | \$ 2,600 | \$ 41,300 | |
| Task F Set Up Facility Testing and Acceptance Plan | 40 | 40 | 40 | | | | 2 | 62 | \$ 18,350 | \$ 779 | \$ 2,100 | \$ 22,500 | |
| Task G Technical Assistance to Regulatory Issues and Operators | 40 | 40 | 40 | 60 | 120 | | 8 | 68 | \$ 18,830 | \$ 856 | \$ 500 | \$ 21,200 | |
| Task H SCADA Programming | 12 | 24 | 8 | | | | | 188 | \$ 91,240 | \$ 1,786 | \$ 1,000 | \$ 94,000 | |
| Task I Project Management | | | | | | | | 35 | \$ 8,960 | \$ 342 | \$ 300 | \$ 9,600 | |
| Total Hours and Fee | 312 | 258 | 344 | 76 | 120 | 16 | 50 | 884 | \$ 185,740 | \$ 8,398 | \$ 9,500 | \$ 178,000 | \$ 203,900 |

Notes:
 (1) Hourly billing rates of personnel are based on the estimated March 2012 Carroll fee schedule.
 (2) Other Expenses includes PECE at \$9.50 per hour, and travel expenses.
 Date: _____ March 27, 2012



Exhibit C

Insurance Requirements for Contractor The Contractor shall take out and maintain during the life of this contract, insurance coverage as listed below. These insurance policies shall protect the Contractor and any subcontractor performing work covered by this contract 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 contract, 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:

- | | |
|--|--|
| <p>1. <u>COMPREHENSIVE GENERAL LIABILITY</u> \$2,000,000 Ea. Occurrence \$2,000,000 Aggregate</p> | <p>2. <u>COMPREHENSIVE AUTOMOBILE LIABILITY</u> \$1,000,000 Bodily Injury - Ea. Person \$1,000,000 Bodily Injury - Ea. Occurrence \$1,000,000 Property Damage - Ea. Occurrence</p> |
| <p>3. <u>ERRORS AND OMISSIONS LIABILITY</u> \$1,000,000 Ea. Occurrence</p> | |

NOTE: 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 of insurance with the following endorsements shall be furnished to the City:

- (a) Additional Named Insured Endorsement
Such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed Boards, Commissions, Officers, Agents, Volunteers and Employees as additional named insureds.

(This endorsement shall be on a form furnished to the City and shall be included with Contractor's policies.)
- (b) Primary Insurance Endorsement
Such insurance as is afforded by the endorsement for the Additional Insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the insurance afforded by this endorsement.
- 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, 95241-1910; (2) The insurance certificate must state, on its face or as an endorsement, a description of the project that it is insuring.
- (c) 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.
- (d) 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 W. Pine St., Lodi, CA 95240.

Compensation Insurance The Contractor shall take out and maintain during the life of this contract, 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 contract 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. 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 W. Pine St., Lodi, CA 95240.

NOTE: No contract agreement will be signed nor will any work begin on a project until the proper insurance certificate is received by the Public Works Department. Please be sure your insurance company sends this certificate to the attention of the Public Works Department.



October 10, 2013

Mr. Larry Parlin
Deputy Public Works Director - Utilities
City of Lodi
Municipal Service Center
1331 South Ham Lane
Lodi, CA 95242

Subject: Surface Water Treatment Plant - Operations Assistance Services

Dear Mr. Parlin:

The purpose of this letter proposal is to present the scope of work for operations assistance services for the City of Lodi Surface Water Treatment Facility (SWTF).

BACKGROUND

The City began distributing water produced at the new SWTF on November 20, 2012. The SWTF treatment process includes a Pall membrane system. Under California Surface Water Treatment Rules (CSWTR), the membrane system is considered as an Alternative Filtration Technology (AFT). Within 60 days following the first full year of operation of a new alternative filtration treatment process approved by the California Department of Public Health (CDPH), the supplier (i.e., The District) shall submit an engineering report prepared by a qualified engineer describing the effectiveness of the plant operation.

The City is also interested in optimizing plant attendance. CDPH has provided guidance and indicated to the City that an alarm summary report and a standard alarm worksheet shall be developed.

OBJECTIVES

Objectives of the Operations Assistance Services are:

1. Comply with the requirements of the CSWTR and the CDPH
2. Assist the City in obtaining CDPH approval on unattended operations
3. Identify corrective actions that may need to be implemented

APPROACH

Our proposed scope of work is defined in Exhibit A.

PROJECT TEAM

Table 1 presents our proposed project team, which consists of the same individuals currently involved with the on-going work effort at the SWTF.

Mr. Larry Parlin
City of Lodi
October 10, 2013
Page 2

| Table 1 Carollo Personnel Operations Assistance Services City of Lodi | |
|--|-------------------------------|
| Personnel | Area of Responsibility |
| Kathy Marks, P.E. | Principal-in-Charge |
| Vincent Roquebert, P.E. | Project Manager |
| Keith Bourgeois, P.E. | Project Engineer |

TIME OF PERFORMANCE

Carollo will perform the activities identified in the present proposal between the Notice-to-Proceed and December 31, 2014. The draft One-Year Operations Report will be submitted to CDPH on or before January 20, 2014.

BUDGET

Exhibit B presents the proposed budget in accordance with the Scope of Services shown in Exhibit A. Our not-to-exceed fee estimate is **\$ 90,000**.

COMMERCIAL TERMS AND CONDITIONS

Our services will be provided in accordance with the terms and conditions included in our current agreement with the City.

We look forward to continuing our working relationship with you and your staff on these important reports and providing assistance where needed.

Should you require any further information, please do not hesitate to contact us.

Sincerely,

CAROLLO ENGINEERS, INC.



Kathy Marks, P.E.
Principal-in-Charge

VR:sjf

cc: Keith Bourgeois (Carollo-SAC)
Vincent Roquebert (Carollo-SDO)

EXHIBIT A SCOPE OF SERVICES

INTRODUCTION

All parties understand that it will take at least two years to bring the Surface Water Treatment Facility (SWTF) from its initial approval by the California Department of Public Health (DPH) (i.e., November 20, 2012) to optimal operation. The activities included in the optimization effort include but are not limited to:

- Improvements to overcome equipment deficiencies that could not be resolved as part of the construction contract.
- Treatment process optimization to minimize production costs. The optimization activities will be determined based on the actual treatment process configuration and performance
 - If the typical plant operational treatment process is direct filtration through the Pall micro filtration system (MF), optimization may be necessary to improve MF system availability (e.g., minimize cleanings and downtime). MF permeate quality is independent from MF feed water quality and will not require adjustment.
 - If typical plant operational treatment process includes clarification upstream of the MF, it may be worth optimizing it. For example, producing 2 NTU water with a clarifier upstream of the membranes is not necessary. Up to 5 NTU will not make a difference and coagulant could be saved.
- Operations alarm assessment to minimize staff attendance.

SCOPE OF SERVICES

The following tasks provide items that will require varying degrees of assistance depending on staff availabilities and capabilities between now and December 31, 2014. The hours and fees for each of these tasks are estimates that will be adjusted between the tasks based on the actual performance of the treatment process, and the operations staff instructions.

1. Regulatory Operations Assistance (Assist in meeting DPH Requirements)
 - a. Develop the One-Year Operation Report (1YOR). The engineering report shall be submitted within 60 days following the first full year of operation of a new alternative filtration treatment process such as MF. The objectives for the report are to review the operation of the MF system in terms of water quality, hydraulic performance, membrane integrity, and general maintenance issues. Tasks for the report include:
 - Task 1: Collect and analyze water quality and membrane integrity data
 - Task 2: Analyze the effectiveness of the plant operation compliance with the performance standards
 - Task 3: Collect and analyze data on operations and maintenance issues
 - Task 4: Prepare draft 1YOR
 - Task 5: Address CDPH comments and issue the final 1YOR

- b. Develop the alarm summary report and create the standard alarm worksheet for SWTF unattended operations
 - Task 1: Identify organizational requirements for SWTF operations staff and management
 - Task 2: Identify all critical alarms, their set points, and their outputs
 - Task 3: Identify critical activities and critical testing events that cannot be performed or cannot occur without a qualified operator at the site
 - Task 4: Develop a Standard Operations Procedure (SOP) that defines the response sequence that must be implemented to resolve the critical alarm issues and re-start the SWTF
 - Task 5: Develop a standard alarm worksheet
 - c. Assist in obtaining DPH approval on unattended operations
 - d. Assist with water quality in the distribution system and compliance with the Lead Copper Rule (LCR)
2. General Operations Assistance (Assist in Meeting Requirements to Maintain Warranties)
- a. Provide guidance on procedures to optimize membranes usage:
 - 1. Normalized permeability - this is a very important consideration. Permeability is an intrinsic characteristic of the membrane. When normalized (e.g., typically at 20 °C) and monitored; it allows the operation staff to control the status of the membrane independently from the operations parameters. Feed pressure or transmembrane pressure may vary with water temperature and flow. The approach allows the operations staff to be proactive instead of being reactive, which means lower risk of being short in capacity because of a dirty membrane.
 - 2. Flushing
 - 3. Cleaning and Chemical Cleaning Procedures
 - a. Backwash or reverse flow (RF)
 - b. Forward flushing (FF)
 - c. Maintenance Clean (Chemically Enhanced Backwash)
 - d. Full Blown Cleaning (Clean-In-Place)
 - a. Review water quality data and operating data for the MF system
 - b. Document the conditions of the MF system equipment and the membranes
 - c. Troubleshoot deviations from expected performance
 - d. Respond to questions from operations staff and City management
 - e. Advise the City management on membrane replacement planning
3. Project Management
- a. Provide monthly invoice and progress report
 - b. Coordinate staffing with project and City staff availability
 - c. Provide quality control review for deliverables

**EXHIBIT B
FEE ESTIMATE**

| DESCRIPTION | HOURS | FEE ESTIMATE (\$) |
|---|--------------|------------------------------|
| 1-Year Operation Report | 240 | 55,200 |
| Alarm Summary Report (Unattended Operations) | 90 | 20,700 |
| Technical Assistance Allowance | 64 | 14,720 |
| TOTAL | 394 | 90,000 |
| NOTE: For consistency, the fee estimate is based on the same average rate than the original proposal | | |

RESOLUTION NO. 2013-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE AN
AMENDMENT TO THE PROFESSIONAL SERVICES
AGREEMENT FOR SURFACE WATER TREATMENT
PLANT TRANSITION MANAGEMENT SERVICES WITH
CAROLLO ENGINEERS, INC.

=====

WHEREAS, on April 18, 2012, City Council approved a Professional Services Agreement with Carollo Engineers, Inc., to provide Surface Water Treatment Plant transition management services. These services include technical support and assistance with the Pall membrane system, review of plant operations and performance data, and assistance with special studies required by the California Department of Public Health which regulates the facility; and

WHEREAS, Carollo has successfully provided these services, and their continued assistance is important as the Surface Water Treatment Plant transitions to unattended operation in early 2014; and

WHEREAS, staff recommends amending the Professional Services Agreement with Carollo Engineers, Inc., to continue providing Surface Water Treatment Plant transition management services on a time-and-materials basis for an amount not to exceed \$90,000 through December 31, 2014.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute an amendment to the Professional Services Agreement for Surface Water Treatment Plant Transition Management Services with Carollo Engineers, Inc., of Sacramento, California, in an amount not to exceed \$90,000, through December 31, 2014.

Dated: November 6, 2013

=====

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL-OLSON
City Clerk

2013-_____



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Authorize City Manager to Execute Agreement Extending Term of the Northeastern San Joaquin County Groundwater Banking Authority Joint Powers Agreement

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Authorize City Manager to execute agreement extending term of the Northeastern San Joaquin County Groundwater Banking Authority Joint Powers Agreement.

BACKGROUND INFORMATION: The City has participated in the Northeastern San Joaquin County Groundwater Banking Authority (GBA) since its inception in 2001. This joint powers authority was formed as a successor to the East San Joaquin Parties Water Authority to further plan and set in motion projects to enhance our groundwater basin.

In 2006, the GBA Board recommended an amendment to the agreement to extend the sunset date to June 30, 2008; in 2008, it was extended to June 30, 2009; in 2009, it was extended to June 30, 2011; in 2011, it was extended to June 30, 2012; and in 2012, it was extended to June 30, 2013. At this time, the GBA Board recommends an agreement to extend the sunset date to June 30, 2015. The other terms of the agreement remain the same, including the City's annual "dues" of \$20,000. Staff is in support of this recommendation. Copies of the amendments and the current agreement are attached.

FISCAL IMPACT: The City's annual contribution to the Authority has been \$20,000 per year over recent years, as well as staff time participating in various meetings. The City receives various benefits from participation in the Authority; including information sharing, participation in studies partially funded by grants, future grant fund potential and general support for area water supplies.

FUNDING AVAILABLE: Water Fund (180451)

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

FWS/pmf
Attachments
cc: Deputy Public Works Director – Utilities

APPROVED: _____
Konradt Bartlam, City Manager

**JOINT EXERCISE OF POWERS AGREEMENT
EASTERN SAN JOAQUIN COUNTY
GROUNDWATER BASIN AUTHORITY**

THIS AGREEMENT is made by and among the San Joaquin County Flood Control and Water Conservation District (“County District”), the City of Stockton (“Stockton”), the City of Lodi (“Lodi”), Stockton-East Water District (“SEWD”), Central San Joaquin Water Conservation District (“Central”), Woodbridge Irrigation District (“Woodbridge”), North San Joaquin Water Conservation District (“NSJWCD”), City of Manteca (Manteca), South San Joaquin Irrigation District (SSJID), Central Delta Water Agency (“Central Delta”) and South Delta Water Agency (“South Delta”) collectively called the “Members”. The Members hereby agree as follows:

**ARTICLE I
GENERAL PROVISIONS**

Section 1.01. Creation of Authority. Pursuant to California Government Code Section 6500 et seq. there is hereby created a public entity to be known as the “Eastern San Joaquin County Groundwater Basin Authority” which shall be a public entity separate and apart from the Members, and shall administer this Agreement.

Section 1.02. Purpose. The purpose of this Agreement is to provide a consensus-based forum of public water interests concerning Eastern San Joaquin County that will work cooperatively with unanimity toward achieving the goal as defined in Section 1.03 and speak on behalf of the Members with one voice.

Section 1.03. Goal. The long-term goal of the Authority is to facilitate the development of locally supported projects that improve water supply reliability and/or improve groundwater level in Eastern San Joaquin County and to provide benefits to project participants and San Joaquin County as a whole. The Authority’s short-term goals are as follows:

- (a) To develop and maintain the Eastern San Joaquin County Integrated Regional Water Management Plan (IRWMP).
- (b) To facilitate the financing and construction of specific projects contained in the adopted IRWMP.
- (c) To apply for grant funding to support the activities of the Authority, its member agencies, and San Joaquin County as a whole

ARTICLE II
POWERS

Section 2.01. Powers. The Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of the foregoing powers including, but not limited to the making and entering into contracts.

Section 2.02. Restrictions on Exercise of Powers. The powers of the Authority shall be exercised in the manner provided in Government Code Section 6509 et seq., and to the restrictions upon the manner of exercising such powers that are imposed upon the County District in the exercise of similar powers.

ARTICLE III
GOVERNING BODY

Section 3.01. Governing Board. The Authority shall be administered by a Board of Directors ("Board"), one appointed by each of the Member entities with a designation of two alternative Directors to serve as a replacement for the appointed Director as needed, to serve at the pleasure of their appointive governing body. The Board shall be called the "Eastern San Joaquin County Groundwater Basin Authority Board". All voting power of the Authority shall reside in the Board.

- A. The governing body of the Authority shall be a Board of Directors ("Board") which shall consist of Directors who shall be appointed as follows:
 - (1) A representative of the governing body of each Member as appointed by the Member entities.
 - (2) A representative of the following private water purveyors or investor owned utilities, as appointed by the City of Stockton:

California Water Service Company

- B. Prior to the appointment to the Board of the Directors described in subsection (A)(2) above, those represented entities shall submit a recommendation for appointment to the appointing authority. The appointing authority shall give consideration to such recommendations, but shall retain the absolute discretion to appoint any person satisfying the criteria for appointment.
- C. The Members shall appoint one or more persons with the required qualifications to serve as alternate Directors of the Board in the same manner as the Director is appointed by the Members. Any such alternates shall be empowered to cast votes in the absence of the regular Directors

or, in the event of a conflict of interest preventing the regular Director from voting, to vote because of such a conflict of interest.

Section 3.02. Meetings of the Board. The Board shall provide for calling and conducting its regular meetings and special meetings, in accordance with Government Code Section 54950 et seq.

Section 3.03. Minutes. The Secretary shall cause to be kept summary minutes of the meetings of the Board and shall, as soon as possible after each meeting, cause of copy of the summary minutes to be forwarded to each Director and to each of the Members.

Section 3.04. Voting. Each Director shall have one vote.

Section 3.05. Quorum; Required Votes; Approval. A quorum of the Board for the convening of any meeting shall consist of a majority of all Directors, or designated alternative Director. An affirmative vote of at least a majority of all Directors present in a quorum of the Board, or designated alternative Director shall be required for any action of the Board. Directors from member agencies who are delinquent in any past or present monetary contributions will be asked to voluntarily abstain from voting on all matters.

Section 3.06. Bylaws. The Board shall adopt bylaws and governing regulations consistent with this agreement, which may be amended from time to time, for the conduct of its meetings as are necessary for the purposes hereof.

ARTICLE IV OFFICERS AND EMPLOYEES

Section 4.01. Chair, Vice-Chair, and Secretary. The Board member from the County District shall be the Chair and in the Board member's absence the alternate member from County District shall act as Chair. The Board shall elect a Vice-chair from among the Directors. The Vice-chair shall serve at the pleasure of the board, shall perform the duties normal to said office, and

- A. The Chair shall represent the Board as directed by the Board and perform such other duties as may be imposed by said Board;
- B. The Vice-chair shall act and perform all of the Chair's duties in the absence of the Chair; and
- C. The San Joaquin County Director of Public Works shall be the Secretary and provide staff to the Authority. The Secretary shall act on behalf of the Authority and perform such other duties as may be imposed by the Board.
- D. The Chair, Vice-chair, or Secretary or his designee may sign all contracts and agreements as approved by the Board.

Section 4.02. Treasurer and Auditor.

A. The County Treasurer shall be the depository, shall have custody of all the money of the Authority from whatever source, and shall have the duties and obligations of the Treasurer as set forth in Government Code Sections 6505 and 6505.5. The County Treasurer shall be responsible for receiving quarterly reports from the Secretary and verifying the balance of this report with respect to the balance as maintained by the records of the County Auditor.

B. The County Auditor shall have the duties and obligations of the Auditor set forth in Government Code Sections 6505 and 6505.5. The County Auditor shall assure strict accountability of all receipts and disbursements of the Authority and shall make arrangements with a certified public accountant or firm of certified public accountants for the annual audit of accounts and records of the Authority.

Section 4.03. Officers in Charge of Records; Funds; and Accounts. Pursuant to Government Code Section 6505.1, the County Treasurer shall have charge of, handle and have access to all accounts, funds and money of the Authority and all records of the Authority relating thereto; and the Secretary shall have charge of, handle and have access to all other records of the Authority.

Section 4.04. Employees and Consultants. The Board may make recommendations to the County District for the employment of employees or consultants to provide services to the Authority to accomplish the purposes of the Authority. The County District may employ employees and consultants and may execute contracts, supervise and direct, and provide payment for such employees and consultants.

ARTICLE V
ACCOUNTS AND REPORTS: FUNDS

Section 5.01. Accounts and Reports. The County Auditor shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Authority shall be open to inspection at all reasonable times by the public and representatives of the Members. The Auditor, within 120 days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to the Members.

Section 5.02. Funds. The County Treasurer shall receive, have the custody of and disburse Authority funds on warrants drawn by the County Auditor as nearly as possible in accordance with generally accepted accounting practices, shall make the disbursements required by this Agreement, or to carry out any of the provisions or purposes of this Agreement.

Section 5.03. Annual Budget. The Board shall adopt a budget for the Authority. The County District shall provide funds as set forth in the adopted budget which shall be limited to planning activities when using Zone 2 funds. Other member agencies shall make contributions

which shall be included in the budget adopted by the Board. A Member's affirmative vote to approve a budget does not constitute consent to finance or otherwise participate in any project or projects within that budget.

Section 5.04. Intention for Reimbursement for Expenditures From Bond Proceeds. It is the intention of the Members that the advancement of monies by any Members for the expenses of the operational needs of the Authority may be reimbursed from the proceeds of bonds, if issued, for the water development projects undertaken by the Authority or by its successor organization, by vote of the Board.

ARTICLE VI ASSOCIATE MEMBERSHIP

Section 6.01. The San Joaquin County Farm Bureau may be an associate member of the Authority with a representative serving as an associate member on the Board of the Authority. Associate members shall be entitled to participate in the meetings and discussions of the Board but associate members shall not have the power to vote on any action to be taken by the Authority or to become an officer or Director of the Authority.

ARTICLE VII CONTEMPLATED PROJECT

It is contemplated that some or all of the Members will enter into subsequent agreements for the construction, operation, and maintenance of a project. Participation in this Agreement is not a firm commitment by any individual Member to enter into a project. This Agreement shall not prohibit independent projects by Members.

ARTICLE VIII TERM; WITHDRAWAL; TERMINATION

Section 7.01. Term. The Members hereby agree to establish the Eastern San Joaquin County Groundwater Basin Authority, through June 30, 2015. The term may be automatically extended to coincide with the fulfillment of any outstanding agreements or contracts. The Board may also take action to extend the term of this agreement.

Section 7.02. Withdrawal of Member. A Member may terminate its Membership in the Authority at any time upon giving written notice of the withdrawal to the Authority.

Section 7.03. Disposition of Assets. Upon termination of this Agreement, all remaining net assets of the Authority, both real and personal, shall be transferred to the County District.

ARTICLE IX MISCELLANEOUS PROVISIONS

Section 8.01. Amendments. This Agreement may be amended by the Board at any time, or from time to time.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year set opposite the name of the parties.

ATTEST: MIMI DUZENSKI
Clerk of the Board of Supervisors
of the San Joaquin County Flood
Control and Water Conservation District

By _____ (SEAL)
Deputy Clerk

SAN JOAQUIN COUNTY FLOOD
CONTROL AND WATER CONSERVATION
DISTRICT

By _____
KEN VOGEL, Chairman
Board of Supervisors
"COUNTY DISTRICT"

ATTEST:

CLERK

CITY OF STOCKTON, a municipal
corporation of the State of California

By: _____
Title: _____
"STOCKTON"

ATTEST:

CLERK

APPROVED AS TO FORM:

D. Stephen Schwabauer, City Attorney 
ATTEST:

CITY OF LODI, a municipal corporation
of the State of California

By: _____
Title City Manager
"LODI"

STOCKTON-EAST WATER DISTRICT

CLERK

By: _____
Title: _____

ATTEST:

“SEWD”
CENTRAL SAN JOAQUIN WATER
CONSERVATION DISTRICT

CLERK

By : _____

Title: _____

“CENTRAL”

ATTEST:

WOODBIDGE IRRIGATION DISTRICT

CLERK

By: _____

Title: _____

“WOODBIDGE”

ATTEST:

NORTH SAN JOAQUIN WATER
CONSERVATION DISTRICT

CLERK

By: _____

Title: _____

“NSJWCD”

ATTEST:

CITY OF MANTECA, a municipal
corporation of the State of California

CLERK

By: _____

Title: _____

“MANTECA”

ATTEST:

SOUTH SAN JOAQUIN
IRRIGATION DISTRICT

CLERK

By: _____

Title: _____

“SSJID”

ATTEST:

CENTRAL DELTA WATER AGENCY

CLERK

By: _____

Title: _____

“CENTRAL DELTA”

ATTEST:

SOUTH DELTA WATER AGENCY

CLERK

By: _____

Title: _____

“SOUTH DELTA”

APPROVED AS TO FORM:

By _____
LAWRENCE P. MEYERS
Deputy County Counsel



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Approving the Cost Sharing Fee for Fiscal Year 2013/14 Between the City of Stockton and Sirsi, Corp. (\$24,850)

MEETING DATE: November 6, 2013

PREPARED BY: Library Director

RECOMMENDED ACTION: Adopt resolution approving the cost sharing fee for Fiscal Year 2013/14 between the City of Stockton and Sirsi, Corp. (\$24,850)

BACKGROUND INFORMATION: In 2003, as authorized by the City Council, the Lodi Public Library entered into a contract with Stockton San Joaquin County Library System to share an Integrated Library System (ILS) provided by Sirsi Corporation. The Sirsi ILS integrates all the functions of the library (including materials acquisition, cataloging, circulation, patron record management, etc.) together in one automated system. It allows users online access to the catalog to search for library materials, and access to their accounts via the Internet to place holds and to receive email notification of holds, overdues, and due date reminders. The integrated library system maintains all the records of items in the collection and registered borrowers and their status in relation to each other. The contract requires the parties to annually agree on a fee structure for the Sirsi services to the Lodi Library.

City of Stockton Information Technology Department staff provides computer technology services and Stockton Library staff members consult on implementation of the system and software as needed. Lodi's system maintenance costs charged by Sirsi Corporation are directly passed through from Stockton. Lodi shares a percentage of connectivity charges based on the percentage of peripheral equipment connected to the system. Charges for the City of Stockton staffing expertise and consultation are charged annually for estimated services rendered. This year, Stockton proposes that Lodi pay \$24,850 under the contract, a 14 percent decrease from 2012/13.

FISCAL IMPACT: Sharing library resources with the City of Stockton is a cost-effective way to provide Lodi Public Library patrons with convenient, online access to library materials and resources.

FUNDING AVAILABLE: 210801.7323; \$24,850

Jordan Ayers, Deputy City Manager

DG/jmr

Dean Gualco, Library Director

APPROVED: _____
Konradt Bartlam, City Manager

RESOLUTION NO. ____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING THE ANNUAL SHARED AUTOMATION FEE STRUCTURE FOR THE AGREEMENT BETWEEN THE CITY OF STOCKTON AND SIRSI, CORP., INTEGRATED LIBRARY SYSTEM, AND APPROVING COST SHARING FEE FOR 2013/14 BUDGET YEAR

WHEREAS, in 2003, as authorized by the City Council, the Lodi Public Library entered into a contract with Stockton San Joaquin County Library System to share an Integrated Library System provided by Sirsi Corp; and

WHEREAS, City of Stockton Information Technology department staff provides computer technology services and Stockton Library staff members consult on implementation of the system and software as needed; and

WHEREAS, Lodi's system maintenance costs charged by Sirsi Corporation are directly passed through from Stockton; Lodi shares a percentage of connectivity charges based on the percentage of peripheral equipment connected to the system; charges for the City of Stockton staffing expertise and consultation are charged annually for estimated services rendered; and

WHEREAS, staff recommends paying the City of Lodi's annual share of \$24,850 for the Sirsi Corp., Integrated Library System for fiscal year 2013/14 as shown on Invoice No. 320300 attached hereto marked Exhibit A.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the Annual Shared Automation Fee Structure for the agreement between the City of Stockton and Sirsi, Corp., Integrated Library System, and approve cost sharing fee for the 2013/14 budget year in the amount of \$24,850 as shown on Exhibit A attached.

Dated: November 6, 2013

I hereby certify that Resolution No. ____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL-OLSON
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Authorizing the Chief of Police to Enter Into an Agreement with the Department of Homeland Security Organized Crime Drug Enforcement Task Force

MEETING DATE: November 6, 2013

PREPARED BY: Mark Helms, Chief of Police

RECOMMENDED ACTION: Adopt Resolution Authorizing the Chief of Police to Enter Into an Agreement with the Department of Homeland Security Organized Crime Drug Enforcement Task Force

BACKGROUND INFORMATION: The Organized Crime Drug Enforcement Task Force (OCDETF) was developed and implemented in 1982. Since then, OCDETF has operated a program designed to reimburse State and Local law enforcement agencies for the overtime costs of sworn officers incurred while assisting in OCDETF Investigations or approved Strategic Initiatives.

This MOU outlines the reimbursement guidelines and funding requirements. This action is to formalize a long-standing agreement between Lodi Police Department and the United States Homeland Security Investigations.

FISCAL IMPACT: Revenues and appropriation are included in the FY 2013/14 budget.

FUNDING AVAILABLE: Not applicable

Jordan Ayers
Internal Services Director/Deputy City Manager

Mark Helms
Chief of Police

MH:po
cc: City Attorney

APPROVED:

Konradt Bartlam, City Manager

ADDENDUM A

OCDETF Pacific Region

Definition of “Full-Time Participation”

The OCDETF State and Local Overtime Program is designed to only reimburse overtime costs incurred by officers working full-time on OCDETF cases. In order to comply with the requirement that an officer/agent work full-time, the officer/agent must:

1. Be assigned to work on OCDETF matters full-time and work forty (40) hours per week on a single OCDETF investigation or multiple OCDETF investigations. Overtime in excess of 40 hours will then be reimbursed.
2. If the officer/agent is not exclusively assigned to work full-time on OCDETF matters, then overtime can be reimbursed if the officer/agent worked eight (8) hours regular time in a given day on the OCDETF investigation before claiming any overtime. Overtime in excess of eight (8) hours will then be reimbursed.

Exceptions to the “Full-Time Participation Rule”

There are limited circumstances where OCDETF State and Local Overtime funding may be made available for use where investigations have emergency needs for overtime funding or where scarce resources preclude ‘full-time participation’ by a participating local agency. These circumstances include the following:

1. Unforeseen Emergency Circumstances

Occasionally dedicated OCDETF resources cannot handle a particular enforcement action, such as an unexpected surveillance; or reaction to unforeseen circumstances requires additional non-federal resources and the investigation would suffer without those additional resources. In those circumstances incurred overtime may be reimbursed without the officer/agent having worked an eight (8) hour shift dedicated to the OCDETF investigation, provided that the OCDETF overtime is done at the request of a supervisor of a sponsoring federal agency in the district where the investigation is being conducted.

Under no circumstances will more than sixteen (16) hours of claimed overtime for any officer be reimbursed under this exemption provision without the prior approval of: (1) the supervising/sponsoring federal agency in the district where the investigation is being conducted; (2) the OCDETF Coordinator for the sponsoring federal agency; and (3) the Regional OCDETF Core City Coordinator (or his designee the Core City Executive Assistant).

Reimbursement under such circumstances will be limited to the overtime incurred in response to the unforeseen circumstances; *i.e.*, when the enforcement action is complete, no additional overtime will be reimbursed without compliance with #1 and #2 listed above. A memorandum of justification for a waiver of the "Full-Time Participation Rule" must be submitted with any claim for reimbursement.
Agreement (FY12), Page 7

2. Other Exceptions

Any other deviation from the above overtime reimbursement "full-time participation" policy, including situations where a state or local agency has insufficient personnel to allow the "full-time" commitment of officers/agents, requires a memorandum of justification for waiver or exemption. No overtime expenses will be paid under this exception without a waiver memorandum. This memorandum from the officer/agent's agency must be sent to the sponsoring federal agency Regional OCDETF Coordinator and the AUSA Core City Coordinator. It must be *APPROVED IN ADVANCE* of the performance of any overtime activity which does not comply with the "Full-Time Participation Rule".

Acknowledged: Alvin [Signature] Police Chief 10/25/13
Authorized State or Local Official Title Date
(Name and Signature)

Approved as to form [Signature]
City Attorney

RESOLUTION NO. 2013-_____

ADOPT RESOLUTION AUTHORIZING THE CHIEF OF POLICE TO ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF HOMELAND SECURITY ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCE

=====

WHEREAS, The Organized Crime Drug Enforcement Task Force (OCDETF) was developed and implemented in 1982; and

WHEREAS, OCDETF has operated a program designed to reimburse State and Local Law Enforcement Agencies for the overtime costs of sworn officers incurred while assisting in OCDETF Investigations or approved Strategic Initiatives; and

WHEREAS, this MOU outlines the reimbursement guidelines and funding requirements; and

WHEREAS, this action is to formalize a long-standing agreement between Lodi Police Department and the United States Homeland Security Investigations.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the Chief of Police to enter into an agreement with the Department of Homeland Security Organized Crime Drug Enforcement Task force.

Date: November 6, 2013

=====

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the Lodi City Council in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL-OLSON
City Clerk

2013-_____



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Authorizing the City Manager and Lodi Police Department Chief of Police to enter into an MOU with the California Highway Patrol Delta RATT Taskforce

MEETING DATE: November 6, 2013

PREPARED BY: Mark Helms, Chief of Police

RECOMMENDED ACTION: Adopt resolution authorizing the City Manager and Lodi Police Department Chief of Police to enter into an MOU with the California Highway Patrol Delta RATT Taskforce.

BACKGROUND INFORMATION: In an effort to suppress vehicle theft crimes and address mounting public concern, the California Legislature passed into law Senate Bill 2139 (Vehicle Code Section 9250.14). On February 4, 1992, the San Joaquin County Board of Supervisors passed and adopted a resolution pursuant to Vehicle Code Section 9250.14 to fund local agency programs which combat vehicle theft. On July 1, 1996, a Memorandum of Understanding (Exhibit A) was entered into between the San Joaquin County Chiefs of Police, Sheriff's Office, District Attorney's Office, and the California Highway Patrol to establish the San Joaquin County Auto Theft Task Force; later renamed the Delta Regional Auto Theft Team (Delta RATT). The Memorandum of Understanding outlines the participation and requirements of the City and the Delta Regional Auto Theft Task Force. The Team is staffed with sworn detectives/investigators from law enforcement agencies within San Joaquin County.

The Lodi Police Department has participated in Delta RATT since 1996, with one full-time sworn police officer assigned to the auto theft team. As allocated by the Executive Board, a portion of the salary and benefits of the Lodi Police Department detective assigned to the team is reimbursed by the Auto Theft Team fund. Acceptance of these grant funds allow the City to provide services with funds other than the General Fund. The purpose of this action is to formalize the long-standing partnership with Delta RATT.

FISCAL IMPACT: Revenues and appropriation are included in the FY 2013/14 budget

FUNDING AVAILABLE: Not applicable

A handwritten signature in black ink, appearing to read "Jordan Ayers".

Jordan Ayers
Deputy City Manager/Internal Services Director

A handwritten signature in black ink, appearing to read "Mark Helms".

Mark Helms, Chief of Police

MH/FM/PO/pjt
cc: City Attorney

APPROVED:

A handwritten signature in black ink, appearing to read "Konradt Bartlam".

Konradt Bartlam, City Manager



MEMORANDUM OF UNDERSTANDING

2013 - 2015

MEMORANDUM OF UNDERSTANDING

DELTA REGIONAL AUTO THEFT TEAM

I. OVERVIEW

In an effort to suppress vehicle theft crimes and address mounting public concern, the California Legislature passed into law Senate Bill 2139 (Vehicle Code Section 9250.14). This bill authorizes the Board of Supervisors to impose a one dollar fee on all passenger vehicles and a two dollar fee on all commercial vehicles registered in the County to enhance the capacity of local law enforcement and prosecutors to deter, investigate, and prosecute vehicle theft crimes.

On February 4, 1992, the San Joaquin County Board of Supervisors passed and adopted a resolution pursuant to Vehicle Code Section 9250.14 to specifically fund local agency programs which combat vehicle theft. On July 1, 1996, a memorandum of understanding was entered into between the San Joaquin County Chiefs' of Police, Sheriff's Office, District Attorney's Office and the California Highway Patrol to establish the San Joaquin County Auto Theft Task Force. The task force was later renamed the Delta Regional Auto Theft Team (Delta RATT).

II. MISSION

To reduce the incidence of vehicle theft through vehicle theft education, interagency cooperation, maximized apprehensions and enforcement, and enhanced prosecution of the active vehicle thief.

A. Objectives

1. Increase the number of arrests and convictions of vehicle theft suspects.
2. Gather and disseminate vehicle theft and/or criminal intelligence information to affected agencies in a timely manner.
3. Identify locations which are used in connection with vehicle theft offenses, and take appropriate enforcement action.
4. Identify local trends and patterns of vehicle theft activity to be targeted by the Task Force and patrol personnel.
5. Increase the recovery rate of stolen vehicles within San Joaquin County.

6. Provide assistance to individual agencies, upon an approved request, on specific vehicle theft problems within their respective jurisdiction.
7. Provide training in the area of vehicle theft to law enforcement personnel within San Joaquin County.
8. Increase public awareness and provide prevention education to curb vehicle theft in San Joaquin County.
9. Prosecute auto theft and auto theft related cases more vigorously with the goal of increasing the punishment for these crimes.

III. TASK FORCE ORGANIZATION

A. Executive Board

The Executive Board of Delta RATT (Task Force) should consist of the Chiefs of Police, Sheriff, California Highway Patrol Commander of the Valley Division Special Services Unit, Chief Probation Officer and District Attorney.

B. Advisory Committee

A designee of the department head from each participating agency should serve on the Task Force Advisory Committee, which should be responsible for monitoring the operations and progress of the Task Force operations and procedures, and to provide guidance and input to the Task Force Commander. Members of the Committee should meet twice yearly, or as requested by committee members to review Task Force operations and to provide directions, review long range goals and objectives and discuss other issues identified relevant to the Task Force. The Task Force Commander shall serve as the chairperson of the Advisory Committee. Quorum voting of the Committee shall be by majority vote. A quorum shall be defined as no less than five members and shall be by Advisory Committee members only. Committee vacancies should be filled by the participating agency head.

C. Task Force Commander

Commensurate with its role as the statewide coordinator for auto theft enforcement, the California Highway Patrol (CHP) will provide a lieutenant from its Valley Division Investigative Services Unit to serve as Commander of the Task Force. The Commander will be responsible for overall management of the Task Force and will provide regular reports to the Executive Board. The Commander will dedicate that amount of time necessary to efficiently manage the Task Force.

The Commander's salary and benefits will not be reimbursed by the Task Force fund.

D. Supervision

The California Highway Patrol will provide a Sergeant as a full-time supervisor of the Task Force. The CHP Sergeant will report directly to the Task Force Commander, and will have the primary responsibility for supervision of all Task Force unit members.

The Supervisor's salary and benefits will not be reimbursed by the Task Force fund.

E. Prosecution Staff

The San Joaquin County District Attorney's Office will assign a Deputy District Attorney to vertically prosecute auto theft cases. The assigned prosecutor will be considered a unit member and will also provides guidance during the preparation of cases for trial.

A portion of the vertical prosecutor's salary and benefits will be reimbursed by the Task Force fund as allocated by the Executive Board.

F. Administrative Support Staff

The San Joaquin County Sheriff's Office will provide one full time clerical position to support Task Force office operations and other duties as assigned by the task force supervisor. Other activities needing administrative staff support will include, but not be limited to, general accounting activities such as quarterly and annual activity reports for review by the Advisory Committee. These administrative functions will be accomplished by the Task Force Commander through delegation as necessary.

The clerical position salary and benefits will be reimbursed by the task force fund.

G. Detectives/Investigators

Task Force investigative positions shall be staffed by sworn detectives/investigators from law enforcement agencies within San Joaquin County. Investigative personnel shall perform the enforcement functions of the Task Force, and conduct auto theft investigations on a full time basis. These tasks include, but shall not be limited to; suspect apprehension, case development, investigative follow-up, parole and probation sweeps, pro-active auto theft and other related operations, Delta RATT liaison to allied agencies and public and allied agency education and training on auto theft.

The salary and benefits of CHP investigators assigned to the Task Force will not be reimbursed by the Task Force fund.

As allocated by the Executive Board, a portion of the salary and benefits of other detectives assigned to the team may be reimbursed by the Task Force fund.

H. Probation Officer

A San Joaquin County Probation Officer shall be assigned to the Task Force to maintain, analyze, and disseminate case information on probationers with auto theft related violations. Working with the team full time, the probation officer shall also be key in preparing and performing pro-active sweeps, contacts and searches. As needed, the probation officer will prepare necessary documentation connected to probation violation arrests or warrants.

A portion of the probation officer's salary and benefits will be reimbursed by the Task Force fund as allocated by the Executive Board.

I. Evidence Technician

The San Joaquin County Sheriff's Office will provide one part-time evidence technician to support task force operations. The technician salary will be reimbursed by the Task Force fund.

J. Personnel

Personnel assignments to the Task Force shall generally be for a minimum of two years, but may be extended by mutual agreement of the Task Force Commander and the Task Force member's parent agency. Personnel not meeting acceptable standards of performance or refusing to comply with Task Force policies and procedures, may be removed from the Task Force and transferred back to his/her department. If the Task Force Commander has cause to remove a member, he/she shall discuss the issue with the participating agency. It is agreed, however, that the resolution of operational problems will be accomplished at the lowest level and in the best interest of Delta RATT.

Scheduling of Task Force personnel shall be the responsibility of the Task Force Supervisor in accordance with the overtime policies or guidelines of the members' respective parent agencies. Whenever practical, the supervisor shall discuss overtime scheduling with the parent agency prior to the time such hours are worked.

Personnel assigned to the Task Force shall be deemed to be continuing under the employment of their respective jurisdictions, and shall have the same powers, duties, privileges, responsibilities, and immunities as are conferred upon them as peace officers in their own jurisdictions.

All terms and conditions of an employee's labor contract shall be in full effect, and shall be abided by, even though the employee is assigned to the Task Force.

Whenever a Task Force funded position remains vacant for more than sixty (60) consecutive calendar days due to illness or injury, the position should be filled by the participating agency consistent with its provisions for the selection of personnel for the Task Force. The involved agency should attempt to replace personnel without delay.

IV. FISCAL PROCEDURES

Task Force funding will come from the amounts provided to San Joaquin County pursuant to Vehicle Code section 9250.14 and will be used to pay for the purposes specified in that section. The Task Force supervisor will present an annual budget to the Executive Board for approval and will report expenses to the Executive Board on a regular basis. The annual budget will reflect salary and benefit allocations for each of the reimbursable Task Force positions. Any unused funds received under this section in excess of those budgeted for task force expenses shall be retained in the trust fund or distributed to the participating departments as determined by the Executive Board.

V. LIABILITY

Each agency participating in this Task Force shall be responsible for the acts of its respective participating agents, as well as for any losses, damages, claims, demands, or other liabilities arising out of that agent's services and activities while participating in the Task Force. Each participating agency shall also be liable for any and all worker's compensation benefits for personnel who are employed by them and injured in the course and scope of their duties while assigned to this Task Force.

Each participating agency, insofar as it may legally do so, agrees to hold harmless all other participating agencies, their officers, agents, and employees from and against any and all claims and demands whatsoever resulting from their negligence or omissions in connection with the acts related to this agreement.

VI. OPERATIONAL LOCATION

The task force will be based in its own facility. Appropriate space will be leased and paid for by the California Highway Patrol to house task force participants, operations and equipment. The Task Force office will be located within San Joaquin County.

VII. EQUIPMENT

The Task Force Commander will be accountable for equipment assigned to the Task Force and will provide for the accounting of, and safeguarding of fixed assets. The CHP shall provide the Task Force with office space, office furniture and equipment, and office telephone. The contributions of other participating agencies will be negotiated, and will be based on what items and funding each agency has available. It is anticipated that participating agencies will provide

personal safety equipment, and miscellaneous surveillance items in support of their assigned personnel. All equipment provided by an individual agency shall remain the property of that agency, and shall be returned upon termination of that agency's participation in the Task Force.

A. Vehicles

Each participating agency is required to supply a vehicle for each employee assigned to an investigative, probation, or evidence technician position within the Task Force. When available, agencies may procure vehicles for use in the Task Force through a purchase program coordinated by the National Insurance Crime Bureau. The host agency is responsible for outfitting its vehicle with basic emergency lighting, safety and communications equipment as normally equipped for unmarked use. In addition low-band vehicle radios, as available, will be provided and installed by the California Highway Patrol. Antennas/cables to support State radios will be paid for with Task Force Funds.

B. Communication Equipment

Hand held radios will be provided by the California Highway Patrol. Other Task Force communication equipment, including cellular telephones, "air cards" and monthly cellular telephone bills will be paid for with Task Force funds. The Task Force members will be provided this equipment. Procedures will be developed to ensure proper use and accountability for the equipment.

C. Additional Equipment

The Task Force may provide surveillance equipment, binoculars, cameras, etc. to members from Task Force inventory. Additional or replacement equipment may be purchased by the Task Force fund.

The San Joaquin County Sheriff's Office shall be responsible for obtaining and maintaining a San Joaquin County Criminal Justice Information System (CJIS) computer link to the Task Force Office. Additional computers and replacements may be purchased by the Task Force fund.

D. Confidential funds

Confidential funds will be established yearly by the Advisory Committee and maintained by the Task Force for investigative resources and evidence purchases. This money will be established from the San Joaquin County Vehicle Theft Funds and replenished as necessary. The confidential funds will be maintained at the Task Force office. A safe has been acquired to maintain the funds, and at the same time, provide access and control measures to ensure security of the funds. CHP policy, as contained in HPM 81.1 (Vehicle Theft Control) Chapter 7, will be the overriding policy relative to confidential fund disbursements.

E. Task Force Operation Funds

The Task Force will be provided funds, as determined by the Advisory Committee, for expenses necessary to conduct auto theft investigations. These funds will be used for equipment, training, cellular telephones, pagers, confidential funds, informant funds, and petty cash. The Task Force Supervisor will prepare an annual budget for approval and report expenses to the Advisory Committee on a regular basis.

VIII. UNDERCOVER DOCUMENTS

The use of covert identities to support or enhance undercover operations is essential. This may require detective/investigators to possess undercover driver's licenses, and/or other sources of identification. The procurement, utilization, and control of these documents will rest with each participating agency.

IX. ASSET SHARING

Any funds resulting from forfeiture actions or other lawful sources initiated by the Task Force shall be maintained in a trust fund. The trust fund shall be administered by the Advisory Committee. Funds shall be used to further achieve the purpose of the Task Force and may be used to buy equipment, training, and/or other lawful expenditures consistent with the purposes of the Task Force.

X. STANDARD OPERATING PROCEDURES

All Task Force members shall abide by a Standard Operating Procedures (SOP) manual which shall be prepared by the Task Force supervisor and approved by the Advisory Committee. The following items shall be considered SOP of the Task Force, and may be addressed in greater detail in the Delta RATT SOP:

A. In any case where the policies or procedures of the Task Force conflict with those of a member's parent agency, the member shall abide by the directives of his or her own agency.

B. The investigation of officer-involved shootings and vehicle accidents with fatalities will be handled by the San Joaquin County Officer-Involved Critical Incident Protocol Team. A parallel investigation may be conducted by any agency when the critical incident involves one of its employees or is an investigative responsibility within its jurisdiction.

C. Task Force member evaluations and disciplinary actions shall be handled jointly between the Task Force Supervisor and the parent agency.

D. The release of media information regarding Task Force operations will be coordinated through the Task Force supervisor. All affected participating agencies will be notified, as practical, prior to the release of information to the media.

E. Prior to any special operations (i.e., store front, large-scale sweeps, long term covert operations) the Task Force Supervisor or case agent will apprise the head of each participating agency of the target and the strategies for the execution of the operation. An after action report will be prepared and distributed to each participating agency within 30 days of the completion of each operation.
(sentence eliminated)

F. Should a member or members of the Advisory Committee wish to amend a procedure or policy as expressed in the agreement or the Task Force SOP, those changes shall be presented jointly to the entire Advisory Committee and the Task Force Commander, and shall be adopted upon a majority vote of the Advisory Committee. All members of the Task Force shall be notified prior to the effective date of any change in policy or procedure.

XI. REPORTING

A. The Task Force Commander will be responsible for implementing a reporting system which tracks team activities, statistics, and accomplishments of Task Force operation. This reporting system will serve as the basis for reports to the Advisory Committee and Executive Board and will ensure accountability for resources, personnel and equipment.

B. The Commander will submit an operational report to the Advisory Committee annually.

XII. AMENDMENTS TO THE MOU

The Executive Board may amend any portion of this MOU by a majority vote of the quorum.

XIII. TERM OF AGREEMENT

This agreement shall remain in effect for two years, commencing on July 1, 2013 and terminating on June 30, 2015. Any participating agency desiring to terminate its participation in this agreement shall indicate such intent, in writing, to the Executive Board. The termination shall be deemed to take effect not less than thirty (30) days after receipt of the written communication, or upon a date established by mutual agreement.

XIV. SIGNATURES

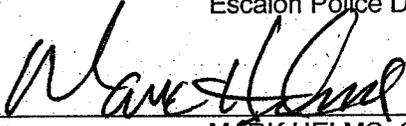
The undersigned represent that they have the authority to execute this agreement on behalf of their respective agencies; and, in signing this formal agreement, represent concurrence with and support of the Delta Regional Auto Theft Team as set forth in this agreement and for the period and purposes as stated herein.

R. ELLISON, Lieutenant
California Highway Patrol
Acting Commander, Special Services Unit

Date

MILT MEDEIROS, Interim Chief
Escalon Police Department

Date



MARK HELMS, Chief
Lodi Police Department

Date

7-18-13

Konradt Bartlam, City Manager
Lodi Police Department

Date

NICK OBLIGACION, Chief
Manteca Police Department

Date

EDWARD ORMONDE, Chief
Ripon Police Department

Date

JAMES P. WILLETT, District Attorney
San Joaquin County District Attorney's Office

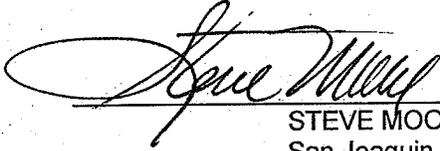
Date

STEPHANIE L. JAMES, Chief Probation Officer
San Joaquin County Probation Department

Date

XIV. SIGNATURES - Continued

The undersigned represent that they have the authority to execute this agreement on behalf of their respective agencies; and, in signing this formal agreement, represent concurrence with and support of the Delta Regional Auto Theft Team as set forth in this agreement and for the period and purposes as stated herein.



STEVE MOORE, Sheriff
San Joaquin County Sheriff's Office

7-17-13
Date

ERIC JONES, Chief
Stockton Police Department

Date

Bob Deis, City Manager
Stockton Police Department

Date

GARY R. HAMPTON, Chief
Tracy Police Department

Date

Leon Churchill, City Manager
Tracy Police Department

Date

RESOLUTION NO. 2013-_____

ADOPT RESOLUTION AUTHORIZING CITY MANAGER TO EXECUTE
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LODI
POLICE DEPARTMENT AND DELTA REGIONAL AUTO THEFT TEAM

=====

WHEREAS, in an effort to suppress vehicle theft crimes and address mounting public concern, the California Legislature passed into law Senate Bill 2139 (Vehicle Code Section 9250.14); and

WHEREAS, on February 4, 1992, the San Joaquin County Board of Supervisors passed and adopted a resolution pursuant to Vehicle Code Section 9250.14 to fund local agency programs which combat vehicle theft; and

WHEREAS, on July 1, 1996, a Memorandum of Understanding (Exhibit A) was entered into between the San Joaquin County Chiefs of Police, Sheriff’s Office, District Attorney’s Office, and the California Highway Patrol to establish the San Joaquin County Auto Theft Task Force, later renamed the Delta Regional Auto Theft Team (Delta RATT); and

WHEREAS, the Memorandum of Understanding outlines the participation, which the Lodi Police Department has participated in since 1996, with one full time police officer assigned to the auto theft team; and

WHEREAS, as allocated by the Executive Board, a portion of the salary and benefits of the Lodi Police Department detective assigned to the team is reimbursed by the Auto Theft Team fund. The Memorandum of Understanding outlines the participation and requirements of the City and the Delta Regional Auto Theft Task Force; and

WHEREAS, the purpose of this action is to formalize the long-standing partnership with Delta RATT.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute Memorandum of Understanding between the City of Lodi Police Department and the Delta Regional Auto Theft Team.

Dated: October 16, 2013

=====

I hereby certify that Resolution No. 2013- _____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held October 16, 2013, by the following vote:

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

RANDI JOHL
City Clerk

2013-_____



CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing the City Manager to Accept Donation to the Fire Department (\$25,000)

MEETING DATE: November 6, 2013

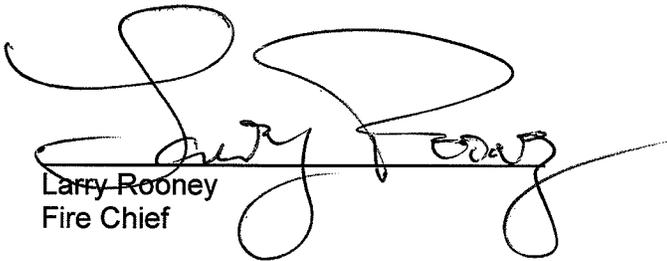
PREPARED BY: Larry Rooney, Fire Chief

RECOMMENDED ACTION: Adopt resolution authorizing the City Manager to accept donation to the Fire Department (\$25,000)

BACKGROUND INFORMATION: The Lodi Police Foundation received a generous donation from an anonymous donor in support of the Lodi Police and Fire Departments. Each agency will receive a \$25,000 donation which will be transferred from LPF to the City in the form of grants. The Fire Department's donation will be granted to the Department's trust account.

FISCAL IMPACT: Not applicable

FUNDING AVAILABLE: Not applicable


Larry Rooney
Fire Chief

LR:po
cc: City Attorney

APPROVED:


Konrad Bartlam, City Manager

RESOLUTION NO. 2013-_____

ADOPT RESOLUTION AUTHORIZING THE CITY
MANAGER TO ACCEPT DONATION TO THE FIRE
DEPARTMENT

=====

WHEREAS, the Lodi Police Foundation received a generous donation from an anonymous donor in support of the Lodi Police and Fire Departments; and

WHEREAS, each agency will receive a \$25,000 gift which will be transferred from the Lodi Police Foundation to the City in the form of grants; and

WHEREAS, the Fire Department's gift will be granted to the Department's trust account.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that it does hereby authorize the City Manager to accept the donation to the Fire Department.

Date: November 6, 2013

=====

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the Lodi City Council in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL-OLSON
City Clerk



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving Seward Johnson Sculpture Exhibit and Traffic Control Box Art Project and Appropriating Funds (\$39,500)

MEETING DATE: November 6, 2013

PREPARED BY: Parks, Recreation, and Cultural Services Director

RECOMMENDED ACTION: Adopt resolution approving Seward Johnson Sculpture and Traffic Control Box Art Project and appropriate funds in the amount of \$39,500.

BACKGROUND INFORMATION: The Art Advisory Board seeks ways to bring art to the public through the Art in Public Places (AiPP) Fund, which is funded by the development impact mitigation fee program.

The Art Advisory Board recommends using AiPP funds to repeat two projects that have previously been successful. In 2011, AiPP funds paid for a three-month exhibit of Seward Johnson sculpture exhibits in downtown Lodi at a total cost of \$30,000. Earlier in 2013, AiPP funds were expended for artists to paint five traffic signal control boxes at a cost of \$500.

The AiPP committee has selected eight of the 10 life-sized sculptures it wishes to display in downtown Lodi from April 15 to July 15, with two more to be determined. The costs of the exhibits has increased slightly, so an appropriation of \$35,000 is requested. This exhibit will offer opportunities for press in local and outlying areas resulting in attracting many visitors to Lodi.

Phase one and two of the Traffic Control Box Art project proved successful, with positive public response. Five signal boxes have been painted. The Art Advisory Board desires to expand the project, and the Public Works Department has identified 15 boxes that would be suitable for painting. The Art Advisory Board wishes to pay artists \$300 for each of the 15 boxes for a total appropriation of \$4,500. A call to artists will take place following City Council approval. Submitted designs will be reviewed and selected by the Art Advisory Board.

FISCAL IMPACT: \$39,500 from the Art in Public Places Fund

FUNDING AVAILABLE: Account No. 1214 (\$176,482)

Jordan Ayers
Deputy City Manager/Internal Services Director

Jeff Hood
Parks, Recreation, and Cultural Services Director

APPROVED: _____
Konradt Bartlam, City Manager

1. AA# _____
 2. JV# _____

**CITY OF LODI
 APPROPRIATION ADJUSTMENT REQUEST**

TO: Internal Services Dept. - Budget Division

3. FROM: **PRCS Director, Jeff Hood** 5. DATE: **10/28/13**

4. DEPARTMENT/DIVISION: **Parks, Recreation & Cultural Services**

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

| | FUND # | BUS. UNIT # | ACCOUNT # | ACCOUNT TITLE | AMOUNT |
|------------------------------|--------|-------------|-----------|--------------------------------|----------|
| A. SOURCE OF FINANCING | 1214 | N/A | 3205 | Fund Balance | \$39,500 |
| | | | | | |
| | | | | | |
| | | | | | |
| B. USE OF FINANCING | 1214 | 1214017 | 1820 | Seward Johnson Exhibit | \$35,000 |
| | 1214 | 1214017 | 1820 | Traffic Signal Control Box Art | \$4,500 |
| | | | | | |
| | | | | | |

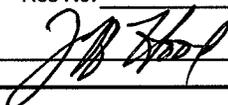
7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

At the recommendation of the Art Advisory Board, Art in Public Places funds will be used to bring display of Seward Johnson sculptures to downtown Lodi for three months in 2014 for a cost not to exceed \$35,000. Also, the Art Advisory Board recommends using Art in Public Places funds to paint 15 traffic signal control boxes in the 2013/14 fiscal year.

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: _____ Res No: _____ Attach copy of resolution to this form.

Department Head Signature: 

8. APPROVAL SIGNATURES

 Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.
 Final approval will be provided in electronic copy format.

RESOLUTION NO. 2013-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING SEWARD JOHNSON SCULPTURE
EXHIBIT AND TRAFFIC CONTROL BOX ART
PROJECT AND APPROPRIATING FUNDS (\$39,500)

=====

WHEREAS, the Art Advisory Board seeks ways to bring art to the public through the Art in Public Places (AiPP) Fund, which is funded by the development impact mitigation fee program;

WHEREAS, The AiPP Art Advisory Board recommends using AiPP funds to repeat two projects that have previously been successful;

WHEREAS, the AiPP committee has selected eight of the 10 life-sized sculptures it wishes to display in downtown Lodi from April 15 to July 15, with two more to be determined;

WHEREAS, the cost of the exhibits has increased slightly, so an appropriation of \$35,000 is requested;

WHEREAS, the AiPP desires to expand the Traffic Control Box Art project and the Public Works Department has identified 15 boxes that would be suitable for painting,

WHEREAS, the Art Advisory Board wishes to pay artists \$300 for each of the 15 boxes for a total appropriation of \$4,500.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the Seward Johnson sculpture exhibit and traffic control box art project and appropriates \$39,500 for these projects.

Dated: November 6, 2013

=====

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving CalPERS Employer Paid Member Contributions
MEETING DATE: November 6, 2013
PREPARED BY: Human Resources Manager

RECOMMENDED ACTION: Adopt resolution approving CalPERS employer paid member contributions.

BACKGROUND INFORMATION: The City of Lodi is a member of the California Public Employees' Retirement System (CalPERS). Retirement contributions are segmented into employer-paid contributions and employee-paid contributions.

CalPERS requires the City adopt the attached resolution stating the specific percentage the City will contribute towards each employee's employee-paid contribution amount. Since CalPERS recognizes employees through their employee category/bargaining group, the table below indicates the specific percentage the City will contribute towards employee-paid retirement by specific category/bargaining group.

Effective December 23, 2013 the new amounts are as follows for Dispatch and Police. However, Confidential – Non-exempt, General Services, Maintenance & Operators, Fire, and Fire Mid-Management will have an effective date of January 6, 2014.

| <u>Employee Category/Bargaining Group</u> | <u>Percentage Employer Contributes to Employee-Paid Retirement</u> |
|---|--|
| Confidential – Non-exempt | 0% |
| Confidential – Exempt | 0% |
| Council Appointee | 0% |
| Council Members | 0% |
| Executive Management | 0% |
| General Services | 0% |
| Maintenance & Operators | 0% |
| Mid-Management | 0% |
| Fire | 0% |
| Fire Mid-Management | 0% |
| Police Mid-Management | 0% |
| Police | 0% |
| Dispatch | 0% |
| IBEW | 7% |

Bolded amounts represent changed amounts.

APPROVED: _____
Konradt Bartlam, City Manager

FISCAL IMPACT: The savings impact for Fiscal Year 2013-2014 is \$292,755. This cost savings was included in the Fiscal Year 2013-2014 budget.

FUNDING AVAILABLE: Not applicable.

Jordan Ayers, Deputy City Manager/Internal Services Director

Dean Gualco, Human Resources Manager

RESOLUTION NO. 2013-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING CALPERS EMPLOYER PAID MEMBER
CONTRIBUTIONS

WHEREAS, the governing body of the City of Lodi has the authority to implement Government Code Section 20691; and

WHEREAS, the governing body of the City of Lodi has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer; and

WHEREAS, one of the steps in the procedures to implement Government Code Section 20691 is the adoption by the governing body of the City of Lodi of a resolution to commence said Employer Paid Member Contributions (EPMC); and

WHEREAS, the governing body of the City of Lodi has identified the following conditions for the purpose of its election to pay EPMC, and this benefit shall apply to all employees as distinguished below:

| Safety Members | | |
|------------------------------|---|-----------------------------|
| Fire Mid-Management | Pay 9% of the normal member contributions as EPMC | Effective January 6, 2014 |
| Fire | Pay 9% of the normal member contributions as EPMC | Effective January 6, 2014 |
| Police | Pay 9% of the normal member contributions as EPMC | Effective December 23, 2013 |
| Miscellaneous Members | | |
| Confidential Non-Exempt | Pay 7% of the normal member contributions as EPMC | Effective January 6, 2014 |
| General Services | Pay 7% of the normal member contributions as EPMC | Effective January 6, 2014 |
| Dispatch | Pay 7% of the normal member contributions as EPMC | Effective December 23, 2013 |
| Maintenance and Operators | Pay 7% of the normal member contributions as EPMC | Effective January 6, 2014 |

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi elects to pay EPMC, as set forth above.

ALAN NAKANISHI
Mayor

Dated: November 6, 2013

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL-OLSON
City Clerk

2013-_____



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolutions Authorizing Converting Existing Contract Staff by: 1) Approving Job Specification, Salary Range and Addition of One Electric Groundworker and 2) Authorizing Addition of One Electric Lineworker

MEETING DATE: November 6, 2013

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt resolutions authorizing converting existing contract staff by: 1) approving job specification, salary range and addition of one Electric Groundworker and 2) authorizing addition of one Electric Lineworker.

BACKGROUND INFORMATION: The Electric Utility (EU) currently has approved position allocations for three Electric Foreworker and six Electric Lineworker positions, all of which are filled at this time.

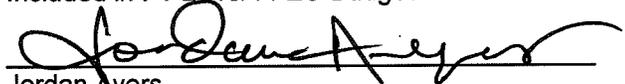
Minimum electric system maintenance goals and new service requirements require the full attention of existing staff. In addition to this ongoing work, EU has undertaken a multi-year capital Streetlight Grounding and Fusing Project to bring our street-lighting system into compliance with current codes and standards, anticipated for completion in 2020. Staffing for this project has been performed with the addition of two contract labor positions from the International Brotherhood of Electrical Workers hiring hall. EU has experienced high turnover for these positions which continues to interrupt the progress of this project.

A cost comparison, as shown on the attached Exhibit A, demonstrates converting the contract staff to permanent employees results in a maximum annual expense increase of \$15,226 for E Step compensation, or approximately 0.02 percent of the total EU budget. In addition, the City will realize time savings for administrative staff by having permanent positions for this project. Therefore, staff recommends Council approve the staffing conversion as outlined in this communication.

International Brotherhood of Electrical Workers has reviewed and approved the salary range and job specification for the Electric Groundworker.

FISCAL IMPACT: Maximum annual expense increase of approximately \$15,226.

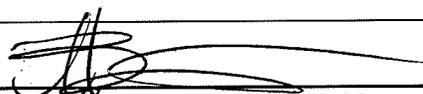
FUNDING AVAILABLE: Included in FY 2013/14 EU Budget.


Jordan Ayers
Deputy City Manager/Internal Services Director


Elizabeth A. Kirkley
Electric Utility Director

PREPARED BY: Charles Berry, Electric Utility Superintendent

EAK/CJB/lst

APPROVED: 
Konradt Bartlam, City Manager

IBEW

| Classification | Hourly Wage | Benefits, etc. | Subsistence Pay/Day | Total Hourly Rate |
|--------------------|-------------|----------------|---------------------|-------------------|
| Lineman | \$50.30 | \$15.32 | \$50.00 | \$71.87 |
| Line Equipment Man | \$40.17 | \$14.05 | \$50.00 | \$60.47 |
| | | | Sub-Total/Hr | \$132.34 |

City of Lodi - EU

| Classification | Hourly Wage | Benefits, etc. | Subsistence Pay/Day | Total Hourly Rate |
|----------------|-------------|----------------|---------------------|-------------------|
| Lineworker | \$43.69 | \$34.31 | \$0.00 | \$78.00 |
| Groundworker | \$34.54 | \$27.12 | \$0.00 | \$61.66 |
| | | | Sub-Total/Hr | \$139.66 |

| | |
|----------------------------|-------------|
| Total Net Cost/Hr of Labor | \$7.32 |
| Total Net Cost/Labor Year | \$15,225.60 |

1. IBEW labor rates provided from Local 47 & 1245 California Outside Line Construction Agreement, effective 6/1/13 - 5/31/14.
2. EU labor rates for Groundworker classification are based upon the proposed salary schedule and EU overhead of 78.53%.
3. Groundworker position would replace the contract IBEW position of Line Equipment Man.

**JOB SPECIFICATION
WILL BE PROVIDED AS A
BLUE SHEET ITEM
AT THE MEETING**

RESOLUTION NO. 2013-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING JOB SPECIFICATION, SALARY RANGE
AND ADDITION OF ONE ELECTRIC GROUNDWORKER

WHEREAS, the Electric Utility (EU) currently has approved position allocations for three Electric Foreworker and six Electric Lineworker positions, all of which are filled at this time; and

WHEREAS, existing staffing is required to meet the minimum electric system maintenance goals and new service requirements; and

WHEREAS, in addition to this ongoing work, EU has undertaken a multi-year capital Streetlight Grounding and Fusing Project to bring our street-lighting system into compliance with current codes and standards with an anticipated completion year of 2020; and

WHEREAS, staffing for this project has been performed with the addition of two contract labor positions from the International Brotherhood of Electrical Workers hiring hall; and

WHEREAS, EU has experienced high turnover for these positions which continues to interrupt the progress of this project; and

WHEREAS, a cost comparison, as shown on the attached Exhibit A, demonstrates converting the contract staff to permanent employees results in a maximum annual expense increase of \$15,226 for E Step compensation, or approximately 0.02% of the total EU Budget; in addition, the City will realize time savings for administrative staff by having permanent positions for this project; and

WHEREAS, staff recommends the following salary range for Groundworker:

| Step A | Step B | Step C | Step D | Step E |
|---------|---------|---------|---------|---------|
| 4924.94 | 5171.19 | 5429.75 | 5701.24 | 5986.30 |

WHEREAS, funding is included in FY 2013/14 EU Budget.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve job specification, salary range and addition of one Electric Groundworker.

Dated: November 6, 2013

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL-OLSON
City Clerk

2013-_____

IBEW

| Classification | Hourly Wage | Benefits, etc. | Subsistence Pay/Day | Total Hourly Rate |
|--------------------|-------------|----------------|---------------------|-------------------|
| Lineman | \$50.30 | \$15.32 | \$50.00 | \$71.87 |
| Line Equipment Man | \$40.17 | \$14.05 | \$50.00 | \$60.47 |
| | | | Sub-Total/Hr | \$132.34 |

City of Lodi - EU

| Classification | Hourly Wage | Benefits, etc. | Subsistence Pay/Day | Total Hourly Rate |
|----------------|-------------|----------------|---------------------|-------------------|
| Lineworker | \$43.69 | \$34.31 | \$0.00 | \$78.00 |
| Groundworker | \$34.54 | \$27.12 | \$0.00 | \$61.66 |
| | | | Sub-Total/Hr | \$139.66 |

| | |
|----------------------------|-------------|
| Total Net Cost/Hr of Labor | \$7.32 |
| Total Net Cost/Labor Year | \$15,225.60 |

1. IBEW labor rates provided from Local 47 & 1245 California Outside Line Construction Agreement, effective 6/1/13 - 5/31/14.
2. EU labor rates for Groundworker classification are based upon the proposed salary schedule and EU overhead of 78.53%.
3. Groundworker position would replace the contract IBEW position of Line Equipment Man.

RESOLUTION NO. 2013-_____

A RESOLUTION OF THE LODI CITY
COUNCIL AUTHORIZING THE ADDITION
OF ONE ELECTRIC LINEWORKER

=====

WHEREAS, the Electric Utility (EU) currently has approved position allocations for three Electric Foreworker and six Electric Lineworker positions, all of which are filled at this time; and

WHEREAS, existing staffing is required to meet the minimum electric system maintenance goals and new service requirements; and

WHEREAS, in addition to this ongoing work, EU has undertaken a multi-year capital Streetlight Grounding and Fusing Project to bring our street-lighting system into compliance with current codes and standards with an anticipated completion year of 2020; and

WHEREAS, staffing for this project has been performed with the addition of two contract labor positions from the International Brotherhood of Electrical Workers hiring hall; and

WHEREAS, EU has experienced high turnover for these positions which continues to interrupt the progress of this project; and

WHEREAS, a cost comparison, as shown on the attached Exhibit A, demonstrates converting the contract staff to permanent employees results in a maximum annual expense increase of \$15,226 for Step E compensation, or approximately 0.02% of the total EU Budget; in addition, the City will realize time savings for administrative staff by having permanent positions for this project; and

WHEREAS, funding is included in FY 2013/14 EU Budget.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the addition of one Electric Lineworker.

Dated: November 6, 2013

I hereby certify that Resolution No. 2013-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 6, 2013, by the following vote:

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

RANDI JOHL-OLSON
City Clerk

IBEW

| Classification | Hourly Wage | Benefits, etc. | Subsistence Pay/Day | Total Hourly Rate |
|--------------------|-------------|----------------|---------------------|-------------------|
| Lineman | \$50.30 | \$15.32 | \$50.00 | \$71.87 |
| Line Equipment Man | \$40.17 | \$14.05 | \$50.00 | \$60.47 |
| | | | Sub-Total/Hr | \$132.34 |

City of Lodi - EU

| Classification | Hourly Wage | Benefits, etc. | Subsistence Pay/Day | Total Hourly Rate |
|----------------|-------------|----------------|---------------------|-------------------|
| Lineworker | \$43.69 | \$34.31 | \$0.00 | \$78.00 |
| Groundworker | \$34.54 | \$27.12 | \$0.00 | \$61.66 |
| | | | Sub-Total/Hr | \$139.66 |

Total Net Cost/Hr of Labor \$7.32
Total Net Cost/Labor Year \$15,225.60

1. IBEW labor rates provided from Local 47 & 1245 California Outside Line Construction Agreement, effective 6/1/13 - 5/31/14.
2. EU labor rates for Groundworker classification are based upon the proposed salary schedule and EU overhead of 78.53%.
3. Groundworker position would replace the contract IBEW position of Line Equipment Man.



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Set a Public Hearing for November 20, 2013, to Consider Adopting a Resolution Approving the Planning Commission's Recommendation to Authorize 232 Low Density Residential Growth Management Allocations for FCB Homes

MEETING DATE: November 6, 2013

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Set a Public Hearing for November 20, 2013, to consider adopting a resolution approving the Planning Commission's recommendation to authorize 232 Low Density Residential Growth Management Allocations for FCB Homes

BACKGROUND INFORMATION: As part of the City's Growth Management program, the Planning Commission reviews the requests that have been submitted to the City. Following a public hearing, the Commission makes a recommendation for City Council consideration.

On October 9, 2013, the Planning Commission held a public hearing regarding the 2013 Residential Growth Management Development Allocation. At this hearing the Planning Commission reviewed a request by FCB Homes for (i) Growth Management Allocation for 232 Low Density Residential Lots; (ii) A Vested Subdivision Map for the Proposed Rose Gate Subdivision, a 50-acre, 232-lot, single-family residential subdivision; and (iii) adopted Development Standards for the subdivision known as Rose Gate Subdivision located within Planned Development 42 Zoning District.

The Commission received a staff report, heard the staff presentation; asked questions of staff as well as the applicant, opened the hearing to the public for testimony in support and in opposition to the application, closed the public hearing and voted 7-0 to recommend the City Council approve the applicant's request for 232 low density growth management allocation units and approve the Final Map for the project.

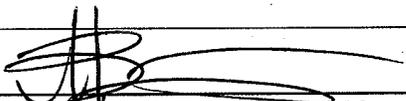
FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.



Konradt Bartlam
Community Development Director

KB/IB

APPROVED: 

Konradt Bartlam, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Set Public Hearing for December 18, 2013, to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Usage-Based and Flat Water Rates for Residential, Commercial and Industrial Customers

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Set public hearing for December 18, 2013, to consider adopting resolution setting pre-approved Engineering News Record adjustment index for usage-based and flat water rates for residential, commercial and industrial customers.

BACKGROUND INFORMATION: The City Council has made numerous water rate decisions over the past few years, as summarized below. The recommended action at the December 18, 2013, City Council meeting will be to conduct a public hearing and to approve a rate increase of 2.5 percent effective February 15, 2014, as presented in Exhibit A. The ENR-based adjustment for the period October 2012 through October 2013 is 3.3 percent. A summary of the programmed rate adjustments and the implemented rate adjustments for the past five years is provided in the table in Exhibit B. The purpose of this table is to demonstrate past rate increases have frequently been below the approved adjustments.

On May 20, 2009, Council waived the Consumer Price Index (CPI) adjustment of water rates based upon a lack of new information supporting neither an increase nor a decrease. On January 6, 2010, Council received advisory usage-based water rates for the purpose of research and customer billing comparisons. On July 21, 2010, Council approved a change to the date for implementing the annual rate adjustment to January 1 for each of the five years (maximum timeframe allowed by Proposition 218) following January 1, 2011. This change was recommended so that rate changes occur at the lowest usage time of the year. Council also changed the water rate adjustment index from the CPI to the Engineering News Record (ENR), effective January 1, 2012, because this index better reflects the combined inflationary effects of personnel, materials and energy costs on the total operations of the utility, as was done for the Wastewater Rates on July 15, 2010.

Council approved a professional services agreement with The Reed Group on August 6, 2008, for the preparation of a water utility financial model. Staff continues to update and use this model to forecast the performance of the utility through FY 2018/19 while incorporating substantial capital investments, including the water meter program, infrastructure replacement program, property owner meter payments and PCE/TCE remediation costs. The recommended rates presented in Exhibit A were developed using this tool.

It is staff's recommendation that the water rate increase be 2.5 percent. For a resident still on the flat rate, the monthly charge for a three-bedroom home will increase from \$43.04 to \$44.12. A metered resident using 1,500 cubic feet of water per month will see an increase from \$39.88 to \$40.82.

APPROVED: _____
Konradt Bartlam, City Manager

Set Public Hearing for December 18, 2013, to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Usage-Based and Flat Water Rates for Residential, Commercial and Industrial Customers

November 6, 2013

Page 2

FISCAL IMPACT: Increased revenues to the water utility are required to keep up with cost of service increases and new mandated costs.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by Rebecca Areida-Yadav, Management Analyst
Attachments

cc: Steve Mann, Information Systems Manager
Larry Parlin, Deputy Public Works Director – Utilities

Exhibit A
City of Lodi -- Water Utility
Current and Proposed Water Rates

| | Current | Jan. 2014 |
|--|----------------|------------------|
| Flat Rates (\$/month) | | |
| Percent Increase | | 2.5% |
| Single Family Residential Unit (\$/month) | | |
| 1 Bedroom | \$ 29.90 | \$ 30.65 |
| 2 Bedroom | \$ 35.91 | \$ 36.81 |
| 3 Bedroom | \$ 43.04 | \$ 44.12 |
| 4 Bedroom | \$ 51.72 | \$ 53.01 |
| 5 Bedroom | \$ 62.03 | \$ 63.58 |
| 6 Bedroom | \$ 74.44 | \$ 76.30 |
| 7 Bedroom | \$ 89.31 | \$ 91.54 |
| Multi-Family Residential Unit (\$/month) | | |
| 1 Bedroom | \$ 25.67 | \$ 26.31 |
| 2 Bedroom | \$ 30.79 | \$ 31.56 |
| 3 Bedroom | \$ 36.94 | \$ 37.86 |
| Metered Water Rates | | |
| Service Charge (\$/month) | | |
| <i>Single Family Residential</i> | | |
| Up to 3/4" Meter | \$ 23.78 | \$ 24.37 |
| 1" Meter | \$ 38.60 | \$ 39.57 |
| 1 1/2" Meter | \$ 75.42 | \$ 77.31 |
| 2" Meter | \$ 119.79 | \$ 122.78 |
| <i>Multi-Family and Non-Residential</i> | | |
| 5/8" Meter | \$ 23.78 | \$ 24.37 |
| 3/4" Meter | \$ 23.78 | \$ 24.37 |
| 1" Meter | \$ 38.60 | \$ 39.57 |
| 1 1/2" Meter | \$ 60.24 | \$ 61.75 |
| 2" Meter | \$ 75.27 | \$ 77.15 |
| 3" Meter | \$ 105.38 | \$ 108.01 |
| 4" Meter | \$ 135.51 | \$ 138.90 |
| 6" Meter | \$ 195.68 | \$ 200.57 |
| 8" Meter | \$ 255.91 | \$ 262.31 |
| 10" Meter | \$ 316.10 | \$ 324.00 |
| Water Usage Rates (\$/CCF) | | |
| <i>Single Family Residential</i> | | |
| Tier 1 - 0 to 10 CCF/month | \$ 0.92 | \$ 0.94 |
| Tier 2 - 11 to 50 CCF/month | \$ 1.38 | \$ 1.41 |
| Tier 3 - Over 50 CCF/month | \$ 1.82 | \$ 1.87 |
| <i>Multi-Family and Non-Residential</i> | | |
| All Water Usage | \$ 0.92 | \$ 0.94 |

Exhibit B

Programmed and Implemented Rate Adjustments

Water

| Year | Programmed | Implemented |
|------|------------|-------------|
| 2009 | 0 | 0 |
| 2010 | 0 | 0 |
| 2011 | 2 | 2 |
| 2012 | 2.53 | 2.2 |
| 2013 | 2.5 | 2.5 |
| 2014 | 3.3 | 2.5 |

Water rate adjustments were not capped, therefore, programmed adjustments equal the approved adjustments.



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Set Public Hearing for December 18, 2013 to Consider Adopting Resolution Setting Future Water, Wastewater and Solid Waste Rate Schedules Pursuant to Proposition 218 for Residential, Commercial and Industrial Customers

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Set public hearing for December 18, 2013 to consider adopting resolution setting future water, wastewater and solid waste rate schedules pursuant to Proposition 218 for residential, commercial, and industrial customers.

BACKGROUND INFORMATION: Rate schedules and rates analysis information was supplied to the City Council at the October 15, 2103 Shirtsleeve meeting prior to mailing Proposition 218 protest hearing notices and preliminary to a public hearing to consider adopting the various rate schedules for the period from January 1, 2014 through December 31, 2018. The various rate schedules set maximum limits on the various rates for the next five years, and each year the City Council will be requested to approve the actual rates to be implemented. At the public hearing on December 18, 2013, the City Council will be asked to receive public comment; adopt resolutions setting future adjustments to water, wastewater and solid waste rates **with limits** for the period January 1, 2014 through December 31, 2018; adopt a resolution approving property owner meter charge schedule; and adopt a resolution approving vacant residential water and wastewater rates.

1. Property Owner Meter Charge Schedule At the March 26, 2012 City Council meeting, various alternative property owner meter charge schedules were presented to the City Council. Prior policy direction from the City Council set the charge for a single-family residential ¾-inch water meter at \$300. As the Water Meter Program moves into the multi-family and non-residential properties, larger meters will be required and a meter charge schedule based upon meter size needs to be established. Presented in Exhibit A is the recommended meter charge schedule, along with previously-presented alternatives. The recommended charge schedule is based upon the actual purchase price for the meter assembly (meter, register, and radio transmitter) plus 55 percent, which is identical to the ¾-inch residential meter charge basis. The 55 percent covers a portion of the cost of the meter box, miscellaneous piping, and installation. The capacity-based charge schedule sets the meter cost according to the hydraulic capacity of the meter. The installed cost is based upon contractor bid prices from construction for phases 1 through 3. The Lodi charge schedule is taken from the City's published Fee and Service Charge Schedule. Comparative charges from the City of Santa Clara are listed, and they are fairly consistent with the recommended schedule, particularly considering most of the meters remaining to be installed are ¾ to 1 inch in size. An additional column showing "no charge" is provided upon the request of the mobile home park owners. All options presented in Exhibit A have been included in the

APPROVED: _____
Konradt Bartlam, City Manager

Proposition 218 notice and the City Council will be asked to select and approve a single option at the December 18, 2013 public hearing.

2. Vacant Residential Unit Water and Wastewater Rate Staff recommends the vacant residential unit water and wastewater utility charge for customers without a metered service be equal to the monthly base charge for metered customers having the same size of meter in their future service. There would not be a specific vacant unit charge for the following customer classes as explained.
 - Vacant single family detached with meter – customers would pay the monthly base rate and presumably there would be no usage and, therefore, no usage charge.
 - Vacant single family attached (duplex, triplex, fourplex – master meter) – property owners would pay the monthly base rate and usage charges for the occupied units.
 - Vacant single family attached (duplex, triplex, fourplex – individual meter) – customers would pay the monthly base rate and presumably there would be no usage and, therefore, no usage charge.
 - Vacant apartment/condominium (master meter) – property owners would pay the monthly base rate and usage charges for the occupied units.
 - Vacant apartment/condominium (individual meter) – property owners would pay the monthly base rate and presumably there would be no usage and, therefore, no usage charge.
 - Vacant mobile home (master meter) – property owners would pay the monthly base rate and usage charges for the occupied units.

3. Water and Wastewater Rate Update In 2009, the City Council approved a five-year rate program for the wastewater utility and in 2010 for the water utility. Each separate action by the Council complied with the Proposition 218 requirements pertaining to such actions. The last pre-approved rate adjustment under that program will be for the water utility, and a 2.5 percent increase effective February 15, 2014, below the 3.3 percent ENR index increase, will be the subject of a public hearing to be held on December 18, 2013 prior to this public hearing. A summary of the programmed rate adjustments and the implemented rate adjustments for the past five years is provided in the table in Exhibit B. The purpose of this table is to demonstrate past rate increases have frequently been below the approved adjustments.

In preparation of the new five-year program, staff engaged the services of The Reed Group to analyze the financial models and current rate structure within both utilities. The final report, Water and Wastewater Rate Update Study, is provided in Exhibit C.

Staff is recommending a new five-year rate adjustment program for water, wastewater and solid waste that will be subject to the Proposition 218 process. As in the past, rate adjustment forecasts are based upon the financial models for each utility. The water and wastewater financial models are provided in Exhibits D and E, respectively. For both the water and wastewater utilities, the programmed adjustments are capped at three percent per year. Important elements of the financial models are presented below.

Water Financial Model

1. Financial assumptions presented on the final page were checked and reconfirmed against actual numbers.
2. Annual adjustments are capped at three percent and are indexed by the Engineering News Record 20-Cities Average Index.

3. Capital expenditures continue for the next four years of the Water Meter Program and include installation of meters at multi-family and non-residential customer locations.
4. Debt service payments for the water treatment facilities are approximately \$2.3 million per year.
5. New development revenue toward payment of the water plant debt service is assumed minimal to retain the utility's high bond rating.
6. Maintenance is scheduled for all wells in the system, amounting to approximately \$1.2 million.
7. Residual bond proceeds from the water treatment facilities financing, amounting to approximately \$2.6 million, are not shown in the financial model and will most likely be used to pay debt service in a future year.
8. Net available capital at the end of Fiscal Year 2018/19 could be used to pay off a portion of the water treatment facilities debt at a considerable interest savings to our customers.

Wastewater Financial Model

1. Financial assumptions presented on the final page were checked and reconfirmed against actual numbers.
2. Annual adjustments are capped at three percent and are indexed by the Engineering News Record 20-Cities Average Index.
3. Wastewater main rehabilitation continues at an investment rate of approximately \$2.2 million every other year.
4. The 2003 Certificates of Participation debt service is paid off in the first year, amounting to approximately \$3.2 million.
5. Debt service payments for the improvements at White Slough are approximately \$3.5 million per year.
6. New development revenue toward payment of the wastewater plant debt service is assumed minimal to retain the utility's high bond rating.
7. Capital expenditures are planned, amounting to approximately \$11.4 million, to improve the irrigation conveyance and pumping facilities and to expand the secondary/industrial storage at White Slough in the latter two years of the model.
8. Net available capital at the end of Fiscal Year 2018/19 is relatively low.

At the January 6, 2010 City Council meeting to consider setting usage-based rates for water and wastewater, the following information was provided. *"The City has an existing usage-based rate structure for non-residential customers, and it is recommended that rate structure be maintained for those non-residential accounts for the time being. This structure includes a monthly base charge referenced to the meter size and a commodity charge of \$0.537 per CCF as presented in Exhibit C. It needs to be noted that the non-residential commodity charge is approximately one-half of the weighted average residential commodity charge (\$.537 versus \$1.11 per CCF) and that future work will need to be done to amend the non-residential rate structure to make it more comparable to the residential commodity charge rate. Both the base charge and commodity charge are likely to be increased."*

The recommendations within the rate study provided in Exhibit C present a transition plan to implement the abovementioned structural changes to the rates. In addition, the rate study addresses the following issues concerning the City's water and wastewater utilities and user rates.

Set Public Hearing for December 18, 2013 to Consider Adopting Resolution Setting Future Water, Wastewater and Solid Waste Rate Schedules Pursuant to Proposition 218 for Residential, Commercial and Industrial Customers

November 6, 2013

Page 4

- A. Estimated annual water and wastewater rate revenue requirements for the next five years
- B. Current flat and usage-based water and wastewater rate structures
- C. Water and wastewater customer account, water usage, and wastewater flow characteristics and influence on rate setting
- D. Cost of service and rate design issues related to development of new usage-based water and wastewater rate structures
- E. Recommendations for new water and wastewater rate schedules over the next five years
- F. Affects of the proposed new water and wastewater rates on various residential and non-residential customers
- G. Transition plans to usage-based water and wastewater rates for each customer classification

A summary of each of the above issues is provided in Section I of the rate study. More detailed information and analysis is provided in Sections II and III. A summary of the programmed rates for water and wastewater with the three percent adjustment and the structural changes are presented in Exhibit F and will be included in the Proposition 218 notice.

4. Solid Waste Rates The existing agreement with Waste Management for Solid Waste Collection, Recycling and Green Waste Collection and Processing Services in the City of Lodi (Agreement) was adopted in 2008 and extends until December 31, 2023. An amendment to the Agreement was approved in 2010 that give the Contractor the unilateral option to extend the Agreement until December 31, 2030. Section 7 Rates, paragraphs b. and c. of the Agreement establish provisions for annual adjustment to the rates that are repeated below.

- b. On April 1, 2009, and on each anniversary thereof during the term of this Agreement, the rates shall be adjusted in a percentage amount equal to eighty percent (80%) of the annual change in the Consumer Price Index for all Urban Consumers for San Francisco-Oakland-San Jose, California area (CPI), All Items (1982 – 84 = 100) published by the Bureau of Labor Statistics (the Index) for the twelve (12) month period ending December 31 of the preceding calendar year.*
- c. In January of each year, Contractor shall send to City a revised rate schedule reflecting the new rates, as adjusted by the Index as provided in Section 7.b. City Council will act on rate adjustments to be effective on April 1 of that year.*

Staff recommends Council approve an annual rate adjustment in the percentage amount equal to 100 percent of the annual change in the CPI. This change makes any changes in fuel, landfill and energy costs inclusive in the rate adjustment, whereas, the current Agreement has them separately considered.

FISCAL IMPACT: Increased revenues are required to keep up with cost of service increases and new mandated costs.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Exhibit A

Meter Charge Alternatives

| Meter Size | Purchase Price | Recommended Price Based (Cost x 1.55) | Capacity Factor | Capacity Based | Installed Cost (Contract Prices) | Lodi Fee Schedule | Santa Clara Fee Schedule | No Charge |
|------------|----------------|---------------------------------------|-----------------|----------------|----------------------------------|-------------------|--------------------------|-----------|
| ¾ | \$194 | \$300 | 1 | \$300 | \$940 | \$400 | \$370 | \$0 |
| 1 | \$226 | \$350 | 1.67 | \$500 | \$1,420 | \$480 | \$365 | \$0 |
| 1 ½ | \$506 | \$780 | 3.33 | \$1,000 | \$3,810 | \$745 | \$1,565 | \$0 |
| 2 | \$624 | \$970 | 5.33 | \$1,600 | \$5,720 | \$930 | \$1,730 | \$0 |
| 3 | \$1,279 | \$1,980 | 10 | \$3,000 | \$5,950 | N/A | \$2,065 | \$0 |
| 4 | \$2,304 | \$3,570 | 16.67 | \$5,000 | N/A | N/A | \$4,130 | \$0 |
| 6 | \$4,362 | \$6,760 | 33.33 | \$10,000 | N/A | N/A | \$6,750 | \$0 |
| 8 | \$7,432 | \$11,520 | 53.33 | \$16,000 | N/A | N/A | \$10,670 | \$0 |

Exhibit B

Programmed and Implemented Rate Adjustments

Water

| Year | Programmed | Implemented |
|------|------------|-------------|
| 2009 | 0 | 0 |
| 2010 | 0 | 0 |
| 2011 | 2 | 2 |
| 2012 | 2.53 | 2.2 |
| 2013 | 2.5 | 2.5 |
| 2014 | 3.3 | 2.5 |

Water rate adjustments were not capped, therefore, programmed adjustments equal the approved adjustments.

Wastewater

| | | |
|------|-----|-----|
| 2009 | 25 | 25 |
| 2010 | 20 | 12 |
| 2011 | 10 | 5 |
| 2012 | 5 | 3 |
| 2013 | 2.8 | 2.5 |

Wastewater rate adjustments were capped.

CITY OF LODI

Water and Wastewater Rate Update Study

Final Report

October 21, 2013



THE REED GROUP, INC.

Table of Contents

| | |
|--|-----------|
| SECTION I. SUMMARY | 1 |
| Introduction | 1 |
| Revenue Needs of the Water and Wastewater Utilities | 1 |
| Proposed Water Rates..... | 2 |
| Proposed Wastewater Rates | 4 |
| Annual Adjustments to Water and Wastewater Rates | 5 |
| Affect of Proposed Rates on Customer Bills | 8 |
| SECTION II. WATER RATES..... | 11 |
| Current Water Rates | 11 |
| Customer Base and Water Usage Data | 12 |
| Annual Water Rate Revenue Requirement | 13 |
| Cost of Service Analysis and Rate Design | 14 |
| Proposed Water Rate Schedules | 18 |
| Meter Installation and Transition to Usage-Based Billing | 19 |
| SECTION III: WASTEWATER RATES | 21 |
| Current Wastewater Rates | 21 |
| Customer Base and Wastewater Flow Estimates | 22 |
| Annual Wastewater Rate Revenue Requirement | 23 |
| Cost of Service Analysis and Rate Design | 24 |
| Proposed Wastewater Rate Schedules | 28 |
| Meter Installation and Transition to Usage-Based Billing | 29 |

SECTION I. SUMMARY

INTRODUCTION

The City of Lodi continues to install water meters on unmetered service connections of single family, multi-family, and non-residential customers. The City expects to complete the meter retrofit program in 2018. At the beginning of each year, the City transitions batches of customers to usage-based water rates using data collected from water meters, and the City is also beginning to transition customers to usage-based wastewater rates as well.

In 2008, the City retained The Reed Group, Inc. to assist in developing financial plans and utility rates for the City's water and wastewater utilities. Various analyses have been performed since that time to help guide the City in dealing with a variety of water and wastewater rate and financial issues, including the transition to usage-based billing. The purpose of this report is to recommend water and wastewater rates that will meet each utility's financial needs and continue the transition towards usage-based billing for all customers.

This report addresses the following issues concerning the City's water and wastewater utilities and user rates:

- ❖ Estimated annual water and wastewater rate revenue requirements for the next five years
- ❖ Current flat and usage-based water and wastewater rate structures, and the need to continue to develop new usage-based rate structures
- ❖ Water and wastewater customer account, water usage, and wastewater flow characteristics and influence on rate setting
- ❖ Cost of service and rate design issues related to development of new usage-based water and wastewater rate structures
- ❖ Recommendations for new water and wastewater rate schedules, as well as adjustments in the level of the rates during the next five years
- ❖ Affect of the proposed new water and wastewater rates on various residential and non-residential customers
- ❖ Summary of plans to continue the transition to usage-based water and wastewater rates for each customer classification
- ❖ Plans and requirements for adopting new water and wastewater rates.

REVENUE NEEDS OF THE WATER AND WASTEWATER UTILITIES

Several years ago, The Reed Group, Inc. assisted the City by developing multi-year financial plan models for the water and wastewater utilities. These models enabled the City to evaluate the financial implications of the meter retrofit program, the construction and financing of the new surface water treatment plant, and other capital improvements of both utilities, as well as ongoing operation and maintenance costs, debt service obligations,

and other factors affecting the financial condition and needs of the utilities. Since that time, City staff has annually updated the financial plan models. The financial plan models have enabled the City to make near-term financial and rate decisions with a long-term planning horizon in mind, and this has led to the moderation and stabilization of annual rate increases for both utilities.

In recent years, annual water rate increases have been less than 3 percent, and wastewater rate increases have declined from double-digit levels down to 2.5 percent. Current financial plan models estimate annual water and wastewater rate increases can be limited to 3 percent per year through FY 19-20.

Proposed water and wastewater rate schedules presented in this report reflect an overall 2.5 percent increase in the level of water rate revenue in the upcoming year (effective in January 2014) and no more than 3 percent in the level of the wastewater rate revenue (effective in July 2014). Beyond that, it is recommended that the City re-adopt provisions to annually adjust water and wastewater rate increases by changes in the *Engineering News Record's* 20-Cities Construction Cost Index (ENR) for up to five years, subject to a 3 percent cap. These annual rate adjustments would also be subject to annual review by staff to confirm need and concurrence by the City Council.

PROPOSED WATER RATES

Proposed flat (unmetered) water rates are presented in **Exhibit I-1**, and proposed usage-based (metered) water rates are presented in **Exhibit I-2**. Both of these rate schedules reflect a 2.5 percent overall rate increase in January 2014 (based on previously approved indexing using the ENR), and 3.0 percent increases each January from 2015 through 2019 (reflecting the maximum allowed under the proposed indexing criteria). As the City will be phasing out the flat water rates as the meter retrofit program winds down, no changes to the structure of the flat rates are proposed.

Proposed usage-based water rates include a gradual, three-year transition in the structure. At present, the volumetric water rate for multi-family and non-residential accounts is equal to the first tier rate for single family customers. Under the proposed rates the uniform multi-family and non-residential rate will equal the weighted average across the single family tier structure, thereby bringing better balance across the various customer classes. In addition, monthly service charges should be adjusted to better reflect the capacity relationship across meter sizes, and thereby improve equity between large and small customers. Both of these changes are intended to better align the water rates with cost of service principles, as required by Proposition 218.

Exhibit I-2 includes the three years of phased rate structure changes in the rate schedules for 2014, 2015, and 2016. The 2014 schedule reflects the 2.5 percent overall annual rate revenue increase relative to current rates (with some rate components increasing and others decreasing each year), and the 2015 and 2016 schedules reflect the maximum indexing of 3.0 percent in each of those years. These transitional rate structures would be subject to downward adjustments in both 2015 and 2016 if the City Council determines that smaller increases are needed in those years.

Details of water rate recommendations are presented in Section II of this report.

**Exhibit I-1
City of Lodi
Current and Proposed Flat Water Rates**

| | Future Rate Ceiling | | | | | | |
|----------------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Current (Jan. 2013) | Proposed (Jan. 2014) | Proposed (Jan. 2015) | Proposed (Jan. 2016) | Proposed (Jan. 2017) | Proposed (Jan. 2018) | Proposed (Jan. 2019) |
| Rate Increase --> | | 2.5% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| FLAT RATES | | | | | | | |
| Single Family Residential | | | | | | | |
| 1 Bedroom | \$ 29.90 | \$ 30.65 | \$ 31.57 | \$ 32.52 | \$ 33.50 | \$ 34.51 | \$ 35.55 |
| 2 Bedroom | \$ 35.91 | \$ 36.81 | \$ 37.91 | \$ 39.05 | \$ 40.22 | \$ 41.43 | \$ 42.67 |
| 3 Bedroom | \$ 43.04 | \$ 44.12 | \$ 45.44 | \$ 46.80 | \$ 48.20 | \$ 49.65 | \$ 51.14 |
| 4 Bedroom | \$ 51.72 | \$ 53.01 | \$ 54.60 | \$ 56.24 | \$ 57.93 | \$ 59.67 | \$ 61.46 |
| 5 Bedroom | \$ 62.03 | \$ 63.58 | \$ 65.49 | \$ 67.45 | \$ 69.47 | \$ 71.55 | \$ 73.70 |
| 6 Bedroom | \$ 74.44 | \$ 76.30 | \$ 78.59 | \$ 80.95 | \$ 83.38 | \$ 85.88 | \$ 88.46 |
| Multi-Family (1) | | | | | | | |
| 1 Bedroom | \$ 25.67 | \$ 26.31 | \$ 27.10 | \$ 27.91 | \$ 28.75 | \$ 29.61 | \$ 30.50 |
| 2 Bedroom | \$ 30.79 | \$ 31.56 | \$ 32.51 | \$ 33.49 | \$ 34.49 | \$ 35.52 | \$ 36.59 |
| 3 Bedroom | \$ 36.94 | \$ 37.86 | \$ 39.00 | \$ 40.17 | \$ 41.38 | \$ 42.62 | \$ 43.90 |
| 4 Bedroom | \$ 44.32 | \$ 45.43 | \$ 46.79 | \$ 48.19 | \$ 49.64 | \$ 51.13 | \$ 52.66 |
| Mobile Homes | | | | | | | |
| Any Size | \$ 25.67 | \$ 26.31 | \$ 27.10 | \$ 27.91 | \$ 28.75 | \$ 29.61 | \$ 30.50 |
| Non-Residential | | | | | | | |
| Existing unmetered | Varies | +2.5% | +3.0% | +3.0% | +3.0% | +3.0% | +3.0% |

Notes:

(1) Multi-family includes duplexes, triplexes, fourplexes, apartments, and condominiums.

**Exhibit I-2
City of Lodi
Current and Proposed Usage-Based Water Rates**

| | Future Rate Ceiling | | | | | | |
|--------------------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Current (Jan. 2013) | Proposed (Jan. 2014) | Proposed (Jan. 2015) | Proposed (Jan. 2016) | Proposed (Jan. 2017) | Proposed (Jan. 2018) | Proposed (Jan. 2019) |
| Rate Increase --> | | 2.5% (2) | 3.0% (4) | 3.0% (4) | 3.0% | 3.0% | 3.0% |
| USAGE-BASED RATES | | | | | | | |
| Monthly Service Charge | | | | | | | |
| Single Family | | | | | | | |
| 3/4" meter | \$ 23.78 | \$ 24.37 | \$ 22.80 | \$ 21.65 | \$ 22.30 | \$ 22.97 | \$ 23.66 |
| 1" meter | \$ 38.60 | \$ 39.57 | \$ 36.26 | \$ 34.01 | \$ 35.03 | \$ 36.08 | \$ 37.16 |
| 1 1/2" meter | \$ 75.42 | \$ 77.31 | \$ 69.63 | \$ 64.62 | \$ 66.56 | \$ 68.56 | \$ 70.62 |
| 2" meter | \$ 119.79 | \$ 122.78 | \$ 109.84 | \$ 101.52 | \$ 104.57 | \$ 107.71 | \$ 110.94 |
| Multi-Family and Non-Residential (1) | | | | | | | |
| 3/4" meter | \$ 23.78 | \$ 24.37 | \$ 22.80 | \$ 21.65 | \$ 22.30 | \$ 22.97 | \$ 23.66 |
| 1" meter | \$ 38.60 | \$ 39.57 | \$ 36.26 | \$ 34.01 | \$ 35.03 | \$ 36.08 | \$ 37.16 |
| 1 1/2" meter | \$ 60.24 | \$ 61.75 | \$ 64.28 | \$ 64.62 | \$ 66.56 | \$ 68.56 | \$ 70.62 |
| 2" meter | \$ 75.27 | \$ 77.15 | \$ 94.17 | \$ 101.52 | \$ 104.57 | \$ 107.71 | \$ 110.94 |
| 3" meter | \$ 105.38 | \$ 108.01 | \$ 162.18 | \$ 187.65 | \$ 193.28 | \$ 199.08 | \$ 205.05 |
| 4" meter | \$ 135.51 | \$ 138.90 | \$ 254.80 | \$ 310.67 | \$ 319.99 | \$ 329.59 | \$ 339.48 |
| 6" meter | \$ 195.68 | \$ 200.57 | \$ 480.82 | \$ 617.94 | \$ 636.48 | \$ 655.57 | \$ 675.24 |
| 8" meter | \$ 255.91 | \$ 262.31 | \$ 747.94 | \$ 986.82 | \$ 1,016.42 | \$ 1,046.91 | \$ 1,078.32 |
| 10" meter | \$ 316.01 | \$ 323.91 | \$ 1,056.08 | \$ 1,417.30 | \$ 1,459.82 | \$ 1,503.61 | \$ 1,548.72 |
| Usage Rates (\$/CCF) | | | | | | | |
| Single Family | | | | | | | |
| Tier 1 (0-10 CCF) | \$ 0.92 | \$ 0.94 | \$ 0.97 | \$ 0.96 | \$ 0.99 | \$ 1.02 | \$ 1.05 |
| Tier 2 (11-50 CCF) | \$ 1.38 | \$ 1.41 | \$ 1.33 | \$ 1.27 | \$ 1.31 | \$ 1.35 | \$ 1.39 |
| Tier 3 (>50 CCF) | \$ 1.82 | \$ 1.87 | \$ 1.70 | \$ 1.59 | \$ 1.64 | \$ 1.69 | \$ 1.74 |
| Multi-Family and Non-Residential (1) | | | | | | | |
| All water usage | \$ 0.92 | \$ 0.94 | \$ 1.09 | \$ 1.14 | \$ 1.17 | \$ 1.21 | \$ 1.25 |

Notes:

- (1) Multi-family includes duplexes, triplexes, fourplexes, apartments, condominiums, and mobile home parks.
- (2) This schedule includes the proposed indexing of 2.5 percent, with no rate structure changes.
- (3) This rate schedule is revenue neutral relative to the proposed newly indexed January 2014 water rates, but includes the beginning of the proposed 3-year phased changes to the rate structure.
- (4) These rate schedules reflect the second and third year of the 3-year rate structure phasing, as well as the maximum potential rate adjustment due to ENR indexing.

PROPOSED WASTEWATER RATES

Proposed flat (unmetered) wastewater rates are presented in **Exhibit I-3**, and proposed usage-based (metered) wastewater rates are presented in **Exhibit I-4**. Both of these rate schedules reflect 3.0 percent increases each July from 2014 through 2018 (reflecting the maximum allowed under the proposed indexing criteria). Similar to flat water rates, no changes to the structure of flat wastewater rates are proposed, as they will be phased out in upcoming years.

In 2010, the City developed usage-based wastewater rates for single family customers. In July 2012, the City transitioned about 2,940 single family customers to the usage-based wastewater rates, expects to transition an additional 3,700 in July 2014, and will continue each year with more. However, usage-based wastewater rates for other customer classes are not currently available. The usage-based wastewater rates proposed herein include fixed monthly service charges and volumetric rates for all customer classes. While the rate schedule includes usage-based rates for non-residential uses, the City plans to focus on transitioning single family and multi-family residential customer to usage-based rates, and then transition non-residential customers. Rate structure transition issues are discussed in greater in Section III of this report. Additional refinements to the rate structure will be required as the City gains data and experience with the usage-based rates, as well as categorizes non-residential customers into appropriate strength classifications.

Details of wastewater rate recommendations are presented in Section III of this report.

ANNUAL ADJUSTMENTS TO WATER AND WASTEWATER RATES

Government Code Section 53756 authorizes the City to adopt a mechanism for adjusting water and wastewater rates to offset the affects of inflation for up to five years. Consistent with past practices, it is recommended that, in approving the proposed rates, the City also approve annual adjustments to water rates beginning in January 2015 and to wastewater rates beginning in July 2014 by the annual change in the *Engineering News Record's* 20-Cities Construction Cost Index (ENR), subject to a 3 percent annual cap. These annual rate adjustments would also be subject to annual review by staff to confirm need and concurrence by the City Council. In accordance with Section 53756, customers should be informed of the changes in the rate schedules at least 30 days prior to their implementation. This can be achieved through a bill insert, or other means.

Water and wastewater rate schedules presented in Exhibits I-1 through I-4 reflect the maximum 3.0 percent potential adjustment to the rates each year (January 2015 through January 2019 for water rates and July 2014 through July 2018 for wastewater). These schedules, therefore, reflect the "ceiling" for the rates at any time during this five-year period. Actual annual rate adjustments would be based on the actual change in the ENR index (subject to a 3.0 percent cap), financial need, and concurrence by the City Council.

As the City continues to transition customers from flat water and wastewater rates to usage-based rates there is some uncertainty as to the affect it may have on revenues. Therefore, it is important for the City to continue to monitor water usage characteristics and rate revenues for both utilities on an annual basis.

**Exhibit I-3
City of Lodi
Current and Proposed Flat Wastewater Rates**

| | Future Rate Ceiling | | | | | | |
|--|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|----------|
| | Current (Jul. 2013) | Proposed (Jul. 2014) | Proposed (Jul. 2015) | Proposed (Jul. 2016) | Proposed (Jul. 2017) | Proposed (Jul. 2018) | |
| Rate Increase --> | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| FLAT RATES | | | | | | | |
| Single Family Residential | | | | | | | |
| 1 Bedroom | \$ 25.83 | \$ 26.60 | \$ 27.40 | \$ 28.22 | \$ 29.07 | \$ 29.94 | \$ 29.94 |
| 2 Bedroom | \$ 34.44 | \$ 35.47 | \$ 36.53 | \$ 37.63 | \$ 38.76 | \$ 39.92 | \$ 39.92 |
| 3 Bedroom | \$ 43.05 | \$ 44.34 | \$ 45.67 | \$ 47.04 | \$ 48.45 | \$ 49.90 | \$ 49.90 |
| 4 Bedroom | \$ 51.66 | \$ 53.21 | \$ 54.81 | \$ 56.45 | \$ 58.14 | \$ 59.88 | \$ 59.88 |
| 5 Bedroom | \$ 60.27 | \$ 62.08 | \$ 63.94 | \$ 65.86 | \$ 67.84 | \$ 69.88 | \$ 69.88 |
| 6 Bedroom | \$ 68.88 | \$ 70.95 | \$ 73.08 | \$ 75.27 | \$ 77.53 | \$ 79.86 | \$ 79.86 |
| 7 Bedroom | \$ 77.49 | \$ 79.81 | \$ 82.20 | \$ 84.67 | \$ 87.21 | \$ 89.83 | \$ 89.83 |
| Duplexes, Triplexes, Fourplexes, Apartments, and Condominiums | | | | | | | |
| 1 Bedroom | \$ 25.83 | \$ 26.60 | \$ 27.40 | \$ 28.22 | \$ 29.07 | \$ 29.94 | \$ 29.94 |
| 2 Bedroom | \$ 34.44 | \$ 35.47 | \$ 36.53 | \$ 37.63 | \$ 38.76 | \$ 39.92 | \$ 39.92 |
| 3 Bedroom | \$ 43.05 | \$ 44.34 | \$ 45.67 | \$ 47.04 | \$ 48.45 | \$ 49.90 | \$ 49.90 |
| 4 Bedroom | \$ 51.66 | \$ 53.21 | \$ 54.81 | \$ 56.45 | \$ 58.14 | \$ 59.88 | \$ 59.88 |
| Mobile Homes | | | | | | | |
| Any Size | \$ 25.83 | \$ 26.60 | \$ 27.40 | \$ 28.22 | \$ 29.07 | \$ 29.94 | \$ 29.94 |
| Non-Residential (1) | | | | | | | |
| Per SSU | \$ 34.44 | \$ 35.47 | \$ 36.53 | \$ 37.63 | \$ 38.76 | \$ 39.92 | \$ 39.92 |

Notes:

(1) Proposed flat wastewater rates for schools are to be determined on the basis of 18 student per SSU.

**Exhibit I-4
City of Lodi
Current and Proposed Usage-Based Wastewater Rates**

| | Current (Jul. 2013) | Future Rate Ceiling | | | | |
|--------------------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | Proposed (Jul. 2014) | Proposed (Jul. 2015) | Proposed (Jul. 2016) | Proposed (Jul. 2017) | Proposed (Jul. 2018) |
| | Rate Increase --> | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| USAGE-BASED RATES | | | | | | |
| Monthly Service Charge | | | | | | |
| Single Family (per DU) | \$ 23.52 | \$ 24.23 | \$ 24.96 | \$ 25.71 | \$ 26.48 | \$ 27.27 |
| Multi-Family and Non-Residential (1) | | | | | | |
| 3/4" meter | | \$ 24.23 | \$ 24.96 | \$ 25.71 | \$ 26.48 | \$ 27.27 |
| 1" meter | | \$ 38.83 | \$ 39.99 | \$ 41.19 | \$ 42.43 | \$ 43.70 |
| 1 1/2" meter | | \$ 75.03 | \$ 77.28 | \$ 79.60 | \$ 81.99 | \$ 84.45 |
| 2" meter | | \$ 118.63 | \$ 122.19 | \$ 125.86 | \$ 129.64 | \$ 133.53 |
| 3" meter | | \$ 220.45 | \$ 227.06 | \$ 233.87 | \$ 240.89 | \$ 248.12 |
| 4" meter | | \$ 365.88 | \$ 376.86 | \$ 388.17 | \$ 399.82 | \$ 411.81 |
| 6" meter | | \$ 729.12 | \$ 750.99 | \$ 773.52 | \$ 796.73 | \$ 820.63 |
| 8" meter | | \$ 1,165.18 | \$ 1,200.14 | \$ 1,236.14 | \$ 1,273.22 | \$ 1,311.42 |
| Usage Rates (\$/CCF) | | | | | | |
| Single Family (2) | \$ 2.68 | \$ 2.76 | \$ 2.84 | \$ 2.93 | \$ 3.02 | \$ 3.11 |
| Multi-Family (2) | | \$ 2.76 | \$ 2.84 | \$ 2.93 | \$ 3.02 | \$ 3.11 |
| Non-Residential (2) (3) | | | | | | |
| Low Strength | | \$ 2.76 | \$ 2.84 | \$ 2.93 | \$ 3.02 | \$ 3.11 |
| Medium Strength | | \$ 3.45 | \$ 3.55 | \$ 3.66 | \$ 3.77 | \$ 3.88 |
| High Strength | | \$ 4.49 | \$ 4.62 | \$ 4.76 | \$ 4.90 | \$ 5.05 |
| Industrial (4) | | | | | | |
| Flow (per MG annually) | \$ 3,487.41 | \$ 3,592.03 | \$ 3,699.79 | \$ 3,810.78 | \$ 3,925.10 | \$ 4,042.85 |
| BOD (per 1,000 lbs annually) | \$ 575.51 | \$ 592.78 | \$ 610.56 | \$ 628.88 | \$ 647.75 | \$ 667.18 |
| SS (per 1,000 lbs annually) | \$ 359.85 | \$ 370.65 | \$ 381.77 | \$ 393.22 | \$ 405.02 | \$ 417.17 |

Notes:

- (1) Multi-family includes duplexes, triplexes, fourplexes, apartments, condominiums, and mobile home parks.
- (2) Usage charge based on winter water use determined as the average from the prior December-February period. Adjusted each July for each account.
- (3) Placeholder. These rates not yet in use.
- (4) Applies to industrial users discharging into the domestic sewer system.

AFFECT OF PROPOSED RATES ON CUSTOMER BILLS

Flat water rates are proposed to increase by 2.5 percent in January 2014 and flat wastewater rates are proposed to be adjusted by no more than 3 percent in July 2014 to meet anticipated revenue needs of the utilities. No structural changes are proposed for flat rates. Customers subject to flat rates will therefore see a 2.5 percent change in their monthly water bills, and no more than a 3 percent change in their monthly wastewater bills.

Rate structure changes are proposed for usage-based water rates, which will result in smaller or larger changes in bill amounts for affected customers. In general, single family residential customers will benefit from the change, and non-residential customers will, in most but not all cases, see bill increases in excess of 2.5 percent. The proposed rate structure changes, as described in Section II of this report, are intended to improve the equity between the customer classes in the charges for water service.

Multi-family customers, including mobile homes parks, will soon begin to be transitioned to usage-based rates. While usage-based billing may result in the City shifting billing from tenants to property owners, the total charges for water service within most apartment complexes and mobile home parks, as well as duplexes, triplexes, and fourplexes, are likely to be significantly lower if billed to property owners with usage-based rates compared with cumulative flat rate billing to the tenants.

With the exception of the transitioning single family residential customers from flat wastewater rates to usage-based wastewater rates, other wastewater customers will continue to be billed on flat rates until at least July 2015. Usage-based wastewater rates are based on winter water usage for each account, and non-residential customers will be assigned to low, medium, or high strength categories, depending on the type of business. When the transition does occur, multi-family residential customers will likely benefit from usage-based rates. Additional analysis is required to assess the potential implications of usage-based rates for non-residential customers, and further refinements to wastewater rates will be required in the years ahead as more data and analyses become available.

Exhibit I-5 summarizes the affect of proposed water rates (effective January 2014) and proposed wastewater rates (effective July 2014) on monthly bills for a sampling of residential customers. Both flat rates and usage-based rate examples are presented, as well as changes in combined water and wastewater bills.

Exhibit I-6 summarizes the affect of proposed water rates (effective January 2014) and proposed wastewater rates (effective July 2014) on average monthly bills for a sampling of non-residential customers. In all cases, non-residential customers shown are subject to usage-based water rates and flat wastewater rates during this period.

Bill water amounts under proposed rates in Exhibits I-5 and I-6 reflect both the 2.5 percent overall rate increase, as well as the first step in the rate restructuring for usage based water rates. Additional details on the water and wastewater rates and related analyses are presented in Sections II and III, respectively, of this report.

**Exhibit I-5
City of Lodi
Water Bills for Sample of Residential Customers**

| | Water Use (CCF) | Monthly Water Bill | | Change | |
|------------------------------------|-----------------|--------------------|----------------|---------------|--------|
| | | Current Rates | Proposed Rates | \$s | % |
| | | (Jan. 2013) | (Jan. 2014) | | |
| Single Family Residential | | | | | |
| Flat Rate - 2 Bdrm Home | n/a | \$ 35.91 | \$ 36.81 | \$ 0.90 | 2.5% |
| Flat Rate - 3 Bdrm Home | n/a | \$ 43.04 | \$ 44.12 | \$ 1.08 | 2.5% |
| Mtr'd Rate - Low Usage | 9 | \$ 32.06 | \$ 31.72 | \$ (0.34) | -1.1% |
| Mtr'd Rate - Median Usage | 16 | \$ 41.26 | \$ 40.76 | \$ (0.50) | -1.2% |
| Mtr'd Rate - High Usage | 32 | \$ 63.34 | \$ 62.36 | \$ (0.98) | -1.5% |
| Muti-Family Residential (1) | | | | | |
| Flat Rate - 2 Bdrm Apartment | n/a | \$ 30.79 | \$ 31.56 | \$ 0.77 | 2.5% |
| Duplex w/ 3/4" Mtr. | 36 | \$ 61.58 | \$ 59.26 | \$ (2.32) | -3.8% |
| Fourplex w/ 1" Wtr. Mtr. | 60 | \$ 123.16 | \$ 97.38 | \$ (25.78) | -20.9% |
| 12 Unit Apartment w/ 1 1/2" Mtr. | 150 | \$ 369.48 | \$ 212.08 | \$ (157.40) | -42.6% |
| 80 Unit Apartment w/ 4" Mtr. | 720 | \$ 2,463.20 | \$ 913.14 | \$ (1,550.06) | -62.9% |
| 40 Unit MH Park w/ 2" Mtr. | 250 | \$ 1,026.80 | \$ 334.29 | \$ (692.51) | -67.4% |

Wastewater Bills for Sample of Residential Customers

| | Winter Wtr. Use (CCF) | Monthly Wastewater Bill | | Change | |
|------------------------------------|-----------------------|-------------------------|----------------|---------------|--------|
| | | Current Rates | Proposed Rates | \$s | % |
| | | (Jul. 2013) | (Jul. 2014) | | |
| Single Family Residential | | | | | |
| Flat Rate - 2 Bdrm Home | n/a | \$ 34.44 | \$ 35.47 | \$ 1.03 | 3.0% |
| Flat Rate - 3 Bdrm Home | n/a | \$ 43.05 | \$ 44.34 | \$ 1.29 | 3.0% |
| Mtr'd Rate - Low Usage | 6 | \$ 39.60 | \$ 40.79 | \$ 1.19 | 3.0% |
| Mtr'd Rate - Median Usage | 9 | \$ 47.64 | \$ 49.07 | \$ 1.43 | 3.0% |
| Mtr'd Rate - High Usage | 12 | \$ 55.68 | \$ 57.35 | \$ 1.67 | 3.0% |
| Muti-Family Residential (1) | | | | | |
| Flat Rate - 2 Bdrm Apartment | n/a | \$ 34.44 | \$ 35.47 | \$ 1.03 | 3.0% |
| Duplex w/ 3/4" Mtr. | 16 | \$ 68.88 | \$ 68.39 | \$ (0.49) | -0.7% |
| Fourplex w/ 1" Wtr. Mtr. | 28 | \$ 137.76 | \$ 116.11 | \$ (21.65) | -15.7% |
| 12 Unit Apartment w/ 1 1/2" Mtr. | 72 | \$ 413.28 | \$ 273.75 | \$ (139.53) | -33.8% |
| 80 Unit Apartment w/ 4" Mtr. | 480 | \$ 2,755.20 | \$ 1,690.68 | \$ (1,064.52) | -38.6% |
| 40 Unit MH Park w/ 2" Mtr. | 180 | \$ 1,033.20 | \$ 615.43 | \$ (417.77) | -40.4% |

Combined Water and Wastewater Bills for Sample of Residential Customers

| | Monthly Wtr/WW Bill | | Change | |
|------------------------------------|---------------------|----------------|---------------|--------|
| | Current Rates | Proposed Rates | \$s | % |
| | | | | |
| Single Family Residential | | | | |
| Flat Rate - 2 Bdrm Home | \$ 70.35 | \$ 72.28 | \$ 1.93 | 2.7% |
| Flat Rate - 3 Bdrm Home | \$ 86.09 | \$ 88.46 | \$ 2.37 | 2.8% |
| Mtr'd Rate - Low Usage | \$ 71.66 | \$ 72.51 | \$ 0.85 | 1.2% |
| Mtr'd Rate - Median Usage | \$ 88.90 | \$ 89.83 | \$ 0.93 | 1.0% |
| Mtr'd Rate - High Usage | \$ 119.02 | \$ 119.71 | \$ 0.69 | 0.6% |
| Muti-Family Residential (1) | | | | |
| Flat Rate - 2 Bdrm Apartment | \$ 65.23 | \$ 67.03 | \$ 1.80 | 2.8% |
| Duplex w/ 3/4" Mtr. | \$ 130.46 | \$ 127.65 | \$ (2.81) | -2.2% |
| Fourplex w/ 1" Wtr. Mtr. | \$ 260.92 | \$ 213.49 | \$ (47.43) | -18.2% |
| 12 Unit Apartment w/ 1 1/2" Mtr. | \$ 782.76 | \$ 485.83 | \$ (296.93) | -37.9% |
| 80 Unit Apartment w/ 4" Mtr. | \$ 5,218.40 | \$ 2,603.82 | \$ (2,614.58) | -50.1% |
| 40 Unit MH Park w/ 2" Mtr. | \$ 2,060.00 | \$ 949.72 | \$ (1,110.28) | -53.9% |

Notes:

- (1) Current bill amounts for multi-family examples are all based on flat rates, and assume two bedroom dwelling units. Proposed bill amounts are based on metered rates, except where noted.

Exhibit I-6
City of Lodi
Water Bills for Sample of Non-Residential Customers

| | Water Use (CCF) | Monthly Water Bill | | Change | |
|------------------------------------|-----------------|---------------------------|----------------------------|-----------|-------|
| | | Current Rates (Jan. 2013) | Proposed Rates (Jan. 2014) | \$s | % |
| Retail Store (w/ 1" mtr.) | 48 | \$ 82.76 | \$ 85.38 | \$ 2.62 | 3.2% |
| Small Motel (w/ 1" mtr.) | 120 | \$ 149.00 | \$ 157.38 | \$ 8.38 | 5.6% |
| Restaurant (w/ 1 1/2" mtr.) | 160 | \$ 207.59 | \$ 222.25 | \$ 14.65 | 7.1% |
| Small Manufacturer (w/ 2" mtr.) | 169 | \$ 230.75 | \$ 253.29 | \$ 22.54 | 9.8% |
| Grocery Store (w/ 2 mtrs.) | 518 | \$ 611.76 | \$ 664.04 | \$ 52.27 | 8.5% |
| Big Box Retail (w/ 2 mtrs.) | 541 | \$ 633.48 | \$ 687.64 | \$ 54.16 | 8.5% |
| Large Retail Store (w/ 2" mtr.) | 739 | \$ 815.16 | \$ 931.89 | \$ 116.73 | 14.3% |
| Large Office Bldg. (w/ 4" mtr.) | 704 | \$ 783.11 | \$ 897.06 | \$ 113.94 | 14.6% |
| High School (w/ 3 mtrs.) | 2,268 | \$ 2,441.57 | \$ 2,818.13 | \$ 376.56 | 15.4% |
| Hospital (w/ 6 mtrs.) | 2,963 | \$ 3,505.27 | \$ 4,067.37 | \$ 562.10 | 16.0% |
| Indus. Food Processor (w/ 4 mtrs.) | 6,025 | \$ 5,973.20 | \$ 6,659.34 | \$ 686.14 | 11.5% |
| Indus. Food Processor (w/ 6 mtrs.) | 8,565 | \$ 8,376.22 | \$ 9,156.93 | \$ 780.71 | 9.3% |

Wastewater Bills for Sample of Non-Residential Customers

| | WW Use (SSUs) | Monthly Wastewater Bill | | Change | |
|---------------------------|---------------|---------------------------|----------------------------|-------------|------|
| | | Current Rates (Jul. 2013) | Proposed Rates (Jul. 2014) | \$s | % |
| Retail Store | 3.12 | \$ 107.45 | \$ 110.67 | \$ 3.21 | 3.0% |
| Small Motel | 4.00 | \$ 137.76 | \$ 141.88 | \$ 4.12 | 3.0% |
| Restaurant | 14.00 | \$ 482.16 | \$ 496.58 | \$ 14.42 | 3.0% |
| Small Manufacturer | 22.85 | \$ 786.95 | \$ 810.49 | \$ 23.54 | 3.0% |
| Grocery Store | 25.00 | \$ 861.00 | \$ 886.75 | \$ 25.75 | 3.0% |
| Big Box Retail | 36.08 | \$ 1,242.60 | \$ 1,279.76 | \$ 37.16 | 3.0% |
| Large Retail Store | 13.98 | \$ 481.47 | \$ 495.87 | \$ 14.40 | 3.0% |
| Large Office Building | 92.63 | \$ 3,190.18 | \$ 3,285.59 | \$ 95.41 | 3.0% |
| High School | 133.93 | \$ 4,612.55 | \$ 4,750.50 | \$ 137.95 | 3.0% |
| Hospital | 48.56 | \$ 1,672.41 | \$ 1,722.42 | \$ 50.02 | 3.0% |
| Industrial Food Processor | 639.67 | \$ 22,030.23 | \$ 22,689.09 | \$ 658.86 | 3.0% |
| Industrial Food Processor | 1,258.06 | \$ 43,327.59 | \$ 44,623.39 | \$ 1,295.80 | 3.0% |

Combined Water and Wastewater Bills for Sample of Non-Residential Customers

| | Monthly Wtr/WW Bill | | Change | |
|---------------------------|---------------------|----------------|-------------|-------|
| | Current Rates | Proposed Rates | \$s | % |
| Retail Store | \$ 190.21 | \$ 196.05 | \$ 5.83 | 3.1% |
| Small Motel | \$ 286.76 | \$ 299.26 | \$ 12.50 | 4.4% |
| Restaurant | \$ 689.75 | \$ 718.83 | \$ 29.07 | 4.2% |
| Small Manufacturer | \$ 1,017.70 | \$ 1,063.78 | \$ 46.08 | 4.5% |
| Grocery Store | \$ 1,472.76 | \$ 1,550.79 | \$ 78.02 | 5.3% |
| Big Box Retail | \$ 1,876.07 | \$ 1,967.39 | \$ 91.32 | 4.9% |
| Large Retail Store | \$ 1,296.63 | \$ 1,427.76 | \$ 131.13 | 10.1% |
| Large Office Building | \$ 3,973.29 | \$ 4,182.64 | \$ 209.35 | 5.3% |
| High School | \$ 7,054.12 | \$ 7,568.63 | \$ 514.51 | 7.3% |
| Hospital | \$ 5,177.68 | \$ 5,789.79 | \$ 612.11 | 11.8% |
| Industrial Food Processor | \$ 28,003.44 | \$ 29,348.44 | \$ 1,345.00 | 4.8% |
| Industrial Food Processor | \$ 51,703.80 | \$ 53,780.32 | \$ 2,076.52 | 4.0% |

SECTION II. WATER RATES

This section of the report describes water rate recommendations for the City's water utility. The City's multi-year financial plan was used to determine annual water rate revenue requirements, and to develop the strategy for meeting current and future financial obligations. The annual rate revenue requirement is the amount of revenue needed from water rates to cover estimated operating, maintenance, debt service, and capital program costs with consideration of other revenues and financial reserves.

Water rate recommendations are also intended to assist the City in the transition to a fully metered water system and universal usage-based water rates. Rate structure changes are intended to improve equity across customer classes by better reflecting the cost of providing service.

CURRENT WATER RATES

The City's current water rates are summarized in **Exhibit II-1**. Water rates were last adjusted in January 2013 with a 2.5 percent across-the-board increase based on changes in the *Engineering News Record's* 20-Cities Construction Cost Index (ENR). This index is used by the City to annually adjust the level of water and wastewater rates.

**Exhibit I-1
City of Lodi
Current Monthly Water Rates**

| FLAT RATES | USAGE-BASED RATES | | | | |
|----------------------------------|-------------------|---|-----------|----------------------|---------|
| Single Family Residential | | Single Family Residential | | | |
| 1 Bedroom | \$ 29.90 | Monthly Service Charges | | Usage Rates (\$/CCF) | |
| 2 Bedroom | \$ 35.91 | 3/4" meter | \$ 23.78 | Tier 1 (0-10 CCF) | \$ 0.92 |
| 3 Bedroom | \$ 43.04 | 1" meter | \$ 38.60 | Tier 2 (11-50 CCF) | \$ 1.38 |
| 4 Bedroom | \$ 51.72 | 1 1/2" meter | \$ 75.42 | Tier 3 (>50 CCF) | \$ 1.82 |
| 5 Bedroom | \$ 62.03 | 2" meter | \$ 119.79 | | |
| 6 Bedroom | \$ 74.44 | | | | |
| 7 Bedroom | \$ 89.31 | | | | |
| Multi-Family (1) | | Multi-Family and Non-Residential (1) | | | |
| 1 Bedroom | \$ 25.67 | Monthly Service Charges | | Usage Rates (\$/CCF) | |
| 2 Bedroom | \$ 30.79 | 3/4" meter | \$ 23.78 | All water usage | \$ 0.92 |
| 3 Bedroom | \$ 36.94 | 1" meter | \$ 38.60 | | |
| 4 Bedroom | \$ 44.32 | 1 1/2" meter | \$ 60.24 | | |
| Mobile Homes | | 2" meter | \$ 75.27 | | |
| Any Size | \$ 25.67 | 3" meter | \$ 105.38 | | |
| Non-Residential | | 4" meter | \$ 135.51 | | |
| Exist. unmetered | Varies | 6" meter | \$ 195.68 | | |
| | | 8" meter | \$ 255.91 | | |
| | | 10" meter | \$ 316.01 | | |

Notes:

(1) Multi-family includes duplexes, triplexes, fourplexes, apartments, and condominiums.

Residential flat rates are based on the number of bedrooms in each dwelling, and are based on water usage estimates made prior to the availability of water usage data. All flat rates will be phased out as the installation of water meters is completed. Water usage rates include a fixed monthly service charge, based on size of the water meter, and volumetric charges based on a customer's actual water usage. Single family customers are subject to a three-tier rate structure, which includes a lower initial rate intended for non-discretionary uses of water and higher rates for discretionary uses intended to provide an incentive to conserve water. Multi-family and non-residential customers are subject to a uniform water usage rate.

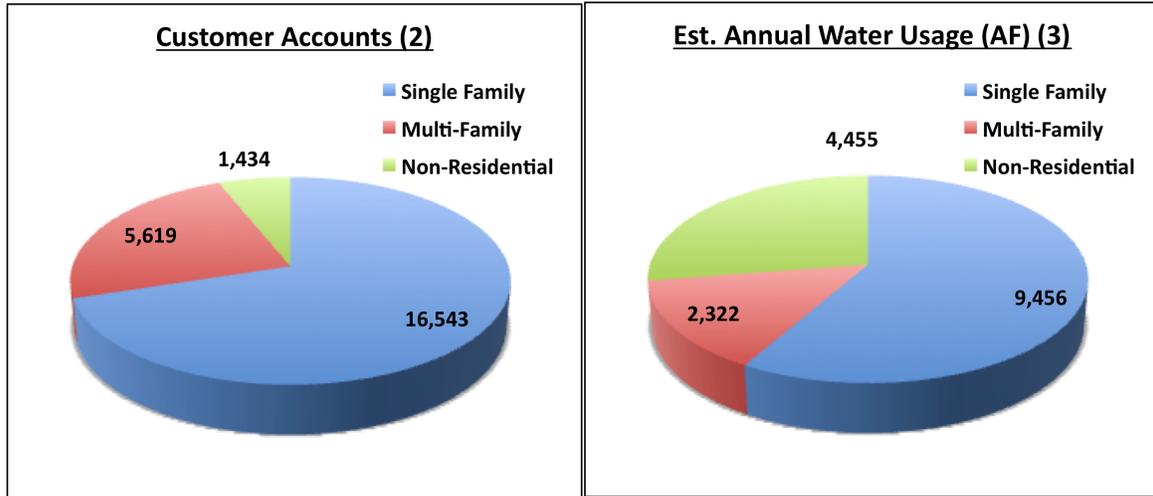
At present, tenants of multi-family apartments and mobile home parks are billed for water and wastewater services. As water meters are installed for apartment complexes and mobile home parks the billing for these services may be transferred from tenants to property owners.

CUSTOMER BASE AND WATER USAGE DATA

The water utility's customer base is predominately comprised of single family and multi-family residential customers, along with commercial, industrial, and municipal customers. Some non-residential customers, including food-processing facilities, use very large quantities of water. Because the City is not entirely metered total water usage must be estimated. **Exhibit II-2** summarizes customer account and water usage estimates derived from the City's utility billing system for 2012. With residential accounts expressed as the number of dwelling units, the water utility customer base is nearly 23,600 accounts and estimated annual water usage is about 16,233 acre-feet (AF). Single family accounts represent 70 percent of the customers and 58 percent of the water usage. Multi-family accounts represent 24 percent of the customers and 14 percent of the water usage. Non-residential accounts comprise about 6 percent of the customer base, and also represent about 27 percent of annual water usage. The City's largest water users include several industrial customers (primarily food-processing), as well as the City of Lodi, and the Lodi Unified School District.

By January 2014, more than one-half of the City's single family residential customers will be on usage-based water rates, with two- to three-thousand single family customers transitioning to usage-based rates each year. All single family customers are expected to be transitioned to usage-based water rates by 2019. The installation of water meters for all customers is expected to be completed by 2018. About 75 percent of non-residential customers are metered and have been on usage-based water rates. The City plans to transition mobile home parks to usage-based rate in 2014, the remaining non-residential accounts by 2017, and multi-family accounts by 2020.

**Exhibit II-2
City of Lodi
Summary of Water Utility Customer Accounts and Annual Water Usage (1)**



Notes:

- (1) Derived from the City's utility billing system from data for 2012.
- (2) Total customer accounts equals 23,596. Residential accounts expressed in dwelling units.
- (3) Total estimated annual water usage equals 16,233 acre-feet (AF).

ANNUAL WATER REVENUE RATE REQUIREMENT

The City has updated its multi-year financial model with actual revenues and expenses (pre-audit) for FY 12-13 and the approved budget for FY 13-14. Based on that model, the City estimates an annual water rate increase of 2.5 percent in January 2014 followed by annual water rate increases of no more than 3 percent per year thereafter. These rate increases are believed to be sufficient to meet the utility's operating and maintenance costs, debt service obligations, and capital program needs through FY 19-20.

The City adjusts its water rates in January of each year based on the annual change in the ENR, subject to a 3.0 percent cap and concurrence by the City Council. Based on the current ENR and staff's analysis of financial need, the rate analyses presented herein are based on a 2.5 percent increase effective in January 2014. This is consistent with the City's updated financial plan model.

The City anticipates approximately 2,350 additional single family residential customers will be converted to usage-based rates in January 2014. With that shift, and an overall 2.5 percent rate increase, water rate revenues from flat and usage based customers is estimated to be \$12,931,000, as summarized below

| | |
|-------------------------------|--------------------|
| Flat rate revenue | \$5,781,000 |
| Usage-based rate revenue | <u>\$7,150,000</u> |
| Total 2014 water rate revenue | \$12,931,000 |

No changes are proposed to the City's flat water rate structure. Therefore, a 2.5 percent rate increase will mean a 2.5 percent increase to all flat water rates. With a transition of approximately 2,350 additional single family customers to water meters in January 2014

the water utility will be billing nearly 8,400 customer accounts through usage-based water rates. The annual water rate revenue requirement for the City's usage-based water rates will be \$7,150,000 for 2014, with this increased portion of the customer base on usage-based rates. This is the revenue requirement used for the calculation of usage-based water rates.

COST OF SERVICE ANALYSIS AND RATE DESIGN

The annual water rate revenue requirement of \$12,931,000 for 2014 has been split between flat and usage-based rates based on the number of accounts and water use characteristics of the customer base within each group. The cost of service analysis for each group is separately presented below.

Flat Rate Cost of Service Analysis

As the City will be phasing out the system of flat water rates in the next few years, no changes to the rate structure are proposed. The City's flat rates are based on the number of bedrooms in each single family and multi-family dwelling unit. Non-residential flat rate accounts have each been assigned a unique single family equivalency factor, based on estimated usage characteristics, relative to single family homes.

Exhibit II-3 summarizes the distribution of the 2014 revenue requirement for flat rate accounts of various customer types, and shows the calculation of the monthly flat water rates. Monthly flat water rates are proposed to increase by 2.5 percent in January 2014.

Usage-Based Rate Cost of Service Analysis

A more detailed cost of service analysis was prepared for the City's usage-based water rates. The analysis was based on the number and type of customers that will be subject to these rates in 2014.

Once the 2014 usage-based revenue requirement of \$7,150,000 was determined, the next step in the rate setting process is to evaluate the cost of providing service. Water rate calculations contained herein are intended to generate the level of revenue commensurate with the revenue requirement for usage-based customers. The manner in which each customer is responsible for the water utility's costs is the subject of the cost of service analysis.

The water utility incurs certain types of costs associated with making water service available to customers. Other costs are incurred as a direct result of customer water usage. The cost of service analysis is intended to allocate the costs of providing water service to customers in proportion to customers' water demands and service requirements. There are many approaches to cost of service analysis; some are more complex than others. The approach used herein is commensurate with the data available, the distinctions currently made between various types of customers, and the requirement to fairly and to reasonably reflect the differences in service provisions to different customers.

Exhibit II-3
City of Lodi
2014 Flat Water Rate Cost of Service Analysis and Rate Calculation

| Customer Group | No. of Accts. or DUs (1) | Equivalency Factor (2) | Single Family Equivalents (3) | % of Total | Alloc. of Revenue Rqmt. | Monthly Flat Water Rate |
|----------------------------------|-------------------------------------|-----------------------------------|--|-----------------------|--|------------------------------------|
| Single Family Residential | | | | | | |
| 1 Bedroom | 549 | 0.83 | 458 | 3.5% | \$ 201,900 | \$ 30.65 |
| 2 Bedroom | 3,908 | 1.00 | 3,908 | 29.9% | \$ 1,726,500 | \$ 36.81 |
| 3 Bedroom | 2,787 | 1.20 | 3,344 | 25.5% | \$ 1,476,000 | \$ 44.12 |
| 4 Bedroom | 288 | 1.44 | 415 | 3.2% | \$ 183,200 | \$ 53.01 |
| 5 Bedroom | 23 | 1.73 | 40 | 0.3% | \$ 17,500 | \$ 63.58 |
| 6 Bedroom | 1 | 2.07 | 2 | 0.0% | \$ 900 | \$ 76.30 |
| Multi-Family Residential | | | | | | |
| 1 Bedroom | 2,177 | 0.71 | 1,556 | 11.9% | \$ 687,300 | \$ 26.31 |
| 2 Bedroom | 3,311 | 0.86 | 2,839 | 21.7% | \$ 1,253,900 | \$ 31.56 |
| 3 Bedroom | 129 | 1.03 | 133 | 1.0% | \$ 58,600 | \$ 37.86 |
| 4 Bedroom | 2 | 1.23 | 2 | 0.0% | \$ 1,100 | \$ 45.43 |
| Non-Residential | | | | | | |
| Various | 271 | Varies | 394 | 3.0% | \$ 174,100 | Varies (4) |
| Totals | 13,446 | | 13,091 | | \$ 5,781,000 | |

Notes:

- (1) Estimate based on transition of about 2,350 additional single family accounts to usage-based billing.
- (2) From existing flat water rate structure.
- (3) Based on one single family equivalent equal to a 2-bedroom home.
- (4) All non-residential flat rates increase by 2.5 percent.

The cost allocation methodology used herein begins by assigning all costs to one of three categories. The cost allocation process considers the level of detail available in the City's financial structure, as well as professional judgment and experience. The three categories include:

- Customer costs, such as meter reading, billing, and customer service, are fixed costs that tend to vary as a function of the number of customer being served. Customer costs are allocated to customers based on the number of accounts. That is, every customer will pay an equal share of customer-related costs.
- Capacity costs are also fixed costs, however, these tend to vary in relation to the capacity of the water system. Customers that place (or can place) a greater or lesser burden on the capacity of the water system should bear greater or lesser shares of these costs. The sizing of the water system is based on the potential demand that each customer could place on the water system. Capacity costs are allocated to customers based on the size (hydraulic capacity) of the water meter. The hydraulic capacity reflects the potential demand that a customer could place on the water system at any given time. A customer with a large meter will be assigned a larger share of fixed capacity-related costs than one with a small meter. Capacity costs include costs associated with the water system's capacity including contributions to the capital program, debt service, maintenance costs, etc.

- Commodity costs are variable costs that vary with the amount of actual water use. Water purchases, energy costs, and chemical costs are primary examples. However, because certain fixed costs are reasonably assigned to customers on the basis of usage (e.g., water treatment staff-related costs), some fixed costs are frequently included in the commodity component. Recovering a portion of fixed costs on the basis of actual water usage has the added benefit for increasing the water conservation incentive reflected in the water rates.

The water conservation best management practice for water rates (BMP 1.4), as promulgated by the California Urban Water Conservation Council (CUWCC) specifies that at least 70 percent of water rate revenue be generated through water usage charges. While the City is not subject to the CUWCC's requirements, such an approach also provides customers with added ability to affect the amount of their water bill by managing water usage. The allocation of costs, as well as the resulting rate calculations, reflects a balanced approach to considering different rate-setting objectives. Based on a review of water system financial information, the cost allocation resulted in a distribution of the costs to customer, capacity, and commodity components of 5 percent, 40 percent, and 55 percent, respectively.

Exhibit II-4 shows how the usage-based revenue requirement is allocated to cost components, as well as the resulting determination of water rates. Usage-based water rates include a fixed monthly service charge, to recover customer and capacity costs, and water usage rates, to recover commodity costs.

The monthly service charges are calculated by allocating customer costs equally across all customer accounts and by allocating capacity related costs in proportion to meter capacity. As a result, monthly service charges increase with increasing meter sizes. While the current monthly service charges also vary with meter size the variation across meter sizes does not fully reflect the capacity relationship across meter sizes. With the correct capacity factors applied monthly service charges for the smaller meter sizes decrease while the charges for larger meters increase. The increase is greatest for the largest meter sizes but is, nevertheless, consistent with cost of service principles and the capacity relationship.

The City's water rate structure includes a uniform water usage rate for multi-family and non-residential customers. The uniform water rate is calculated simply by dividing the commodity costs by the total water sales volume.

In 2009, the City implemented a three-tier water rate structure for single family customers. The tier structure provides a lower cost for initial water usage, estimated to reflect indoor water needs that tend to be non-discretionary, and higher costs for more discretionary uses of water. It also serves as a water conservation incentive. The City obtains its water supply from both groundwater and surface water purchased from the Woodbridge Irrigation District. The first tier rate generally reflects the cost of groundwater production (as well as other commodity costs recovered through the usage rates), and the third tier rate generally reflects the cost of purchasing and treating surface water (as well as other commodity costs recovered through the usage rates).

**Exhibit II-4
City of Lodi
2014 Usage-Based Water Rate Cost of Service Analysis and Rate Calculation**

| | Meter Size | | | | | | | 10" | Total |
|---------------------------------|---------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|--------------------|
| | 3/4" | 1" | 1 1/2" | 2" | 3" | 4" | 6" | | |
| No. of Accounts | | | | | | | | | |
| Single Family | 8,392 | 1 | 2 | | | | | | 8,395 |
| Multi-Family | 14 | | | | | | | | 14 |
| Comm./Industrial | 450 | 133 | 143 | 274 | 51 | 43 | 14 | 1 | 1,109 |
| Municipal | 2 | 7 | 7 | 17 | 6 | 10 | 1 | | 50 |
| Outside City | | | | 1 | | 1 | | 2 | 4 |
| Total | 8,858 | 141 | 152 | 292 | 57 | 54 | 15 | 2 | 9,572 |
| Hydr. Cap. Factor | 1.00 | 1.67 | 3.33 | 5.33 | 10.00 | 16.67 | 33.33 | 53.33 | 76.67 |
| No. of 3/4" Equiv. Meters | 8,858 | 235 | 506 | 1,556 | 570 | 900 | 500 | 107 | 13,310 |
| Monthly Service Charges | | | | | | | | | |
| Customer Cost | \$ 3.11 | \$ 3.11 | \$ 3.11 | \$ 3.11 | \$ 3.11 | \$ 3.11 | \$ 3.11 | \$ 3.11 | \$ 3.11 |
| Capacity Cost | \$ 17.91 | \$ 29.90 | \$ 59.63 | \$ 95.44 | \$ 179.07 | \$ 298.51 | \$ 596.83 | \$ 954.97 | \$ 1,372.91 |
| Monthly Service Chrg. | \$ 21.02 | \$ 33.02 | \$ 62.74 | \$ 98.56 | \$ 182.18 | \$ 301.62 | \$ 599.94 | \$ 958.08 | \$ 1,376.02 |
| Ann. Rev. (\$1,000s) | \$ 2,234,301 | \$ 55,864 | \$ 114,441 | \$ 345,338 | \$ 124,611 | \$ 195,449 | \$ 107,990 | \$ 22,994 | \$ 3,217,500 |
| Water Usage Rates | | | | | | | | | |
| 2014 Revenue Requirement | | | | | | | | | |
| Customer Cost | \$ 357,500 | 5.0% | | | | | 45.4% | 89,474,939 | \$ 828,551 |
| Capacity Cost | \$ 2,860,000 | 40.0% | | | | | 50.0% | 98,680,437 | \$ 1,215,348 |
| Commodity Cost | \$ 3,932,500 | 55.0% | | | | | 4.6% | 9,062,070 | \$ 139,510 |
| Total Rev. Reqmt. | \$ 7,150,000 | | | | | | | 615,451 | \$ 6,814 |
| | | 2.5% | | | | | | 139,380,294 | \$ 1,543,090 |
| | | | | | | | | 16,268,150 | \$ 180,106 |
| | | | | | | | | 1,723,570 | \$ 19,082 |
| | | | | | | | | 355,204,911 | \$ 3,932,500 |

At present, the uniform rate for multi-family and non-residential accounts is equal to the first tier rate for single family customers. Equity is improved between the single family, multi-family, and non-residential usage rates with the proposed rates because the weighted average rate across the three single family tiers equals the uniform rate applicable to multi-family and non-residential accounts.

PROPOSED WATER RATE SCHEDULES

Current and proposed water rate schedules for both flat rates and usage-based rates are presented in **Exhibits II-5** and **II-6**, respectively. All rates reflect an overall 2.5 percent revenue increase relative to the current water rates. However, due to the changes in the usage-based rate structure the change in customer water bills will vary, and will be a function of customer class, meter size, and monthly water usage, as previously presented in the section *Usage-Based Rate Cost of Service Analysis* (above). Illustrative examples of customer bill impacts are included in Exhibits I-5 and I-6, earlier in the report.

**Exhibit II-5
City of Lodi
Current and Proposed Flat Water Rates**

| | Current (Jan. 2013) | Proposed (Jan. 2014) |
|---|------------------------|-------------------------|
| | Rate Increase --> | 2.5% |
| FLAT RATES | | |
| <i>Single Family Residential</i> | | |
| 1 Bedroom | \$ 29.90 | \$ 30.65 |
| 2 Bedroom | \$ 35.91 | \$ 36.81 |
| 3 Bedroom | \$ 43.04 | \$ 44.12 |
| 4 Bedroom | \$ 51.72 | \$ 53.01 |
| 5 Bedroom | \$ 62.03 | \$ 63.58 |
| 6 Bedroom | \$ 74.44 | \$ 76.30 |
| <i>Multi-Family (1)</i> | | |
| 1 Bedroom | \$ 25.67 | \$ 26.31 |
| 2 Bedroom | \$ 30.79 | \$ 31.56 |
| 3 Bedroom | \$ 36.94 | \$ 37.86 |
| 4 Bedroom | \$ 44.32 | \$ 45.43 |
| <i>Mobile Homes</i> | | |
| Any size | \$ 25.67 | \$ 26.31 |
| <i>Non-Residential</i> | | |
| Existing unmetered | Varies | +2.5% |

Notes:

- (1) Multi-family includes duplexes, triplexes, fourplexes, apartments, and condominiums.

**Exhibit II-6
City of Lodi
Current and Proposed Usage-Based Water Rates**

| | Current (Jan. 2013) | New Indexing (Jan. 2014) | Revenue Neutral 3-Year Restructuring | | |
|--------------------------------------|------------------------|-----------------------------|--------------------------------------|-------------------------|-------------------------|
| | | | Proposed (Jan. 2014) | Proposed (Jan. 2015) | Proposed (Jan. 2016) |
| | Rate Increase --> | 2.5% | (2) | (3) | (3) |
| USAGE-BASED RATES | | | | | |
| Monthly Service Charge | | | | | |
| Single Family | | | | | |
| 3/4" meter | \$ 23.78 | \$ 24.37 | \$ 23.26 | \$ 22.14 | \$ 21.02 |
| 1" meter | \$ 38.60 | \$ 39.57 | \$ 37.38 | \$ 35.20 | \$ 33.02 |
| 1 1/2" meter | \$ 75.42 | \$ 77.31 | \$ 72.45 | \$ 67.60 | \$ 62.74 |
| 2" meter | \$ 119.79 | \$ 122.78 | \$ 114.71 | \$ 106.64 | \$ 98.56 |
| Multi-Family and Non-Residential (1) | | | | | |
| 3/4" meter | \$ 23.78 | \$ 24.37 | \$ 23.26 | \$ 22.14 | \$ 21.02 |
| 1" meter | \$ 38.60 | \$ 39.57 | \$ 37.38 | \$ 35.20 | \$ 33.02 |
| 1 1/2" meter | \$ 60.24 | \$ 61.75 | \$ 62.08 | \$ 62.41 | \$ 62.74 |
| 2" meter | \$ 75.27 | \$ 77.15 | \$ 84.29 | \$ 91.43 | \$ 98.56 |
| 3" meter | \$ 105.38 | \$ 108.01 | \$ 132.74 | \$ 157.46 | \$ 182.18 |
| 4" meter | \$ 135.51 | \$ 138.90 | \$ 193.14 | \$ 247.38 | \$ 301.62 |
| 6" meter | \$ 195.68 | \$ 200.57 | \$ 333.69 | \$ 466.82 | \$ 599.94 |
| 8" meter | \$ 255.91 | \$ 262.31 | \$ 494.23 | \$ 726.16 | \$ 958.08 |
| 10" meter | \$ 316.01 | \$ 323.91 | \$ 674.61 | \$ 1,025.32 | \$ 1,376.02 |
| Mobile Homes | | | | | |
| Any Size | \$ 23.78 | \$ 24.37 | \$ 23.26 | \$ 22.14 | \$ 21.02 |
| Usage Rates (\$/CCF) | | | | | |
| Single Family | | | | | |
| Tier 1 (0-10 CCF) | \$ 0.92 | \$ 0.94 | \$ 0.94 | \$ 0.94 | \$ 0.93 |
| Tier 2 (11-50 CCF) | \$ 1.38 | \$ 1.41 | \$ 1.35 | \$ 1.29 | \$ 1.23 |
| Tier 3 (>50 CCF) | \$ 1.82 | \$ 1.87 | \$ 1.76 | \$ 1.65 | \$ 1.54 |
| Multi-Family and Non-Residential (1) | | | | | |
| All water usage | \$ 0.92 | \$ 0.94 | \$ 1.00 | \$ 1.06 | \$ 1.11 |

Notes:

- (1) Multi-family includes duplexes, triplexes, fourplexes, apartments, and condominiums.
- (2) This rate schedule is revenue neutral relative to the newly indexed January 2014 water rates.
- (3) These rate schedules are revenue neutral relative to 2014, and would be subject to annual inflationary adjustments based on changes in the ENR.

Three-Year Transition for Usage-Based Rates

The proposed modifications to the usage-based water rate structure include changes that may impact some non-residential customers (those with large meters and/or high water usage) more dramatically than other customers. This is due to both the increased monthly service charges for larger meter sizes, as well as the necessary increase in the uniform water rate to bring it up from the single family first tier rate to the weighted average across all tiers. (At present, nearly all multi-family accounts still pay for water service under flat rates; therefore they will not directly be affected by the changes in the usage-based rate structure.)

To ease the potential affects of the proposed new water rate structure, it is recommended that the usage-based rate structure be phased in over a three-year period. The rate schedule presented in Exhibit II-6 illustrates the transition. The rate schedules for

all three years are revenue neutral to each other (and reflect an overall 2.5 percent revenue increase over the current rates). Therefore, in both 2015 and 2016 the rate schedules will need to be adjusted to incorporate the inflationary adjustments to the rates, based on changes in the ENR.

The usage-based water rate schedule presented in Exhibit I-2 reflect the proposed rate structure phased implementation, as well as reflecting the maximum potential rate adjustment of 3.0 percent per year, based on ENR indexing criteria.

METER INSTALLATION AND TRANSITION TO USAGE-BASED BILLING

The City continues to install water meters on all unmetered water service connections. Below is a summary of the status of the metering program and plans to transition customers from flat water rates to usage-based water rates. Each January an additional batch of customers is transitioned to usage-based rates.

- ***Single Family*** – More than 50 percent of single family homes now have water meters with two- to three-thousand additional meters installed each year. The transition to usage-based rates is expected to be completed by January 2019.
- ***Mobile Home Parks*** – All mobile home parks have now been provided with master water meters on the connections serving each park. The City plans to convert all mobile home parks to usage-based water rates in the near future.
- ***Multi-Family*** – The City is currently installing water meters for apartment and condominium complexes, and plans to complete these installations by 2018. All multi-family accounts (including duplexes, triplexes, and fourplexes) are expected to transition to usage-based water rates in January 2020. Similar to mobile home parks, at that time, billing may also shift from tenant to property owner.
- ***Non-Residential*** – At present, about 75 percent of non-residential accounts have water meters and are subject to usage-based water rates. Remaining unmetered accounts will be metered in the next few years, and the City expects to implement usage-based rates on these accounts by January 2017. Non-residential accounts include commercial, industrial, institutional, and dedicated irrigation account types.

The transition from flat rates to usage-based rates may affect the total amount of customers' water bills. Monthly bills may be higher in the summer during the irrigation season, and lower in winter months when water demand is lower. For single family customers many will have a decrease in their annual water cost with the transition to usage-based rates, while others will have an overall increase. Multi-family customers will generally benefit from the transition to usage-based water rates. As noted previously non-residential customers may have larger water bills with the proposed rates.

SECTION III: WASTEWATER RATES

This section of the report describes wastewater rate recommendations for the City's wastewater utility. The City's multi-year financial plan was used to determine annual wastewater rate revenue requirements, and to develop the strategy for meeting current and future financial obligations. The annual rate revenue requirement is the amount of revenue needed from wastewater rates to cover estimated operating, maintenance, debt service, and capital program costs with consideration of other revenues and financial reserves.

Wastewater rate recommendations are also intended to assist the City in the transition to a fully metered water system and usage-based wastewater rates. Rate structure changes are intended to improve equity across customer classes by better reflecting the cost of providing service.

CURRENT WASTEWATER RATES

The City's current wastewater rates are summarized in **Exhibit III-1**. Wastewater rates were last adjusted in July 2013 with a 2.5 percent across-the-board increase based on changes in the *Engineering News Record's* 20-Cities Construction Cost Index (ENR). This index is used by the City to annually adjust the level of water and wastewater rates.

Residential flat rates are based on the number of bedrooms in each dwelling, and were based on estimated sewer flows made prior to the availability of water usage data. Non-residential wastewater rates are based on the number of sanitary sewer units (SSUs) for each account, as determined by City staff. One SSU is equivalent to a two-bedroom single family home. All flat wastewater rates will be phased out as the installation of water meters is completed. Wastewater usage-based rates are currently available for single family customers. They include a fixed monthly service charge for each dwelling unit, and a usage charge based on a customer's winter water usage. Winter water usage is used for sewer flow estimation since irrigation usage is minimized during this time period. The City uses the average monthly water usage from December through February for determining the average winter water use, and hence estimated monthly sewer flow.

The City has a small number of large industrial customers (primarily food processing). Each of these customers pays for wastewater service based on actual wastewater flows and loading characteristics. Industrial rates for users discharging into the City's domestic sewer collection system are included in Exhibit III-1. Separate (lower) rates apply to the few industrial users that discharge into the industrial line, which requires less treatment. Those rates are outside of the scope of this study.

At present, tenants of multi-family apartments and mobile home parks are individually billed for water and wastewater services. As water meters are installed for apartment complexes and mobile home parks the billing for these services may be transferred from tenants to property owners.

**Exhibit III-1
City of Lodi
Current Monthly Wastewater Rates**

| FLAT RATES | | | USAGE-BASED RATES | | |
|-------------------------------------|----|-------|----------------------------------|----|----------|
| Single Family Residential | | | Single Family Residential | | |
| 1 Bedroom | \$ | 25.83 | Monthly Service Charge | \$ | 23.52 |
| 2 Bedroom | \$ | 34.44 | Usage Rate (\$/CCF) (3) | \$ | 2.68 |
| 3 Bedroom | \$ | 43.05 | Multi-Family Residential | | |
| 4 Bedroom | \$ | 51.66 | Not Available | | |
| 5 Bedroom | \$ | 60.27 | Non-Residential | | |
| 6 Bedroom | \$ | 68.88 | Not Available | | |
| 7 Bedroom | \$ | 77.49 | Industrial (4) | | |
| Multi-Family Residential (1) | | | Flow (per MG) | \$ | 3,487.41 |
| 1 Bedroom | \$ | 25.83 | BOD (per 1,000 lbs) | \$ | 575.51 |
| 2 Bedroom | \$ | 34.44 | SS (per 1,000 lbs) | \$ | 359.85 |
| 3 Bedroom | \$ | 43.05 | | | |
| 4 Bedroom | \$ | 51.66 | | | |
| Mobile Homes | | | | | |
| Any Size | \$ | 25.83 | | | |
| Non-Residential | | | | | |
| Per SSU (2) | \$ | 34.44 | | | |

Notes:

- (1) Includes duplexes, triplexes, fourplexes, apartments, and condominiums.
- (2) The number of sanitary sewer units (SSUs) is determined for each customer based on usage characteristics and factors adopted by the City.
- (3) Usage charge based on winter water use determined as the average from the prior December-February period. Adjusted each July for each account.
- (4) Annual charges apply to industrial users discharging into the domestic sanitary sewer system. Separate charges apply to discharges to the industrial line.

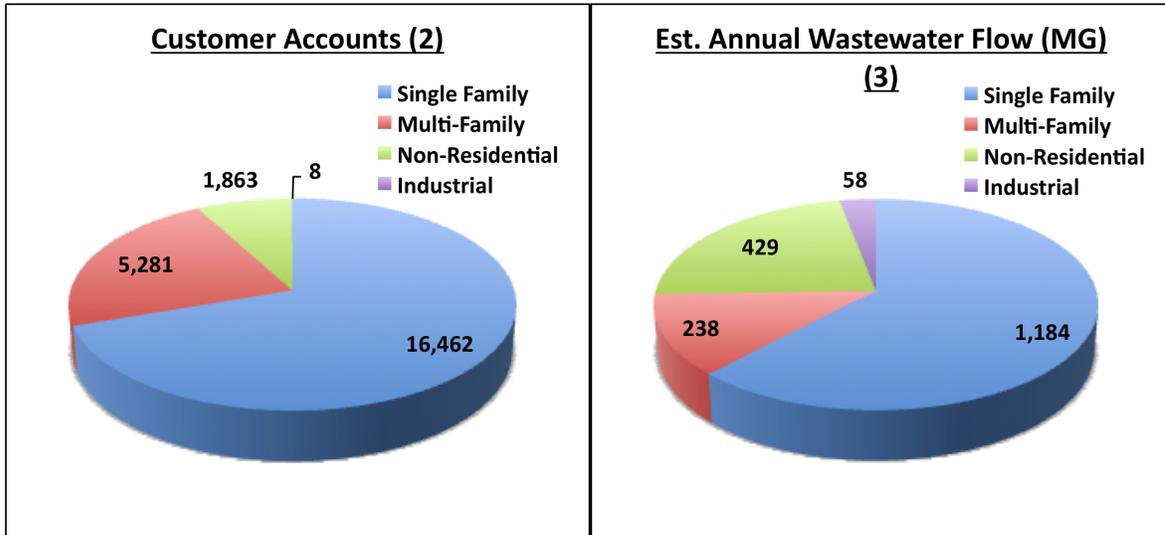
CUSTOMER BASE AND WASTEWATER FLOW ESTIMATES

Like the water utility, the wastewater utility's customer base is predominately comprised of single family and multi-family residential customers, along with commercial, industrial, and municipal customers. Some non-residential customers, including food-processing facilities, generate very large quantities of wastewater. Because the City is not entirely metered water usage and sewer flows must be estimated. It is fairly common to use winter water usage data to estimate wastewater flows. During the winter irrigation water use (which does not enter the wastewater system) is minimized.

Exhibit III-2 summarizes customer account and wastewater flow estimates derived from the City's utility billing system for 2012. With residential accounts expressed as the number of dwelling units, the wastewater utility customer base is about 23,600 accounts and estimated annual wastewater flow is about 1,184 million gallons (MG). Single family accounts represent 70 percent of the customers and 62 percent of the wastewater flow. Multi-family accounts represent 22 percent of the customers and 12 percent of the wastewater flow. Non-residential accounts, including commercial, industrial, and

institutional, comprise about 8 percent of the customer base, and also represent about 23 percent of annual wastewater. There are eight large industrial customers (discharging to the domestic system), and they generate about 3 percent of the annual wastewater flow. The City’s largest wastewater users include several of the industrial customers (primarily food-processing), as well as the City of Lodi, and the Lodi Unified School District.

**Exhibit III-2
City of Lodi
Summary of Wastewater Utility Customer Accounts and Annual Wastewater Flow (1)**



Notes:

- (1) Derived from the City’s utility billing system from data for 2012.
- (2) Total customer accounts equals 23,614. Residential accounts expressed in dwelling units.
- (3) Total estimated annual wastewater flow equals 1,908 million gallons (MG).

In July 2012 the City moved an initial batch of single family residential customers (about 2,940) to usage-based wastewater rates, as a pilot test of those wastewater rates. Additional single family customers will be transitioned beginning in July 2014, with an additional batch each July until all have been transitioned. By July 2020, all of the City’s single family residential customers will be on usage-based wastewater rates. The transition of multi-family and non-residential wastewater customers to usage-based wastewater rates will lag the transition to usage-based water rates. In the near term, the focus will be on mobile home parks and school accounts. Non-residential customers will need to be categorized into strength classifications (as described later in this section) before the transition can be made.

ANNUAL WASTEWATER REVENUE RATE REQUIREMENT

The City updated its multi-year financial model with actual revenues and expenses (pre-audit) for FY 12-13 and the approved budget for FY 13-14. Based on that model, the City estimates annual wastewater rate increases of up to 3 percent per year may be required. These increases are believed to be sufficient to meet the utility’s operating and maintenance costs, debt service obligations, and capital program needs through FY 19-20.

The City adjusts its wastewater rates in July of each year, and the rate analyses presented herein are based on a 3 percent increase effective in July 2014. This is consistent with the City's financial plan model. The actual rate increase will be based on the change in the ENR, but will be no more than 3 percent.

The City anticipates an additional 3,700 single family residential customers will be converted to usage-based rates in July 2014. With that shift, and an overall 3 percent rate increase, water rate revenues from flat and usage based customers is estimated to be \$14,570,000, as summarized below

| | |
|-------------------------------|------------------|
| Flat rate revenue | \$9,751,000 |
| Usage-based rate revenue | \$4,461,000 |
| Industrial line rate revenue | <u>\$358,000</u> |
| Total 2014 water rate revenue | \$14,570,000 |

No changes are proposed to the City's flat wastewater rate structure. Therefore, a 3 percent rate increase will mean a 3 percent increase to all flat wastewater rates. With a transition of approximately 3,700 additional single family customers to usage-based rates in July 2014 the wastewater utility will be billing nearly 6,650 customer accounts through usage-based rates. The annual wastewater rate revenue requirement for the City's usage-based wastewater rates will be \$4,461,000 for FY 14-15, with this growing portion of the single family residential customer base on usage-based rates. This \$4,461,000 includes \$937,000 related to industrial users that discharge into the domestic collection system. Industrial users on the industrial line are subject to a separate treatment process, and different rates (outside of the scope of this study), and represent about \$358,000 of the total FY 14-15 wastewater rate revenue requirement.

COST OF SERVICE ANALYSIS AND RATE DESIGN

The annual wastewater rate revenue requirement of \$14,570,000 for FY 14-15 has been split between flat rates, usage-based rates, and industrial charges based on the number of accounts and wastewater use characteristics of the customer base within each group. The cost of service analysis for each group is separately presented below.

Flat Rate Cost of Service Analysis

As the City will be phasing out the system of flat wastewater rates in the next several years, no changes to the rate structure are proposed. The City's flat rates are based on the number of bedrooms in each single family and multi-family dwelling unit. Non-residential flat rate accounts have each been assigned a unique sanitary sewer unit (SSU) factor, based on estimated usage characteristics, relative to a 2-bedroom single family home.

Exhibit III-3 summarizes the distribution of the FY 14-15 revenue requirement for flat rate accounts of various customer types, and shows the calculation of the monthly flat wastewater rates with a 3 percent increase. Monthly flat water rates are proposed to increase by no more than 3 percent in July 2014, with the actual adjustment dependent on the annual change in the ENR, with a 3 percent cap.

Exhibit III-3
City of Lodi
FY 14-15 Flat Wastewater Rate Cost of Service Analysis and Rate Calculation

| Customer Group | No. of Accts. or DUs (1) | SSU Equivalency Factor (2) | Sanitary Sewer Units (SSUs) (3) | % of Total | Alloc. of Revenue Rqmt. | Monthly Flat WW Rate |
|---|---------------------------------|-----------------------------------|--|-------------------|--------------------------------|-----------------------------|
| <i>Single Family Residential</i> | | | | | | |
| 1 Bedroom | 378 | 0.75 | 284 | 1.2% | \$ 120,700 | \$ 26.60 |
| 2 Bedroom | 3,073 | 1.00 | 3,073 | 13.4% | \$ 1,308,000 | \$ 35.47 |
| 3 Bedroom | 5,531 | 1.25 | 6,914 | 30.2% | \$ 2,943,000 | \$ 44.34 |
| 4 Bedroom | 738 | 1.50 | 1,107 | 4.8% | \$ 471,200 | \$ 53.21 |
| 5 Bedroom | 89 | 1.75 | 156 | 0.7% | \$ 66,300 | \$ 62.08 |
| 6 Bedroom | 2 | 2.00 | 4 | 0.0% | \$ 1,700 | \$ 70.95 |
| 7 Bedroom | 1 | 2.25 | 2 | 0.0% | \$ 1,000 | \$ 79.81 |
| <i>Duplexes, Triplexes, Fourplexes, Apartments, and Condominiums</i> | | | | | | |
| 1 Bedroom | 1,359 | 0.75 | 1,019 | 4.4% | \$ 433,800 | \$ 26.60 |
| 2 Bedroom | 3,517 | 1.00 | 3,517 | 15.4% | \$ 1,496,800 | \$ 35.47 |
| 3 Bedroom | 164 | 1.25 | 205 | 0.9% | \$ 87,300 | \$ 44.34 |
| 4 Bedroom | 3 | 1.50 | 5 | 0.0% | \$ 1,900 | \$ 53.21 |
| <i>Mobile Homes</i> | | | | | | |
| Any Size | 492 | 0.75 | 369 | 1.6% | \$ 157,000 | \$ 26.60 |
| <i>Non-Residential</i> | | | | | | |
| Per SSU | 1,853 | Varies | 6,255 | 27.3% | \$ 2,662,300 | \$ 35.47 |
| Totals | 17,200 | | 22,908 | | \$ 9,751,000 | |

Notes:

- (1) Estimate based on transition of about 3,700 additional single family accounts to usage-based billing.
- (2) From existing flat wastewater rate structure.
- (3) Based on one sanitary sewer unit (SSU) equivalent to a 2-bedroom home.

Usage-Based Rate Cost of Service Analysis

A more detailed cost of service analysis is warranted for the City's usage-based wastewater rates. However, the City does not yet have sufficient information for the complete development of wastewater rates that consider wastewater flow as well as different strength categories for various types of non-residential customers. The following steps will need to be taken in order for fully develop these wastewater rates:

- All non-residential customers should be assigned to a low, medium, or high strength category based on type of business. City staff and consultant plan to work on this jointly in 2014 using industry guidelines for assigning different types of businesses. It is estimated that about 80 percent of non-residential users will fall into a low strength category, 15 percent into medium strength, and 5 percent into high strength.
- The size of water meters should be identified (or estimated) for all multi-family and non-residential accounts. At present, about 75 percent of non-residential accounts are metered. The City will begin metering multi-family accounts and the remaining non-residential accounts in a few years. Estimates of future meter sizes would be adequate to move forward with rate analyses.

- Estimate wastewater flow from each customer class based on winter water usage data. Data is now becoming available for single family customers, and is available for most non-residential accounts (those with water meters), but not for multi-family customers or about one-quarter of non-residential customers. Once a significant portion of multi-family customers have been metered it may be possible to develop reasonable estimates for this customer class. It may also be possible to extrapolate water usage data from existing metered non-residential accounts to those that are unmetered, though some uncertainty would remain because of the non-homogenous nature of non-residential water use.
- Assign standard biochemical oxygen demand (BOD) and suspended solids (SS) loading factors to residential and low, medium, and high strength non-residential customer categories. This would be accomplished using available industry guidelines, as well as through calculations that seek to balance calculated wastewater flow and loading data from wastewater customers with the actual inflow data at the City's White Slough wastewater treatment plant.

Under current usage-based wastewater rates, all single family customers are subject to the same fixed monthly service charge, even if meters vary in size. This is due to the fact that variation in meter sizes for single family homes is due to either landscape irrigation requirements or fire flow capacity requirements within the home. It is not related to wastewater capacity needs. The independence from meter size does not extend to other customer classes, however, because demand characteristics (for both water and wastewater) are much more varied for each customer connection.

The proposed usage-based wastewater rates for FY 14-15 extend the current usage-based rates applicable for single family customers to include fixed monthly service charges based on meter size that should be applied to multi-family and non-residential accounts. The wastewater usage rate for multi-family customers would be the same as that for single family customers. Placeholder estimates are also provided for non-residential low, medium, and high strength categories. Proposed industrial rates reflect a 3.0 percent overall increase in each rate component.

The development of fixed monthly wastewater service charges for multi-family and non-residential accounts follows the same basic cost allocation methodology as for water rates. In this case, a review of wastewater costs resulted in a recommended allocation of the wastewater rate revenue requirement to customer, capacity, and commodity components. The allocation of costs, as well as the resulting rate calculations, reflects a balanced approach to considering different rate-setting objectives. Based on a review of wastewater system financial information, the cost allocation resulted in a distribution of the costs to customer, capacity, and commodity components of 5 percent, 45 percent, and 50 percent, respectively. Like the water rates, the monthly service charge will recover customer and capacity costs, and usage rates will recover commodity costs.

Exhibit III-4 summarizes the calculation of fixed monthly wastewater service charges based on size of the water meter. The monthly service charges are calculated by allocating customer costs equally across all customer accounts and by allocating capacity related costs in proportion to meter capacity.

Exhibit III-4
City of Loda
FY 14-15 Monthly Wastewater Service Charge Calculation

| Customer Group | Customer Costs (1) | Capacity Costs (2) | Hydraulic Capacity Factor (3) | Monthly Service Charge (4) |
|---|---------------------------|---------------------------|--------------------------------------|-----------------------------------|
| Single Family Residential | | | | |
| All Connections | \$ 2.42 | \$ 21.80 | 1.00 | \$ 24.23 |
| Multi-Family and Non-Residential | | | | |
| 3/4" meter | \$ 2.42 | \$ 21.80 | 1.00 | \$ 24.23 |
| 1" meter | \$ 2.42 | \$ 36.41 | 1.67 | \$ 38.83 |
| 1 1/2" meter | \$ 2.42 | \$ 72.60 | 3.33 | \$ 75.03 |
| 2" meter | \$ 2.42 | \$ 116.21 | 5.33 | \$ 118.63 |
| 3" meter | \$ 2.42 | \$ 218.03 | 10.00 | \$ 220.45 |
| 4" meter | \$ 2.42 | \$ 363.46 | 16.67 | \$ 365.88 |
| 6" meter | \$ 2.42 | \$ 726.70 | 33.33 | \$ 729.12 |
| 8" meter | \$ 2.42 | \$ 1,162.76 | 53.33 | \$ 1,165.18 |

Notes:

- (1) Based on 5 percent of revenue requirement allocated equally to each customer.
- (2) Based on 45 percent of revenue requirement allocated to each customer in proportion to meter capacity.
- (3) Meter capacity in relation to capacity of a 3/4" water meter.
- (4) Sum of customer and capacity costs for each meter size.

The City's wastewater rate structure currently includes a uniform wastewater usage rate for single family customers. For FY 14-15, that rate will be increased by up to 3.0 percent. The same rate would also apply to multi-family customers, as the strength characteristics (BOD and SS) for single family and multi-family customers are the same.

Wastewater flows for single family customers are estimated based on the average monthly water use from December through February of each year. This average winter water use is a reasonable estimate of wastewater flow throughout the year, because it generally reflect water usage in the absence of irrigation demands. Each July, the City determines a wastewater usage charge based on the winter water use and the applicable wastewater usage rate. The monthly service charge is then added to the usage charge to arrive at the total wastewater bill. This bill amount then remains fixed until the following July, when the process is repeated with the then most recent winter water use data and current wastewater rates.

Winter water use can be used to determine wastewater usage charges for multi-family and non-residential customers as well. One potential problem, however, could occur with businesses that have a seasonal component where winter water usage did not necessarily provide a reasonable estimate for wastewater flow throughout the year. It is recommended that the Director of Public Works be extended authority to adjust the wastewater flow volume (usage) for individual customers where this is a concern.

Wastewater utilities generally identify different strength-based usage charges for non-residential customers due to the variation in waste discharges. A fairly simple approach to strength-based rates, and one recommended for the City, is to establish low, medium, and high strength categories. All non-residential customers (with the exception of industrial customers) would be assigned to one of these categories, based on the type of business. A higher usage rate would be established for the higher strength categories, commensurate with the costs of removing BOD and SS for wastewater.

Until non-residential customers can be assigned to a strength category, and additional meter size and water use data obtained, it is recommended that the City use “placeholder” estimates for strength-based wastewater rates for non-residential customers. These would give City staff, as well as customers, a sense for what future rates may be like under this rate approach.

PROPOSED WASTEWATER RATE SCHEDULES

Current and proposed wastewater rate schedules for both flat rates and usage-based rates are presented in Exhibits III-5 and III-6, respectively. All rates reflect an overall 3.0 percent revenue increase relative to the current wastewater rates.

**Exhibit III-5
City of Lodi
Current and Proposed Flat Wastewater Rates**

| | Current (Jul. 2013) | Proposed (Jul. 2014) |
|---|------------------------|-------------------------|
| | Rate Increase (1) --> | 3.0% |
| FLAT RATES | | |
| <i>Single Family Residential</i> | | |
| 1 Bedroom | \$ 25.83 | \$ 26.60 |
| 2 Bedroom | \$ 34.44 | \$ 35.47 |
| 3 Bedroom | \$ 43.05 | \$ 44.34 |
| 4 Bedroom | \$ 51.66 | \$ 53.21 |
| 5 Bedroom | \$ 60.27 | \$ 62.08 |
| 6 Bedroom | \$ 68.88 | \$ 70.95 |
| 7 Bedroom | \$ 77.49 | \$ 79.81 |
| <i>Duplexes, Triplexes, Fourplexes, Apartments, and Condominiums</i> | | |
| 1 Bedroom | \$ 25.83 | \$ 26.60 |
| 2 Bedroom | \$ 34.44 | \$ 35.47 |
| 3 Bedroom | \$ 43.05 | \$ 44.34 |
| 4 Bedroom | \$ 51.66 | \$ 53.21 |
| <i>Mobile Homes</i> | | |
| Any Size | \$ 25.83 | \$ 26.60 |
| <i>Non-Residential</i> | | |
| Per SSU (2) | \$ 34.44 | \$ 35.47 |

Notes:

- (1) Actual rate adjustment will depend on the annual change in the ENR, and will be no more than 3 percent.
- (2) Proposed flat wastewater rates for schools are to be determined on the basis of 18 student per SSU.

Exhibit III-6
City of Lodi
Current and Proposed Usage-Based Wastewater Rates

| | Current (Jul. 2013) | Proposed (Jul. 2014) |
|----------------------------------|------------------------|-------------------------|
| | Rate Increase (1)--> | 3.0% |
| USAGE-BASED RATES | | |
| Monthly Service Charge | | |
| Single Family (per DU) | \$ 23.52 | \$ 24.23 |
| Multi-Family and Non-Residential | | |
| 3/4" meter | | \$ 24.23 |
| 1" meter | | \$ 38.83 |
| 1 1/2" meter | | \$ 75.03 |
| 2" meter | | \$ 118.63 |
| 3" meter | | \$ 220.45 |
| 4" meter | | \$ 365.88 |
| 6" meter | | \$ 729.12 |
| 8" meter | | \$ 1,165.18 |
| Usage Rates (\$/CCF) | | |
| Single Family (2) | \$ 2.68 | \$ 2.76 |
| Multi-Family (2) | | \$ 2.76 |
| Non-Residential (2) (3) | | |
| Low Strength | | \$ 2.76 |
| Medium Strength | | \$ 3.45 |
| High Strength | | \$ 4.49 |
| Industrial (4) | | |
| Flow (per MG annually) | \$ 3,487.41 | \$ 3,592.03 |
| BOD (per 1,000 lbs annually) | \$ 575.51 | \$ 592.78 |
| SS (per 1,000 lbs annually) | \$ 359.85 | \$ 370.65 |

Notes:

- (1) Actual rate adjustment will depend on the annual change in the ENR, and will be no more than 3 percent.
- (2) Usage charge based on winter water use determined as the average from the prior December-February period. Adjusted each July for each account.
- (3) Placeholder. These rates not yet in use.
- (4) Applies to industrial users discharging into the domestic sewer system.

Wastewater Rates for Schools

During this study, a separate analysis was performed to examine the water use characteristics and estimate wastewater flows for schools in the Lodi Unified School District (LUSD). At present, schools are charged for wastewater service based on student population. High schools are assessed based on 15 students per SSU, and elementary and middle schools are assessed based on 20 students per SSU. An examination of winter water use data (excluding December due to the winter break), as well as consideration of

the overall level of activity at schools throughout the year (including reduced activity in summer months) resulted in a determination that all schools of the LUSD should be charged for wastewater service based on 18 students per SSU. While this change will affect the wastewater bills of all schools, it will have only a minor affect on the aggregate for all schools.

METER INSTALLATION AND TRANSITION TO USAGE-BASED BILLING

The City continues to install water meters on all unmetered water service connections. Below is a summary of the status of the metering program and plans to transition customers from flat wastewater rates to usage-based wastewater rates. Each July an additional batch of customers is transitioned to usage-based wastewater rates.

- ***Single Family*** – More than 50 percent of single family homes now have water meters with two- to three-thousand additional meters installed each year. The transition to usage-based wastewater rates is lagging the transition to usage-based water rates by about 18 months. In July 2014, a second batch of single family customers will transition to usage-based water rates (about 3,700 accounts). The transition to usage-based wastewater rates for single family customers is expected to be completed by about July 2020.
- ***Mobile Home Parks*** – All mobile home parks have now been provided with master water meters on the connections serving each park. The City plans to convert all mobile home parks to usage-based wastewater rates in the near future.
- ***Multi-Family*** – The City will begin installing water meters for apartment and condominium complexes, and plans to complete these installations by 2018. All multi-family accounts (including duplexes, triplexes, and fourplexes) are expected to transition to usage-based wastewater rates in July 2020. Similar to mobile home parks, at that time billing may shift from tenant to property owner.
- ***Non-Residential*** – At present, about 75 percent of non-residential accounts have water meters and are subject to usage-based water rates. With the exception of industrial users, all non-residential customers currently pay flat wastewater rates. Further analysis will be needed to fully develop a strength and usage-based wastewater rate structure for non-residential accounts. It may be several years before these customers are fully transitioned to usage-based rates.

The transition from flat rates to usage-based rates may affect the total amount of customers' wastewater bills. For single family customers many will have a decrease in their monthly wastewater bill with that transition, while others may have an increase. Multi-family customers will generally benefit from the transition to usage-based wastewater rates. It is too early to tell how individual non-residential customers may be affected by the transition.

| | A | F | G | H | I | J | K | L |
|----|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1 | Exhibit D | | | | | | | |
| 2 | | | | | | | | |
| 3 | City of Lodi -- Water Utility | | | | | | | |
| 4 | Financial Plan Summary | | | | | | | |
| 5 | | FY 12-13 | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 |
| 6 | | 2.5% | 2.5% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| 7 | | Jan. 2013 | Jan. 2014 | Jan. 2015 | Jan. 2016 | Jan. 2017 | Jan. 2018 | Jan. 2019 |
| 9 | WATER OPERATING FUND (180) | | | | | | | |
| 10 | Beginning Balance | 10,289,917 | 8,537,099 | 6,989,213 | 5,224,402 | 3,721,841 | 3,453,780 | 3,473,169 |
| 11 | Revenues | | | | | | | |
| 12 | Water Sales | 12,441,040 | 12,745,000 | 13,080,000 | 13,492,000 | 13,921,000 | 14,425,000 | 14,887,000 |
| 13 | Interest Earnings | 51,400 | 77,000 | 61,000 | 110,000 | 123,000 | 119,000 | 194,000 |
| 14 | Other Revenues | 855,303 | 77,000 | 80,000 | 83,000 | 86,000 | 89,000 | 92,000 |
| 15 | Transfer from Fund 182 for Debt Service | - | - | 109,000 | 109,000 | 109,000 | 109,000 | 109,000 |
| 16 | Total Revenues | 13,347,743 | 12,899,000 | 13,330,000 | 13,794,000 | 14,239,000 | 14,742,000 | 15,282,000 |
| 17 | Expenditures | | | | | | | |
| 18 | Transfer Out to General Fund (Cost of Services) | 1,060,000 | 780,000 | 780,000 | 780,000 | 780,000 | 780,000 | 780,000 |
| 19 | Transfer Out to Capital Fund 181 for projects | 6,300,000 | 5,500,000 | 6,000,000 | 6,000,000 | 5,000,000 | 5,000,000 | 1,000,000 |
| 20 | To Capital Fund 181 (Depreciation) | - | - | - | - | - | - | - |
| 22 | Personnel Services | 2,172,000 | 2,093,000 | 2,165,000 | 2,239,000 | 2,315,000 | 2,395,000 | 2,475,000 |
| 23 | Utilities | 670,000 | 755,000 | 788,000 | 822,000 | 857,000 | 895,000 | 934,000 |
| 24 | Supplies, Mat'ls., Services & Other | 2,592,000 | 2,963,000 | 3,054,000 | 3,149,000 | 3,247,000 | 3,347,000 | 3,449,000 |
| 26 | Debt Service | | | | | | | |
| 27 | 1991 CSDW Loan Payments | - | - | - | - | - | - | - |
| 28 | Net 2010 Rev. Bond Payments | 2,306,561 | 2,355,886 | 2,307,811 | 2,306,561 | 2,308,061 | 2,305,611 | 2,307,111 |
| 29 | Total Expenditures | 15,100,561 | 14,446,886 | 15,094,811 | 15,296,561 | 14,507,061 | 14,722,611 | 10,945,111 |
| 30 | | | | | | | | |
| 31 | Ending Balance | 8,537,099 | 6,989,213 | 5,224,402 | 3,721,841 | 3,453,780 | 3,473,169 | 7,810,058 |
| 32 | Operating Reserve (25%) | 1,624,000 | 1,648,000 | 1,697,000 | 1,748,000 | 1,800,000 | 1,854,000 | 1,910,000 |
| 33 | Available Balance | 6,913,099 | 5,341,213 | 3,527,402 | 1,973,841 | 1,653,780 | 1,619,169 | 5,900,058 |
| 34 | Debt Service Coverage (min. 1.25) | 2.98 | 3.13 | 2.85 | 2.98 | 3.08 | 3.22 | 3.38 |
| 35 | | | | | | | | |
| 36 | WATER CAPITAL OUTLAY (181) | | | | | | | |
| 37 | Beginning Balance | 3,509,150 | 2,390,460 | 2,140,215 | 2,194,215 | 2,511,215 | 1,813,215 | 4,454,215 |
| 38 | Revenues | | | | | | | |
| 39 | Operating Transfers In | 6,300,000 | 5,549,755 | 6,000,000 | 6,000,000 | 5,000,000 | 5,000,000 | 1,000,000 |
| 40 | Interest Earnings | 16,222 | 22,000 | 22,000 | 58,000 | 74,000 | 108,000 | 151,000 |
| 41 | Retrofit Meter Install. Charge | - | 926,000 | - | - | - | - | - |
| 42 | Debt Proceeds | 5,340,088 | - | - | - | - | - | - |
| 43 | Total Revenues | 11,656,310 | 6,497,755 | 6,022,000 | 6,058,000 | 5,074,000 | 5,108,000 | 1,151,000 |
| 44 | Expenditures | | | | | | | |
| 47 | Water Meter/Main Install. Project | 6,511,000 | 5,831,000 | 5,027,000 | 5,177,000 | 5,333,000 | 2,197,000 | 1,067,000 |
| 48 | Water Taps | 66,000 | 77,000 | 80,000 | 82,000 | 84,000 | 87,000 | 90,000 |
| 49 | Miscellaneous Water Mains | - | 52,000 | 53,000 | 55,000 | 56,000 | 58,000 | 60,000 |
| 50 | Commercial Meter Replacements | - | 5,000 | 5,000 | 5,000 | 6,000 | 6,000 | 6,000 |
| 51 | Valve Exercising Program | - | 21,000 | 21,000 | 22,000 | 23,000 | 23,000 | 24,000 |
| 52 | Utility Frame & Cover Replacement | 110,000 | - | - | - | - | - | - |
| 53 | Surface WTP Design | - | - | - | - | - | - | - |
| 56 | Surface WTP Construction | 5,340,000 | - | - | - | - | - | - |
| 57 | Financial System Replacement | - | 258,000 | 265,000 | - | - | - | - |
| 58 | UWMP Update | - | - | - | 55,000 | - | - | - |
| 60 | Meter Fixed Network | - | - | - | - | - | - | - |
| 61 | MSC/Kofu Parking Lot | 75,000 | - | - | - | - | - | - |
| 62 | Well 2 -Replace Motor | - | 21,000 | - | - | - | - | - |
| 63 | Well 6R -Pump Rehab/Repl | 543,000 | 93,000 | - | - | 51,000 | - | - |

| | A | F | G | H | I | J | K | L |
|-----|--|-------------------|-------------------|------------------|------------------|------------------|-------------------|-------------------|
| 1 | Exhibit D | | | | | | | |
| 2 | | | | | | | | |
| 3 | City of Lodi -- Water Utility | | | | | | | |
| 4 | Financial Plan Summary | | | | | | | |
| 5 | | FY 12-13 | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 |
| 166 | | | | | | | | |
| 167 | | | | | | | | |
| 168 | Aggregate End-of-Year Balance * | 13,277,000 | 11,538,000 | 9,828,000 | 8,643,000 | 7,679,000 | 10,342,000 | 14,537,000 |
| 169 | Operating Reserve (25%) | 1,624,000 | 1,648,000 | 1,697,000 | 1,748,000 | 1,800,000 | 1,854,000 | 1,910,000 |
| 170 | Restricted DS Reserve | 2,356,000 | 2,356,000 | 2,356,000 | 2,356,000 | 2,356,000 | 2,356,000 | 2,356,000 |
| 171 | 2010 COP Proceeds | - | - | - | - | - | - | - |
| 172 | Rate Stabilization Fund | - | - | - | - | - | - | - |
| 173 | Net Available for Capital Projects | 9,297,000 | 7,534,000 | 5,775,000 | 4,539,000 | 3,523,000 | 6,132,000 | 10,271,000 |
| 177 | | | | | | | | |
| 178 | City of Lodi -- Water Utility | | | | | | | |
| 179 | Financial Plan Assumptions | | | | | | | |
| 180 | | | | | | | | |
| 181 | Financial Assumptions | | | | | | | |
| 182 | General Inflation | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| 183 | Labor Inflation | 3.4% | 3.4% | 3.4% | 3.4% | 3.4% | 3.4% | 3.4% |
| 184 | Material/Energy Inflation | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 185 | Construction Inflation | 2.5% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| 186 | Interest Earnings | 1.0% | 1.0% | 1.0% | 2.5% | 3.5% | 3.5% | 3.5% |
| 187 | Customer Account Assumptions | | | | | | | |
| 188 | No. of DUs/Accounts | 23,456 | 23,506 | 23,556 | 23,606 | 23,656 | 23,706 | 23,756 |
| 189 | No. of 3/4" Eq. Mtrs. | 25,504 | 25,554 | 25,604 | 25,654 | 25,704 | 25,754 | 25,804 |
| 190 | No. of New Connections | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| 191 | Customer Growth Rate | 0.20% | 0.20% | 0.20% | 0.19% | 0.19% | 0.19% | 0.19% |
| 192 | Water Mitigation Impact Fee | \$ 1,290 | \$ 1,330 | \$ 1,370 | \$ 1,410 | \$ 1,450 | \$ 1,490 | \$ 1,530 |

| | A | F | G | H | I | J | K | L |
|----|--|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|
| 1 | Exhibit E | | | | | | | |
| 2 | City of Lodi -- Wastewater Utility | | | | | | | |
| 3 | Financial Plan Summary | | | | | | | |
| 4 | | | | | | | | |
| 5 | | FY 12-13 | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 |
| 6 | | 3% | 3% | 3% | 3% | 3% | 3% | 3% |
| 7 | WASTEWATER OPERATING FUND (170) | | | | | | | |
| 8 | Beginning Balance | 2,892,538 | 6,302,078 | 6,256,598 | 7,085,998 | 8,378,598 | 10,247,498 | 7,105,120 |
| 9 | Revenues | | | | | | | |
| 10 | Wastewater Sales | 13,747,216 | 14,187,000 | 14,641,000 | 15,110,000 | 15,594,000 | 16,093,000 | 16,608,000 |
| 12 | Interest Earnings | 20,625 | 68,000 | 68,000 | 266,000 | 311,000 | 376,000 | 266,000 |
| 13 | Other Revenues | 227,531 | 234,400 | 241,200 | 248,000 | 255,900 | 263,800 | 271,800 |
| 14 | Transfer In for Debt Service (172) | 31,000 | 31,000 | 31,000 | 110,000 | 110,000 | 110,000 | 110,000 |
| 15 | Transfer In for Debt Service (173) | 700,000 | 16,000 | 149,000 | 150,000 | 154,000 | 154,000 | 154,000 |
| 16 | Transfer From/(To) Rate Stabilization Fund (174) | - | - | - | - | - | - | - |
| 17 | | | | | | | | |
| 18 | Total Revenues | 14,726,372 | 14,536,400 | 15,130,200 | 15,884,000 | 16,424,900 | 16,996,800 | 17,409,800 |
| 19 | Expenditures | | | | | | | |
| 20 | Operating Transfers Out (to GF) | 67,500 | - | - | - | - | - | - |
| 21 | Transfer Out to Gen'l Fund (Cost of Services) | 1,451,478 | 1,068,000 | 1,068,000 | 1,068,000 | 1,068,000 | 1,451,478 | 1,451,478 |
| 22 | Transfer Out to WW Capital Outlay (171) | - | 500,000 | 3,200,000 | 3,250,000 | 2,975,000 | 7,900,000 | 7,870,000 |
| 23 | Transfer Out To WW Cap. Rsrv. (172) | - | - | - | - | - | - | - |
| 24 | Administration & Other | 1,103,921 | 1,124,330 | 1,166,800 | 1,209,400 | 1,254,000 | 1,300,700 | 1,349,400 |
| 25 | Plant Maintenance | 3,377,841 | 3,948,650 | 4,104,000 | 4,265,000 | 4,432,000 | 4,606,000 | 4,787,000 |
| 26 | Sanitary System Maintenance | 492,917 | 611,260 | 633,000 | 656,000 | 679,000 | 703,000 | 729,000 |
| 27 | Storm Drainage Maintenance | 393,225 | 415,710 | 433,000 | 451,000 | 470,000 | 489,000 | 509,000 |
| 28 | Industrial System Maintenance | 4,450 | 23,930 | 25,000 | 26,000 | 27,000 | 28,000 | 29,000 |
| 29 | 2003 Wastewater COP Debt Service | 381,000 | 3,266,000 | - | - | - | - | - |
| 30 | 2004 Wastewater COP Debt Service | 2,138,000 | 98,000 | 98,000 | 98,000 | 98,000 | 98,000 | 98,000 |
| 31 | 2007 Wastewater COP Debt Service | 1,599,000 | 1,604,000 | 1,603,000 | 1,607,000 | 1,606,000 | 1,614,000 | 1,617,000 |
| 32 | 2012 Wastewater Refinancing | 375,000 | 1,922,000 | 1,970,000 | 1,961,000 | 1,947,000 | 1,949,000 | 1,949,000 |
| 33 | Total Expenditures | 11,316,832 | 14,581,880 | 14,300,800 | 14,591,400 | 14,556,000 | 20,139,178 | 20,388,878 |
| 34 | | | | | | | | |
| 35 | Ending Balance | 6,302,078 | 6,256,598 | 7,085,998 | 8,378,598 | 10,247,498 | 7,105,120 | 4,126,042 |
| 36 | Operating Reserve (25%) | 2,735,000 | 3,040,000 | 2,283,000 | 2,345,000 | 2,409,000 | 2,573,000 | 2,642,000 |
| 37 | Available Balance | 3,567,078 | 3,216,598 | 4,802,998 | 6,033,598 | 7,838,498 | 4,532,120 | 1,484,042 |
| 38 | Debt Service Coverage (min. = 1.20) | 1.61 | 1.09 | 2.10 | 2.24 | 2.33 | 2.30 | 2.33 |
| 39 | without COST | 1.93 | 2.36 | 2.39 | 2.53 | 2.62 | 2.70 | 2.73 |
| 40 | WASTEWATER CAPITAL OUTLAY (171) | | | | | | | |
| 41 | Beginning Balance | 7,394,480 | 5,925,257 | 4,706,686 | 421,115 | 692,543 | 716,972 | 694,400 |
| 42 | Revenues | | | | | | | |
| 43 | Transfer In (from 170) | - | - | 2,700,000 | 2,750,000 | 2,475,000 | 7,400,000 | 7,370,000 |
| 44 | Transfer In (from 170-Deprec.) | - | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| 45 | Other Revenue | 96,429 | 96,429 | 96,429 | 96,429 | 96,429 | 96,429 | 96,429 |
| 46 | Investment Earnings | 1,772 | - | - | - | - | - | - |
| 47 | | | | | | | | |
| 48 | Total Revenues | 98,200 | 596,429 | 3,296,429 | 3,346,429 | 3,071,429 | 7,996,429 | 7,966,429 |

| | A | F | G | H | I | J | K | L |
|-----|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1 | Exhibit E | | | | | | | |
| 2 | | | | | | | | |
| 3 | City of Lodi -- Wastewater Utility | | | | | | | |
| 4 | Financial Plan Summary | | | | | | | |
| 5 | | FY 12-13 | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 |
| 49 | Expenditures | | | | | | | |
| 51 | Interfund Loan to Parks (Grape Bowl) | 675,000 | | | | | | |
| 52 | Financial System Replacement | - | 250,000 | 260,000 | - | - | - | - |
| 53 | Financial Planning | - | - | - | - | - | - | - |
| 61 | Elm to Pine Alley Sewer/Laurel Storm Project | | 55,000 | | | | | |
| 62 | Misc. System Relocations | - | 35,000 | 36,000 | 38,000 | 39,000 | 41,000 | 43,000 |
| 63 | Misc. Wastewater Taps | 8,000 | 40,000 | 42,000 | 43,000 | 45,000 | 47,000 | 49,000 |
| 64 | Collect. System Capac. Enhanc. Projects | - | - | 21,000 | 216,000 | 22,000 | 234,000 | 24,000 |
| 65 | Wastewater Main Replac./Lining Proj. | 589,000 | - | 2,080,000 | 108,000 | 2,250,000 | 117,000 | 2,433,000 |
| 66 | Storm Drain Trash Handling System | 10,000 | 400,000 | 312,000 | 1,622,000 | - | - | - |
| 67 | Lift Sta. Remote Term. Unit Replac. | - | - | - | - | - | - | - |
| 68 | Utility Frame & Cover Replacement | 116,225 | - | - | - | - | - | - |
| 69 | Hutchins Street Reconstruction | 81,198 | | | | | | |
| 70 | MSC/Kofu Parking Lot | - | 75,000 | - | - | - | - | - |
| 71 | Replace 04-95 Vacuum Truck | - | - | - | - | - | - | - |
| 72 | Decommission Fleet Service Shop | - | - | - | - | - | - | - |
| 73 | Munic. Service Center PBX Replac. | - | - | - | - | - | - | - |
| 74 | Munic. Service Center Parking Reconstr. | - | - | - | - | - | - | - |
| 75 | Lift Station Generator Replacements | - | - | 260,000 | - | - | - | - |
| 76 | Vehicles /Equipment | 36,000 | 75,000 | 62,000 | 70,000 | 79,000 | 877,000 | 182,000 |
| 77 | White Slough Compliance Studies & Rpts | 20,000 | - | - | - | - | - | - |
| 78 | Plant Maint. & Land Applic. Area Improv. | 32,000 | - | - | - | - | - | - |
| 80 | Influent Screening Replacement | - | - | 2,080,000 | - | - | - | - |
| 81 | UV Disinfection Upgrade | - | - | 312,000 | - | - | - | - |
| 82 | Aeration Diffuser Replacement | - | - | - | - | 500,000 | - | - |
| 83 | Cloth Filter Media Replacement | - | 30,000 | - | 32,000 | - | 35,000 | - |
| 84 | Digested Sludge Line to Presses | - | 30,000 | - | - | - | - | - |
| 85 | Electrical Upgrades | - | - | 52,000 | - | - | - | - |
| 86 | Admin/Ops Building Improvements | - | - | 780,000 | - | - | - | - |
| 87 | Rotary Press Maintenance Crane & air compressor | - | 30,000 | - | - | - | - | - |
| 88 | Pond Gates | - | 35,000 | - | - | - | - | - |
| 89 | Shop Rollup Door | - | 8,000 | - | - | - | - | - |
| 90 | Emergency Generator Maintenance | - | 20,000 | - | - | - | - | - |
| 91 | Road to Outfall Repair | - | 10,000 | - | - | - | - | - |
| 92 | Secondary Scum Trough Drives | - | 12,000 | - | - | - | - | - |
| 93 | Misc Paving | - | 10,000 | - | - | - | - | - |
| 94 | SCADA Upgrades/PLC Replacement | - | - | 78,000 | - | - | - | - |
| 95 | Primary Chain & Flights | - | 80,000 | 42,000 | - | - | - | - |
| 96 | Boiler Retube | - | - | 21,000 | - | - | - | - |
| 97 | Chain Hoist | - | - | - | - | - | - | - |
| 98 | Gas compressor (WSWPCF) | - | - | - | - | - | - | - |
| 99 | Design Effluent Irrigation Improvements | - | - | - | 811,000 | - | - | - |
| 100 | Irrigation Conveyance & Pumping Construction | - | - | - | - | - | 1,872,000 | - |
| 101 | Effluent Storage Reservoir Construction | - | - | - | - | - | 4,679,000 | - |
| 102 | Effluent Storage Reservoir Construction | - | - | - | - | - | - | 4,867,000 |
| 103 | Micro Turbine | - | - | 1,040,000 | - | - | - | - |

| | A | F | G | H | I | J | K | L |
|-----|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 1 | Exhibit E | | | | | | | |
| 2 | | | | | | | | |
| 3 | City of Lodi -- Wastewater Utility | | | | | | | |
| 4 | Financial Plan Summary | | | | | | | |
| 5 | | FY 12-13 | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 |
| 104 | Dissolved Air Floatation Tank Rebuild | - | - | - | - | - | - | - |
| 105 | Tailwater Pump (WSWPCF) | - | - | - | - | - | - | - |
| 106 | UV Bypass System Improvements | - | - | - | - | - | - | - |
| 107 | Fence Repairs/Upgrades | - | - | - | 27,000 | - | - | 30,000 |
| 108 | Anaerobic Digester Painting | - | 90,000 | - | - | - | - | - |
| 109 | Digester Cleaning & Gas Scrubber Relining | - | - | - | - | - | - | - |
| 110 | Pond Lining Project | - | - | - | - | - | - | - |
| 111 | WSWPCF Building/Restroom Expansion | - | 300,000 | - | - | - | - | - |
| 112 | Plant Security Enhancements | - | 130,000 | - | - | - | - | - |
| 113 | Miscellaneous Future Projects | - | 100,000 | 104,000 | 108,000 | 112,000 | 117,000 | 122,000 |
| 115 | Total Expenditures | 1,567,423 | 1,815,000 | 7,582,000 | 3,075,000 | 3,047,000 | 8,019,000 | 7,750,000 |
| 117 | Ending Balance | 5,925,257 | 4,706,686 | 421,115 | 692,543 | 716,972 | 694,400 | 910,829 |
| 118 | | | | | | | | |
| 119 | | | | | | | | |
| 120 | WASTEWATER CAPITAL RESERVE (172) | | | | | | | |
| 121 | Beginning Balance | 3,135,539 | 3,135,539 | 3,135,539 | 3,135,539 | 3,135,539 | 3,135,539 | 3,135,539 |
| 122 | Revenues | | | | | | | |
| 124 | Transfer In from 170 | - | - | - | - | - | - | - |
| 125 | Interest Earnings | 31,000 | 31,000 | 31,000 | 110,000 | 110,000 | 110,000 | 110,000 |
| 126 | Total Revenues | 31,000 | 31,000 | 31,000 | 110,000 | 110,000 | 110,000 | 110,000 |
| 127 | Expenditures | | | | | | | |
| 129 | White Slough Solids Handling Facility | - | - | - | - | - | - | - |
| 130 | White Slough Sludge Thickening | - | - | - | - | - | - | - |
| 131 | Transfer Out to 170 (for Debt Service) | 31,000 | 31,000 | 31,000 | 110,000 | 110,000 | 110,000 | 110,000 |
| 133 | Total Expenditures | 31,000 | 31,000 | 31,000 | 110,000 | 110,000 | 110,000 | 110,000 |
| 135 | Ending Balance | 3,135,539 |
| 136 | Restricted Debt Service Reserve | 2,379,536 | 2,379,536 | 2,379,536 | 2,379,536 | 2,379,536 | 2,379,536 | 2,379,536 |
| 137 | 2007 COP Proceeds (w/ fiscal agent) | 756,003 | 756,003 | 756,003 | 756,003 | 756,003 | 756,003 | 756,003 |
| 138 | Cash Deficit (amt. owed for past DS) | - | - | - | - | - | - | - |
| 139 | | | | | | | | |
| 140 | | | | | | | | |
| 141 | IMF WASTEWATER FACILITIES (173) | | | | | | | |
| 142 | Beginning Balance | 678,302 | 15,775 | 148,775 | 149,775 | 153,775 | 153,775 | 153,775 |
| 143 | Revenues | | | | | | | |
| 144 | Wastewater IMF | 25,681 | 149,000 | 149,000 | 149,000 | 149,000 | 149,000 | 149,000 |
| 146 | Interest Earnings | 11,792 | - | 1,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| 147 | Total Revenues | 37,473 | 149,000 | 150,000 | 154,000 | 154,000 | 154,000 | 154,000 |
| 148 | Expenditures | | | | | | | |
| 149 | Transfer Out (to 170 for Debt Service) | 700,000 | 16,000 | 149,000 | 150,000 | 154,000 | 154,000 | 154,000 |
| 151 | Transfer Out (refund PCE/TCE) | - | - | - | - | - | - | - |

| | A | F | G | H | I | J | K | L |
|-----|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| 1 | Exhibit E | | | | | | | |
| 2 | | | | | | | | |
| 3 | City of Lodi -- Wastewater Utility | | | | | | | |
| 4 | Financial Plan Summary | | | | | | | |
| 5 | | FY 12-13 | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 |
| 154 | City-Wide IMF Program Update | - | - | - | - | - | - | - |
| 155 | | | | | | | | |
| 156 | Total Expenditures | 700,000 | 16,000 | 149,000 | 150,000 | 154,000 | 154,000 | 154,000 |
| 157 | | | | | | | | |
| 158 | Ending Balance | 15,775 | 148,775 | 149,775 | 153,775 | 153,775 | 153,775 | 153,775 |
| 159 | Owed to Fund 170 for Debt Service | 849,000 | 2,643,000 | 3,454,000 | 4,267,000 | 5,075,000 | 5,888,000 | 6,703,000 |
| 160 | | | | | | | | |
| 161 | WW Rate Stabilization Fund (174) | | | | | | | |
| 162 | Beginning Balance | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| 163 | Revenues | | | | | | | |
| 164 | Transfer In from 170 | - | - | - | - | - | - | - |
| 165 | | | | | | | | |
| 166 | Total Revenues | - | - | - | - | - | - | - |
| 167 | Expenditures | | | | | | | |
| 168 | Transfer Out to 170 | - | - | - | - | - | - | - |
| 169 | | | | | | | | |
| 170 | Total Expenditures | - | - | - | - | - | - | - |
| 171 | | | | | | | | |
| 172 | Ending Balance | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| 173 | | | | | | | | |
| 174 | | | | | | | | |
| 175 | Aggregate End-of-Year Balance | 15,879,000 | 14,748,000 | 11,292,000 | 12,860,000 | 14,754,000 | 11,589,000 | 8,826,000 |
| 176 | Operating Reserve (25%) | 2,735,000 | 3,040,000 | 2,283,000 | 2,345,000 | 2,409,000 | 2,573,000 | 2,642,000 |
| 177 | Restricted DS Reserve | 2,379,536 | 2,379,536 | 2,379,536 | 2,379,536 | 2,379,536 | 2,379,536 | 2,379,536 |
| 178 | 2007 COP Proceeds | 756,003 | 756,003 | 756,003 | 756,003 | 756,003 | 756,003 | 756,003 |
| 179 | Rate Stabilization Fund | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| 180 | Net Available for Capital Projects | 9,508,461 | 8,072,461 | 5,373,461 | 6,879,461 | 8,709,461 | 5,380,461 | 2,548,461 |
| 181 | | | | | | | | |
| 182 | | | | | | | | |
| 183 | | | | | | | | |
| 194 | City of Lodi -- Wastewater Utility | | | | | | | |
| 195 | Financial Plan Assumptions | | | | | | | |
| 196 | | FY 12-13 | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 |
| 197 | Financial Assumptions | | | | | | | |
| 198 | General Inflation | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| 199 | Labor Inflation | 3.4% | 3.4% | 3.4% | 3.4% | 3.4% | 3.4% | 3.4% |
| 200 | Material/Energy Inflation | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| 201 | Construction Inflation | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% |
| 202 | Interest Earnings | 2.0% | 2.5% | 3.0% | 3.5% | 3.5% | 3.5% | 3.5% |
| 203 | | | | | | | | |
| 204 | Cust. Growth (SSUs) | - | 50 | 51 | 52 | 53 | 54 | 55 |
| 205 | Wastewater Mitigation Impact Fee | \$ 6,390 | \$ 6,650 | \$ 6,920 | \$ 7,200 | \$ 7,490 | \$ 7,790 | \$ 8,100 |
| 206 | | | | | | | | |

City of Lodi
Current and Proposed Flat Water Rates

| | | | Future Rate Ceiling | | | | |
|---|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Current (Jan. 2013) | Proposed (Jan. 2014) | Proposed (Jan. 2015) | Proposed (Jan. 2016) | Proposed (Jan. 2017) | Proposed (Jan. 2018) | Proposed (Jan. 2019) |
| | Rate Increase --> | 2.5% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| FLAT RATES | | | | | | | |
| <i>Single Family Residential</i> | | | | | | | |
| 1 Bedroom | \$ 29.90 | \$ 30.65 | \$ 31.57 | \$ 32.52 | \$ 33.50 | \$ 34.51 | \$ 35.55 |
| 2 Bedroom | \$ 35.91 | \$ 36.81 | \$ 37.91 | \$ 39.05 | \$ 40.22 | \$ 41.43 | \$ 42.67 |
| 3 Bedroom | \$ 43.04 | \$ 44.12 | \$ 45.44 | \$ 46.80 | \$ 48.20 | \$ 49.65 | \$ 51.14 |
| 4 Bedroom | \$ 51.72 | \$ 53.01 | \$ 54.60 | \$ 56.24 | \$ 57.93 | \$ 59.67 | \$ 61.46 |
| 5 Bedroom | \$ 62.03 | \$ 63.58 | \$ 65.49 | \$ 67.45 | \$ 69.47 | \$ 71.55 | \$ 73.70 |
| 6 Bedroom | \$ 74.44 | \$ 76.30 | \$ 78.59 | \$ 80.95 | \$ 83.38 | \$ 85.88 | \$ 88.46 |
| <i>Multi-Family (1)</i> | | | | | | | |
| 1 Bedroom | \$ 25.67 | \$ 26.31 | \$ 27.10 | \$ 27.91 | \$ 28.75 | \$ 29.61 | \$ 30.50 |
| 2 Bedroom | \$ 30.79 | \$ 31.56 | \$ 32.51 | \$ 33.49 | \$ 34.49 | \$ 35.52 | \$ 36.59 |
| 3 Bedroom | \$ 36.94 | \$ 37.86 | \$ 39.00 | \$ 40.17 | \$ 41.38 | \$ 42.62 | \$ 43.90 |
| 4 Bedroom | \$ 44.32 | \$ 45.43 | \$ 46.79 | \$ 48.19 | \$ 49.64 | \$ 51.13 | \$ 52.66 |
| <i>Mobile Homes</i> | | | | | | | |
| Any Size | \$ 25.67 | \$ 26.31 | \$ 27.10 | \$ 27.91 | \$ 28.75 | \$ 29.61 | \$ 30.50 |
| <i>Non-Residential</i> | | | | | | | |
| Existing unmetered | Varies | +2.5% | +3.0% | +3.0% | +3.0% | +3.0% | +3.0% |

Notes:

(1) Multi-family includes duplexes, triplexes, fourplexes, apartments, and condominiums.

City of Lodi
Current and Proposed Usage-Based Water Rates

| | | | | Future Rate Ceiling | | | | |
|--------------------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Current (Jan. 2013) | Proposed (Jan. 2014) | Proposed (Jan. 2014) | Proposed (Jan. 2015) | Proposed (Jan. 2016) | Proposed (Jan. 2017) | Proposed (Jan. 2018) | Proposed (Jan. 2019) |
| Rate Increase --> | | 2.5% (2) | (3) | 3.0% (4) | 3.0% (4) | 3.0% | 3.0% | 3.0% |
| USAGE-BASED RATES | | | | | | | | |
| Monthly Service Charge | | | | | | | | |
| Single Family | | | | | | | | |
| Up to 3/4" meter | \$ 23.78 | \$ 24.37 | \$ 23.26 | \$ 22.80 | \$ 21.65 | \$ 22.30 | \$ 22.97 | \$ 23.66 |
| 1" meter | \$ 38.60 | \$ 39.57 | \$ 37.38 | \$ 36.26 | \$ 34.01 | \$ 35.03 | \$ 36.08 | \$ 37.16 |
| 1 1/2" meter | \$ 75.42 | \$ 77.31 | \$ 72.45 | \$ 69.63 | \$ 64.62 | \$ 66.56 | \$ 68.56 | \$ 70.62 |
| 2" meter | \$ 119.79 | \$ 122.78 | \$ 114.71 | \$ 109.84 | \$ 101.52 | \$ 104.57 | \$ 107.71 | \$ 110.94 |
| Multi-Family and Non-Residential (1) | | | | | | | | |
| Up to 3/4" meter | \$ 23.78 | \$ 24.37 | \$ 23.26 | \$ 22.80 | \$ 21.65 | \$ 22.30 | \$ 22.97 | \$ 23.66 |
| 1" meter | \$ 38.60 | \$ 39.57 | \$ 37.38 | \$ 36.26 | \$ 34.01 | \$ 35.03 | \$ 36.08 | \$ 37.16 |
| 1 1/2" meter | \$ 60.24 | \$ 61.75 | \$ 62.08 | \$ 64.28 | \$ 64.62 | \$ 66.56 | \$ 68.56 | \$ 70.62 |
| 2" meter | \$ 75.27 | \$ 77.15 | \$ 84.29 | \$ 94.17 | \$ 101.52 | \$ 104.57 | \$ 107.71 | \$ 110.94 |
| 3" meter | \$ 105.38 | \$ 108.01 | \$ 132.74 | \$ 162.18 | \$ 187.65 | \$ 193.28 | \$ 199.08 | \$ 205.05 |
| 4" meter | \$ 135.51 | \$ 138.90 | \$ 193.14 | \$ 254.80 | \$ 310.67 | \$ 319.99 | \$ 329.59 | \$ 339.48 |
| 6" meter | \$ 195.68 | \$ 200.57 | \$ 333.69 | \$ 480.82 | \$ 617.94 | \$ 636.48 | \$ 655.57 | \$ 675.24 |
| 8" meter | \$ 255.91 | \$ 262.31 | \$ 494.23 | \$ 747.94 | \$ 986.82 | \$ 1,016.42 | \$ 1,046.91 | \$ 1,078.32 |
| 10" meter | \$ 316.01 | \$ 323.91 | \$ 674.61 | \$ 1,056.08 | \$ 1,417.30 | \$ 1,459.82 | \$ 1,503.61 | \$ 1,548.72 |
| Usage Rates (\$/CCF) | | | | | | | | |
| Single Family | | | | | | | | |
| Tier 1 (0-10 CCF) | \$ 0.92 | \$ 0.94 | \$ 0.94 | \$ 0.97 | \$ 0.96 | \$ 0.99 | \$ 1.02 | \$ 1.05 |
| Tier 2 (11-50 CCF) | \$ 1.38 | \$ 1.41 | \$ 1.35 | \$ 1.33 | \$ 1.27 | \$ 1.31 | \$ 1.35 | \$ 1.39 |
| Tier 3 (>50 CCF) | \$ 1.82 | \$ 1.87 | \$ 1.76 | \$ 1.70 | \$ 1.59 | \$ 1.64 | \$ 1.69 | \$ 1.74 |
| Multi-Family and Non-Residential (1) | | | | | | | | |
| All water usage | \$ 0.92 | \$ 0.94 | \$ 1.00 | \$ 1.09 | \$ 1.14 | \$ 1.17 | \$ 1.21 | \$ 1.25 |

Notes:

- (1) Multi-family includes duplexes, triplexes, fourplexes, apartments, condominiums, and mobile home parks.
- (2) This schedule includes the proposed indexing of 2.5 percent, with no rate structure changes.
- (3) This rate schedule is revenue neutral relative to the proposed newly indexed January 2014 water rates, but includes the beginning of the proposed 3-year phased changes to the rate structure.
- (4) These rate schedules reflect the second and third year of the 3-year rate structure phasing, as well as the maximum potential rate adjustment due to ENR indexing.

City of Lodi
Current and Proposed Flat Wastewater Rates

| | Current (Jul. 2013) | Future Rate Ceiling | | | | |
|---|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | Proposed (Jul. 2014) | Proposed (Jul. 2015) | Proposed (Jul. 2016) | Proposed (Jul. 2017) | Proposed (Jul. 2018) |
| Rate Increase --> | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| FLAT RATES | | | | | | |
| <i>Single Family Residential</i> | | | | | | |
| 1 Bedroom | \$ 25.83 | \$ 26.60 | \$ 27.40 | \$ 28.22 | \$ 29.07 | \$ 29.94 |
| 2 Bedroom | \$ 34.44 | \$ 35.47 | \$ 36.53 | \$ 37.63 | \$ 38.76 | \$ 39.92 |
| 3 Bedroom | \$ 43.05 | \$ 44.34 | \$ 45.67 | \$ 47.04 | \$ 48.45 | \$ 49.90 |
| 4 Bedroom | \$ 51.66 | \$ 53.21 | \$ 54.81 | \$ 56.45 | \$ 58.14 | \$ 59.88 |
| 5 Bedroom | \$ 60.27 | \$ 62.08 | \$ 63.94 | \$ 65.86 | \$ 67.84 | \$ 69.88 |
| 6 Bedroom | \$ 68.88 | \$ 70.95 | \$ 73.08 | \$ 75.27 | \$ 77.53 | \$ 79.86 |
| 7 Bedroom | \$ 77.49 | \$ 79.81 | \$ 82.20 | \$ 84.67 | \$ 87.21 | \$ 89.83 |
| <i>Duplexes, Triplexes, Fourplexes, Apartments, and Condominiums</i> | | | | | | |
| 1 Bedroom | \$ 25.83 | \$ 26.60 | \$ 27.40 | \$ 28.22 | \$ 29.07 | \$ 29.94 |
| 2 Bedroom | \$ 34.44 | \$ 35.47 | \$ 36.53 | \$ 37.63 | \$ 38.76 | \$ 39.92 |
| 3 Bedroom | \$ 43.05 | \$ 44.34 | \$ 45.67 | \$ 47.04 | \$ 48.45 | \$ 49.90 |
| 4 Bedroom | \$ 51.66 | \$ 53.21 | \$ 54.81 | \$ 56.45 | \$ 58.14 | \$ 59.88 |
| <i>Mobile Homes</i> | | | | | | |
| Any Size | \$ 25.83 | \$ 26.60 | \$ 27.40 | \$ 28.22 | \$ 29.07 | \$ 29.94 |
| <i>Non-Residential (1)</i> | | | | | | |
| Per SSU | \$ 34.44 | \$ 35.47 | \$ 36.53 | \$ 37.63 | \$ 38.76 | \$ 39.92 |

Notes:

(1) Proposed flat wastewater rates for schools are to be determined on the basis of 18 student per SSU.

City of Lodi
Current and Proposed Usage-Based Wastewater Rates

| | Current (Jul. 2013) | Future Rate Ceiling | | | | |
|--------------------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | Proposed (Jul. 2014) | Proposed (Jul. 2015) | Proposed (Jul. 2016) | Proposed (Jul. 2017) | Proposed (Jul. 2018) |
| Rate Increase --> | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| USAGE-BASED RATES | | | | | | |
| Monthly Service Charge | | | | | | |
| Single Family (per DU) | \$ 23.52 | \$ 24.23 | \$ 24.96 | \$ 25.71 | \$ 26.48 | \$ 27.27 |
| Multi-Family and Non-Residential (1) | | | | | | |
| Up to 3/4" meter | | \$ 24.23 | \$ 24.96 | \$ 25.71 | \$ 26.48 | \$ 27.27 |
| 1" meter | | \$ 38.83 | \$ 39.99 | \$ 41.19 | \$ 42.43 | \$ 43.70 |
| 1 1/2" meter | | \$ 75.03 | \$ 77.28 | \$ 79.60 | \$ 81.99 | \$ 84.45 |
| 2" meter | | \$ 118.63 | \$ 122.19 | \$ 125.86 | \$ 129.64 | \$ 133.53 |
| 3" meter | | \$ 220.45 | \$ 227.06 | \$ 233.87 | \$ 240.89 | \$ 248.12 |
| 4" meter | | \$ 365.88 | \$ 376.86 | \$ 388.17 | \$ 399.82 | \$ 411.81 |
| 6" meter | | \$ 729.12 | \$ 750.99 | \$ 773.52 | \$ 796.73 | \$ 820.63 |
| 8" meter | | \$ 1,165.18 | \$ 1,200.14 | \$ 1,236.14 | \$ 1,273.22 | \$ 1,311.42 |
| Usage Rates (\$/CCF) | | | | | | |
| Single Family (2) | \$ 2.68 | \$ 2.76 | \$ 2.84 | \$ 2.93 | \$ 3.02 | \$ 3.11 |
| Multi-Family (2) | | \$ 2.76 | \$ 2.84 | \$ 2.93 | \$ 3.02 | \$ 3.11 |
| Non-Residential (2) (3) | | | | | | |
| Low Strength | | \$ 2.76 | \$ 2.84 | \$ 2.93 | \$ 3.02 | \$ 3.11 |
| Medium Strength | | \$ 3.45 | \$ 3.55 | \$ 3.66 | \$ 3.77 | \$ 3.88 |
| High Strength | | \$ 4.49 | \$ 4.62 | \$ 4.76 | \$ 4.90 | \$ 5.05 |
| Industrial (4) | | | | | | |
| Flow (per MG annually) | \$ 3,487.41 | \$ 3,592.03 | \$ 3,699.79 | \$ 3,810.78 | \$ 3,925.10 | \$ 4,042.85 |
| BOD (per 1,000 lbs annually) | \$ 575.51 | \$ 592.78 | \$ 610.56 | \$ 628.88 | \$ 647.75 | \$ 667.18 |
| SS (per 1,000 lbs annually) | \$ 359.85 | \$ 370.65 | \$ 381.77 | \$ 393.22 | \$ 405.02 | \$ 417.17 |

Notes:

- (1) Multi-family includes duplexes, triplexes, fourplexes, apartments, condominiums, and mobile home parks.
- (2) Usage charge based on winter water use determined as the average from the prior December-February period.
Adjusted each July for each account.
- (3) Placeholder. These rates not yet in use.
- (4) Applies to industrial users discharging into the domestic sewer system.

Comments by the public on non-agenda items

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

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Comments by the City Council Members on non-agenda items



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Public Hearing to Consider Unmet Transit Needs in Lodi

MEETING DATE: November 6, 2013

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Public hearing to consider unmet transit needs in Lodi.

BACKGROUND INFORMATION: The San Joaquin Council of Governments (SJCOG) is required to conduct an annual assessment of the existing transit system prior to the allocation of Local Transportation Funds for non-transit purposes (TDA Section 99401.5). SJCOG, the San Joaquin Regional Transit District, and local jurisdictions are sponsoring several upcoming Unmet Transit Needs hearings in San Joaquin County, including Lodi. Any comments received from those meetings will be communicated to City staff. It should be noted that many of the comments are given directly via email to SJCOG staff throughout the year.

Unmet Transit Needs are defined as transportation services not currently provided to those residents who use or would use public transportation regularly, if available, to meet their life expectations. SJCOG's Social Services Transportation Committee (SSTAC) will evaluate the comments received based on a reasonableness test of six criteria. The criteria include community acceptance, equity, potential ridership, cost effectiveness, operational feasibility, and funding. The funding criterion requires the imposed service does not cause the public agency to incur expenses in excess of the maximum allocation of TDA funds. Completion of the Draft Unmet Transit Needs study is tentatively scheduled for February 2014 with adoption of the Final Unmet Transit Needs study in April 2014. Dial-A-Ride transit services were advertised in the local newspaper and available for passengers attending the public hearing.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: None required.

F. Wally Sandelin
Public Works Director

Prepared by Paula J. Fernandez, Transportation Manager/Senior Traffic Engineer
FWS/PJF/pmf

cc: Anthony Zepeda, San Joaquin Council of Governments
Daniel Meza, San Joaquin Council of Governments

APPROVED: _____
Konradt Bartlam, City Manager



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

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

ADVERTISING INSTRUCTIONS

**SUBJECT: PUBLIC HEARING TO CONSIDER UNMET TRANSIT NEEDS IN
LODI**

PUBLISH DATE: SATURDAY, OCTOBER 5, 2013

LEGAL AD

TEAR SHEETS WANTED: One (1) please

**SEND AFFIDAVIT AND BILL TO:
LNS ACCT. #0510052**

RANDI JOHL-OLSON, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, OCTOBER 3, 2013

**ORDERED BY: RANDI JOHL-OLSON
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA DITMORE
ADMINISTRATIVE CLERK

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

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



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER UNMET TRANSIT NEEDS IN LODI

On Thursday, October 3, 2013, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider unmet transit needs in Lodi (attached and marked as Exhibit A) was posted at the following locations:

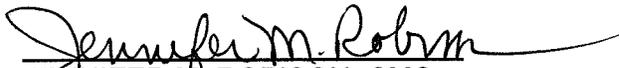
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

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

Executed on October 3, 2013, at Lodi, California.

ORDERED BY:

RANDI JOHL-OLSON
CITY CLERK


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA DITMORE
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: November 6, 2013

Time: 7:00 p.m.

For information regarding this notice please contact:

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

EXHIBIT A

NOTICE OF PUBLIC HEARING

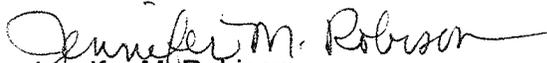
NOTICE IS HEREBY GIVEN that on **Wednesday, November 6, 2013**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

a) Unmet transit needs in Lodi.

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

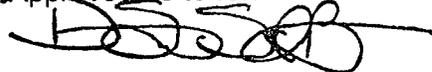
If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:


Jennifer M. Robison
Assistant City Clerk

Dated: **October 2, 2013**

Approved as to form:



D. Stephen Schwabauer
City Attorney



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Public Hearing to Consider Adopting Uncodified Urgency Ordinance to Extend Interim Ordinance No. 1868, which established a Moratorium on 1) The Outdoor Cultivation of Medical Marijuana Within the City of Lodi and 2) The Indoor Cultivation of Medical Marijuana that Creates a Public Nuisance

MEETING DATE: November 6, 2013

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: Adopt uncodified Urgency Ordinance to extend Interim Ordinance No. 1868, which established a moratorium on 1) the outdoor cultivation of medical marijuana within the City of Lodi and 2) the indoor cultivation of medical marijuana that creates a public nuisance, for an additional one-year period, to and including November 5, 2014.

BACKGROUND INFORMATION: On December 19, 2012, the Council adopted Interim Ordinance 1868 extending an initial 45-day the moratorium on 1) the outdoor cultivation of medical marijuana within the City of Lodi and 2) the indoor cultivation of medical marijuana that creates a public nuisance for a period of 10 months and 15 days.

The existing moratorium is set to expire on November 6, 2013, unless further action is taken by the Council.

Staff recommends that the current zoning restrictions on the cultivation of medical marijuana within the City continue, if that is the desire of the Council. The extension will permit staff from the City Attorney's Office and the Police Department to continue to study and analyze the complicated and evolving legal and practical issues involved in regulating the cultivation of marijuana for medical use, including a review the City's General Plan and the zoning ordinances, and to make recommendations for the Council's consideration at a future Council meeting.

Government Code Section 65858 provides that the Council, may, after notice to the public pursuant to Government Code Section 65090 and a public hearing, extend Interim Ordinance No. 1868 for a period of one-year. The extension requires a minimum four-fifths (4/5) vote to be adopted.

As proposed, the recommended extension of Interim Ordinance No. 1868 would extend the current moratorium on 1) the outdoor cultivation of medical marijuana within the City of Lodi and 2) the indoor cultivation of medical marijuana that creates a public nuisance to November 5, 2014. Without the proposed extension, Interim Ordinance 1868 will be of no further force and effect after November 6, 2013.

FUNDING: None.

Janice D. Magdich
Deputy City Attorney

cc: Mark Helms, Police Chief

Attachments: Proposed Urgency Ordinance to Extend Interim Ordinance No. 1868

APPROVED: _____
Konradt Bartlam, City Manager

ORDINANCE NO. _____

AN UNCODIFIED INTERIM URGENCY ORDINANCE OF
THE CITY COUNCIL OF THE CITY OF LODI IMPOSING A
MORATORIUM ON 1) THE OUTDOOR CULTIVATION OF
MEDICAL MARIJUANA WITHIN THE CITY OF LODI AND 2) THE
INDOOR CULTIVATION OF MEDICAL MARIJUANA THAT
CREATES A PUBLIC NUISANCE

=====

WHEREAS, in 1996, the voters of the State of California approved Proposition 215, which was codified as Health and Safety Code section 11362.5, *et seq.* and entitled the Compassionate Use Act of 1996 (“the Act”); and

WHEREAS, the intent of Proposition 215 was to enable persons who are in need of marijuana for medical purposes to obtain and use it under limited, specified circumstances; and

WHEREAS, on January 1, 2004, Senate Bill 420 (Medical Marijuana Program Act) became effective to clarify the scope of the Act and to allow cities and counties to adopt and enforce rules and regulations consistent with SB 420 and the Act; and

WHEREAS, Health and Safety Code section 11362.83 expressly allows cities and counties to adopt and enforce ordinances that are consistent with SB 420; and

WHEREAS, under the federal Controlled Substances Act (21 U.S.C. §841), marijuana is classified as a Schedule 1 drug, meaning it has no accepted medical use; and

WHEREAS, Government Code section 65858 authorizes cities to adopt moratoriums on land use entitlements in order to study any uses that may be in conflict with a contemplated general plan, specific plan, or zoning proposal; and

WHEREAS, Government Code sections 65850(a) and 65850(c)(4), provide the authority of the City of Lodi to regulate by ordinance the uses of land and the intensity of land use; and

WHEREAS, the City of Lodi Police Department and residents of the City of Lodi have reported adverse impacts from the outdoor cultivation of medical marijuana within the City of Lodi, including offensive odors detectable beyond the property boundaries, increased risk of trespassing, violent crime, burglary, and theft; and

WHEREAS, the strong odor of marijuana plants, which increases in intensity as the plants mature, is highly offensive to many individuals and creates an attractive nuisance, alerting people to the presence and location of marijuana plants, creating an increased risk of burglary, robbery, or armed robbery because of the monetary value of the plants; and

WHEREAS, the presence of marijuana plants is an attractive nuisance to minors, creating a potential hazard in areas frequented by minors, such as schools, parks, recreation centers, and similar facilities; and

WHEREAS, the cultivation of medical marijuana raise issues of first impression for the City, which currently does not address or regulate in any manner the cultivation of medical marijuana in its Municipal Code; and

WHEREAS, there is not sufficient time for the City of Lodi to adopt a regular, non-urgency ordinance regulating the outdoor and indoor cultivation of medical marijuana; and

WHEREAS, it is the intention of the City Council of the City of Lodi that nothing in this Ordinance be deemed to conflict with the federal Controlled Substances Act (21 U.S.C. §841), by permitting or otherwise allowing any activity which is prohibited under the Act; and

WHEREAS, the City Council of the City of Lodi is aware that the cultivation and possession of marijuana for medical purposes by Qualified Patients and Primary Caregivers as defined under California law (Health & Saf. Code, §§11362.7(f) and 11362.7(d), respectively), it is the intention of the Council that nothing in this Ordinance be construed, in any way, to expand the rights of anyone to cultivate, possess or use marijuana under state law, engage in any public nuisance, violate the federal Controlled Substance Act, or engage in any activity regarding the cultivation, distribution, use or consumption of marijuana that is otherwise prohibited by law; and

WHEREAS, it is the purpose and intent of this Ordinance to ensure that marijuana grown for medical purposes remains secure and does not find its way to persons other than Qualified Patients or Primary Caregivers, or illicit markets; and

WHEREAS, it is the purpose and intent of this Ordinance to assist law enforcement personnel to perform their duties effectively and in accordance with California law; and

WHEREAS, this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Government Code section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and Section 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; it prevents changes in the environment pending the completion of the contemplated General Plan adoption and zoning ordinance review; and

WHEREAS, for the protection of the public's health, safety, and general welfare, the City Council on November 7, 2012, adopted Ordinance No. 1867, an Uncodified Interim Urgency Ordinance of the City Council of the City of Lodi, making findings and imposing a forty-five (45) day moratorium on 1) the outdoor cultivation of medical marijuana within the City of Lodi and 2) the indoor cultivation of medical marijuana that creates a public nuisance; and

WHEREAS, for the continued protection of the public's health, safety and general welfare, the City Council on May 7, 2012, adopted Ordinance No. 1868 entitled an Uncodified Interim Urgency Ordinance of the City Council of the City of Lodi, making findings and imposing an additional moratorium of ten (10) months and fifteen (15) days on 1) the outdoor cultivation of medical marijuana within the City of Lodi and 2) the indoor cultivation of medical marijuana that creates a public nuisance; and

WHEREAS, the City desires to extend Ordinance No. 1868 for an additional one year period, as permitted by Government Code section 65858, to maintain the current status quo and to provide time for the City to continue to meet with members of the public and to study and analyze the complicated and evolving legal and practical issues involved in regulating the cultivation of marijuana for medical use, including a review of the City's General Plan and zoning ordinances, and to make recommendations for consideration by the City Council.

NOW, THEREFORE, BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

Section 1. The City Council finds that in accordance with the terms and provisions of Section 65858 of the Government Code, the following notice given in the time and manner required by law, it held a public hearing on the extension of Ordinance No. 1868 on November 6, 2013. After hearing all applicable evidence, the City Council finds that the conditions and findings cited in Ordinance No. 1868 continue to exist and that further study by City staff, including meeting with members of the public, is necessary in order to study and analyze the complicated and evolving legal and practical issues involved in regulating the cultivation of marijuana for medical use, including a review of the City's General Plan and zoning ordinances, and to adopt regulatory standards and conditions to be imposed on the outdoor and indoor cultivation of medical marijuana.

Section 2. Imposition of Moratorium.

A. In accordance with Government Code section 65858, from and after the date of the expiration of Ordinance No. 1868, the outdoor cultivation of marijuana, for any purpose, within the incorporated area of the City of Lodi is hereby prohibited for an additional one year period. Further, in accordance with Government Code section 65858, from and after the date of the expiration of Ordinance No. 1868, any indoor cultivation of medical marijuana by a Qualified Patient or Primary Caregiver within the incorporated area of the City of Lodi that creates a public nuisance resulting from the visibility of marijuana from the public right-of-way or the odor of marijuana beyond the property line of the property where the indoor cultivation is taking place is prohibited for an additional one year period.

B. Any property found to be in violation of this Ordinance shall be declared to be a public nuisance and may be summarily abated by the City of Lodi pursuant to Civil Code Section 731. Nothing in this Ordinance shall be deemed to prevent the city attorney from bringing a civil action for injunctive relief and civil penalties pursuant to Lodi Municipal Code Chapter 1.10. In any civil action brought under Chapter 1.10, a court of competent jurisdiction may award reasonable attorneys fees and costs to the prevailing party.

C. For purposes of this Ordinance, the terms "Primary Caregiver," "Qualified Patient" shall have the same meaning as that set forth in Health and Safety Code Sections 11362.7(f) and 11362.7(d), respectively.

D. This Ordinance is an interim urgency ordinance adopted pursuant to the authority granted to the City of Lodi by Government Code section 65858 and is for the immediate preservation of the public health, safety, and welfare. The City Council of the City of Lodi hereby finds and declares that there is a need to enact an urgency interim

ordinance establishing a moratorium banning the outdoor cultivation of medical marijuana within the City of Lodi and the indoor cultivation of medical marijuana by a Qualified Patient or Primary Caregiver within the City of Lodi that creates a public nuisance resulting from the visibility of marijuana from the public right-of-way or the odor of marijuana beyond the property line of the property where indoor cultivation is taking place, based upon the findings set forth hereinabove and incorporated herein.

Section 3. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council of the City of Lodi hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective.

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

Section 6. Effective Date. This urgency Ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect immediately upon passage and approval by at least four-fifths vote of the City Council and the expiration of Ordinance No. 1867 (December 22, 2012), and shall be in effect for a period of ten (10) months and fifteen (15) days (November 6, 2013), unless repealed or extended by the City Council as provided for in Government Code section 65858.

Approved this ____ day of _____, 2013

ALAN NAKANISHI
Mayor

ATTEST:

RANDI JOHL-OLSON
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was adopted as an urgency ordinance at a regular meeting of the City Council of the City of Lodi held November 6, 2013, and was thereafter passed, adopted, and ordered to print by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

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

RANDI JOHL-OLSON, City Clerk

Approved to Form:

JANICE D. MAGDICH
Deputy City Attorney



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

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

ADVERTISING INSTRUCTIONS

SUBJECT: PUBLIC HEARING TO CONSIDER ADOPTING AN UNCODIFIED INTERIM ORDINANCE EXTENDING INTERIM ORDINANCE NO. 1868, ESTABLISHING A MORATORIUM ON 1) THE OUTDOOR CULTIVATION OF MEDICAL MARIJUANA WITHIN THE CITY OF LODI, AND 2) THE INDOOR CULTIVATION OF MEDICAL MARIJUANA THAT CREATES A PUBLIC NUISANCE

PUBLISH DATE: SATURDAY, OCTOBER 26, 2013

LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL-OLSON, CITY CLERK
LNS ACCT. #0510052 City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, OCTOBER 24, 2013

ORDERED BY: RANDI JOHL-OLSON
CITY CLERK

Jennifer M. Robison
JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA DITMORE
ADMINISTRATIVE CLERK

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

LNS Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
Phoned to confirm receipt of all pages at _____ (time) _____ MD _____ JMR (Initials)



DECLARATION OF POSTING

**PUBLIC HEARING TO CONSIDER ADOPTING AN UNCODIFIED INTERIM
ORDINANCE EXTENDING INTERIM ORDINANCE NO. 1868, ESTABLISHING A
MORATORIUM ON 1) THE OUTDOOR CULTIVATION OF MEDICAL MARIJUANA
WITHIN THE CITY OF LODI, AND 2) THE INDOOR CULTIVATION OF MEDICAL
MARIJUANA THAT CREATES A PUBLIC NUISANCE**

On Thursday, October 24, 2013, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider adopting an uncodified interim ordinance extending interim Ordinance No. 1868, establishing a moratorium on 1) the outdoor cultivation of medical marijuana within the City of Lodi, and 2) the indoor cultivation of medical marijuana that creates a public nuisance (attached and marked as Exhibit A) was posted at the following locations:

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

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

Executed on October 24, 2013, at Lodi, California.

ORDERED BY:

**RANDI JOHL-OLSON
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA DITMORE
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: November 6, 2013

Time: 7:00 p.m.

For information regarding this notice please contact:

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

EXHIBIT A

NOTICE OF PUBLIC HEARING

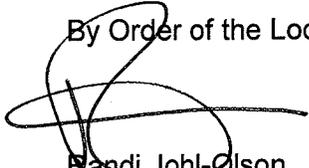
NOTICE IS HEREBY GIVEN that on **Wednesday, November 6, 2013**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following item:

- a) **Adopting an uncodified interim ordinance extending interim Ordinance No. 1868, establishing a moratorium on 1) the outdoor cultivation of medical marijuana within the City of Lodi, and 2) the indoor cultivation of medical marijuana that creates a public nuisance.**

Information regarding this item may be obtained in the City Attorney's Office, 221 West Pine Street, Lodi, (209) 333-6701. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

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

By Order of the Lodi City Council:


Randi Johl-Olson
City Clerk

Dated: **October 24, 2013**

Approved as to form:


D. Stephen Schwabauer
City Attorney



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Conduct Public Hearing to Consider Adoption of the 2013 California Building Code, Mechanical Code, Electrical Code, Plumbing Code, Residential Code, Green Building Standard Code, Fire Code

MEETING DATE: November 6, 2013

PREPARED BY: Community Development Director and Fire Chief

RECOMMENDED ACTION: Conduct public hearing to consider adoption of the 2013 California Building Code, Mechanical Code, Electrical Code, Plumbing Code, Residential Code, Green Building Standard Code, Fire Code

BACKGROUND INFORMATION: Pursuant to Health and Safety Code Section 18938, the California Building Standards Commission has selected January 1, 2014 as the effective date for the 2013 California Building Code, 2013 California Mechanical Code, 2013 California Electrical Code, 2013 California Plumbing Code, 2013 California Residential Code, 2013 California Fire Code and 2013 California Green Building Standard Code.

Every three years, Building/Construction and Fire Codes are amended by the State to include provisions of the most recent version. The State of California Building Standards Commission adopts new State standards, which cities and counties are therefore mandated to adopt. If codes with amendments are not adopted locally by January 1, 2014, then cities are required to follow State codes only. The need for the new ordinances is to adopt specific Appendixes and/or Administration provisions not adopted by the State. An example of this is:

- Administration Chapter I, Division II has been amended to have the City Council sit as the board of appeals for alternate materials and types of construction versus a separate appointed board of appeals; and
- Appendix J will be adopted to assist staff and design professionals with clear direction for construction design guidelines for grading, excavation and earthwork.

The major changes in this code cycle are in the California Building Code, California Plumbing Code and California Green Building Standard Code. These changes will have some benefits and restrictions compared to the existing Codes. Some of the changes in the building codes are as follows:

California Building Code

- 1) The access standards proposed reconcile over 2,500 items where the existing California standards differ from the federal standards set forth in Titles II and III of the Americans with Disabilities Act 2010 ADA Standards. These modifications to the Building Code were required because the federal requirements of the 2010 ADAS explicitly preempt state standards after March 15, 2012, and under California law, the DSA must propose

APPROVED: 
Konradt Bartlam, City Manager

accessibility standards at least as stringent as the federal requirements under the ADA. These include modifications to standards applicable to designated aisle seats, accessible water closets, toilet tissue dispensers, accessible drinking fountains, proportion of characters for visual and tactile signs, mounting locations and heights for signs, as well as a specific limited exception to items constructed in compliance with previous codes. The standards that the DSA adopted apply to a broad category of buildings, including publicly funded buildings, structures, sidewalks, curbs and related facilities; privately funded public accommodations and commercial facilities; and public housing and private housing available for public use.

- 2) Work exempt from building permit. Section 105.2 # 2 does not require a building permit for a fence up to 7 feet. Existing code was 6 feet maximum before requiring a building permit

California Plumbing Code changes

- 1) Extensive changes have also been made to the Plumbing Code (California Code of Regulations, Title 24, Part 5), which is based on the 2012 Uniform Plumbing Code (published by the International Association of Plumbing and Mechanical Officials). CBSC adopted extensive revisions to the standards applicable to alternate water sources for non-potable applications, e.g., gray water Chapter 16 and the regulations that apply to the installation, construction, alteration, and repair of non-potable rainwater catchments systems Chapter 17.
- 2) The CPC also revised Table 422.1 Minimum Plumbing Facilities; along with Section 422.2 separate toilet facilities exception (3) which will allow only one toilet facility for a business and mercantile if the total occupant load is less than 50 people. The existing code exception was for a total floor area of 1500 square feet or smaller.

The Green Building Code changes

Residential additions and alterations:

Where Additions or alteration of an existing residential building that increases the building's conditioned area, volume, or size, the residence shall replace noncompliant plumbing fixtures with water-conserving plumbing fixtures per Civil Code Section 1101.1, et seq

Nonresidential additions and alterations

Any addition nonresidential of 1,000 square feet or greater and/or building alteration with a permit valuation of \$200,000 or above are required to meet applicable section of Chapter 5 Nonresidential Mandatory Measures.

California Fire Code Changes

Addition to Section 605 – 605.11 Solar photovoltaic power systems. This was added to the code and closely reflects the standard for photovoltaic installations which was distributed by the State Fire Marshal in 2008.

- 1) Appendix K – Temporary Haunted Houses, Ghost Walks and Similar Amusement Uses. This gives the code enforcer an easier reference guide for these special events.
- 2) Addition of Section 1103.9 now includes the State requirements for carbon monoxide alarms in Group "I" (Institutional) or "R" (Residential) occupancies.

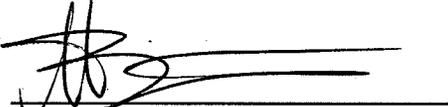
- 3) 90 percent of the chapters have been renumbered. There are cross references available in the code book. Apparently, this was done to allow for the code contents to grow and mature.
- 4) Adding to the municipal code; should come out in the 2016 code. Sky Lanterns. No person shall release or cause to be released an untethered sky lantern.

We have tried to notify all affected parties by meeting with BIA/Chamber on October 10th, publication in the Lodi News-Sentinel, as well as notices provided at the front counter. Informational handouts are currently being revised to reflect the new code requirements. These handouts will be available at the Building & Safety kiosk and on the City web page on or before January 1, 2014.

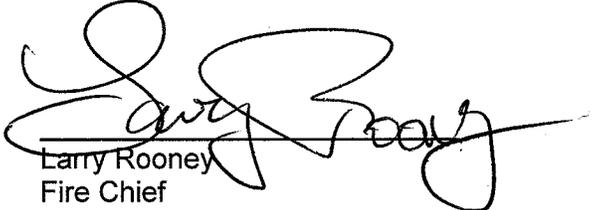
Staff's recommendation is to approve the 2013 codes as amended. The Ordinances have been presented in highlight format to more easily identify the changes to aid in review.

FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.



Konradt Bartlam
Community Development Director



Larry Rooney
Fire Chief

DC/LR/ES/kjc

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL
ADOPTING THE "2010 2013 CALIFORNIA BUILDING
CODE," VOLUMES 1 AND 2; THEREBY, REPEALING
AND RE-ENACTING LODI MUNICIPAL CODE CHAPTER
15.04 IN ITS ENTIRETY

=====

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

Section 1. Lodi Municipal Code Chapter 15.04, "California Building Code," is hereby repealed in its entirety and reenacted to read as follows:

Chapter 15.04

Building Code

- 15.04.010 Adoption.
- 15.04.020 CBC Chapter 1, Division II (Board of Appeals).
- 15.04.030 CBC Chapter 1, Division II (Building Permit Fees and Valuation).
- 15.04.040 Fee Schedule.
- 15.04.050 Special Inspections – Downtown Business District.
- 15.04.060 Violation – Misdemeanor.

15.04.010 Adoption

The provisions set forth in the ~~2010~~ 2013 California Building Code, Volumes 1 and 2, including Chapter 1, Division II, Appendix I and J, thereto, are hereby adopted as the Building Code of the City of Lodi and copies of the same are maintained by the City Building Official and available for review in the Community Development Department. The Building Code of the City of Lodi shall apply to all matters pertaining to the erection, construction, enlargement, alteration, repair, moving, removal, conversion, demolition, occupancy, equipment, use, height, area, and maintenance of buildings or structures in the City of Lodi, California; the issuance of building permits and the collection of fees therefore; and the enforcement of the rules and regulations as set forth in said "2010 2013 California Building Code," Volumes 1 and 2, and the above designated appendixes thereto.

15.04.020 CBC Chapter 1, Division II (Board of Appeals)

Sec.113.1 - In order to determine the suitability of alternate materials and types of construction and to provide for reasonable interpretations of this Chapter, the City Council shall sit as a Board of Appeals. The Building Official shall be an ex-officio member and shall act as secretary of the Board. Three members present shall constitute a quorum and no act of the Board shall be valid unless a majority of the full board shall concur therein.

The Board of Appeals shall adopt reasonable rules and regulations for conducting a meeting and investigations and shall render a decision and findings in duplicate. A copy will go to the Building Official with the other copy to the applicant.

15.04.030 CBC Chapter 1, Division II (Building Permit Fees and Valuation)

Sec. 109.1. Building Permit Fees. A fee for each building permit required by this Chapter shall be paid to the City of Lodi. Fees shall be paid prior to permit issuance.

Section 109.3. The determination of value or valuation under any of the provisions of this Chapter shall be made by the Building Official and shall be based on the latest building valuation data as printed in the Building Safety Journal, published by the International Code Council, 5360 South Workman Mill Road, Whittier, CA 90601. The valuation to be used in computing the permit and plan check fees shall be the total value of all construction work, including materials and labor for which the permit is issued, as well as all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, fire extinguishing systems and any other permanent work or permanent equipment.

EXCEPTION: The Building Official shall determine the valuation when no applicable data is available in Building Safety Journal.

15.04.040 Fee Schedule

The schedule of building permit fees required by this Chapter will be those established and adopted by the City Council from time to time by resolution.

15.04.050 Special Inspections – Downtown business district

- A. Notwithstanding any other provision of this Chapter, special inspection fees required to determine compliance with this Chapter for all buildings and structures located within the area designated by Lodi Municipal Code Section 13.12.195(B) as the “downtown business district” are waived.
- B. The City Council finds and declares that the waiver of special inspection fees is taken to protect and preserve a crucial part of City’s economy and to preserve a portion of the City’s heritage by offering incentives for businesses to locate, relocate, or expand existing commercial uses within the “downtown business district.”

15.04.060 Violation – Misdemeanor

- A. It is unlawful for any person to erect, construct, enlarge, alter, repair, move, improve, remove, convert, or demolish, equip, use, occupy, or maintain any building or structure located within the City, or cause the same to be done, contrary to or in violation of any of the provisions of this Chapter.
- B. Any person, firm, or corporation violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter is guilty of a misdemeanor punishable on conviction as set forth in Chapter 1.08 of this Code. Each separate day or any portion of thereof, during which any violation of this Chapter occurs or continues, shall be deemed to constitute a separate offense and punished accordingly.

- C. In addition to the penalties set forth in Section 15.04.060(B) above, City may at its sole discretion, seek to enforce this Chapter under Chapter 1.10 of this Code.

Section 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

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

Section 5. This ordinance shall be published one time in the "Lodi News Sentinel," a newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect January 1, ~~2011~~ 2014, which date is at least 30 days after the passage of this ordinance.

Approved this ____ day of November, 2014

ALAN NAKANISHI
Mayor

Attest:

RANDI JOHL-OLSON
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No.____ was introduced at a regular meeting of the City Council of the City of Lodi held November 6, 2013, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2013, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

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

RANDI JOHL-OLSON
City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney, City of Lodi

By: _____
JANICE D. MAGDICH
Deputy City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL
ADOPTING THE "2010-2013 CALIFORNIA
MECHANICAL CODE"; THEREBY, REPEALING
AND RE-ENACTING LODI MUNICIPAL CODE
CHAPTER 15.08 IN ITS ENTIRETY

=====

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

Section 1. Lodi Municipal Code Chapter 15.08, "California Mechanical Code," is hereby repealed and reenacted in its entirety to read as follows:

Chapter 15.08

Mechanical Code

- 15.08.010 Adoption.
- 15.08.020 Mechanical Permit Fees.
- 15.08.030 Fee Schedule.
- 15.08.040 Investigation Fee.
- 15.08.050 Installation.
- 15.08.060 CMC Chapter 1, Division II (Board of Appeals).
- 15.08.070 Violation – Misdemeanor.

15.08.010 Adoption

The provisions set forth in the "2010 2013 California Mechanical Code," together with Chapter 1, Administration Division II, are hereby adopted as the Mechanical Code of the City of Lodi, and copies of the same are maintained by the City Building Official and available for review in the Community Development Department. The Mechanical Code of the City of Lodi shall apply to all matters pertaining to erection, installation, alteration, repair, relocation, replacement, addition to, use, or maintenance of any heating, ventilation, comfort cooling, refrigeration systems, incinerators or other miscellaneous heat-producing appliances; to the issuance of permits and the collection of fees therefore; and the enforcement of the rules and regulations as set forth in said "2010 2013 California Mechanical Code" within the City of Lodi.

15.08.020 Mechanical Permit Fees

A fee for each mechanical permit required by this Chapter shall be paid to the City of Lodi. Fees shall be paid prior to permit issuance.

15.08.030 Fee Schedule

Section ~~445.2~~ 114.2 is amended to read as follows: The schedule of Mechanical Permit fees required by this Chapter will be those established and adopted by the City Council from time to time by resolution.

15.08.040 Investigation Fee – Work Without a Permit

Sections ~~445.5~~ 114.5, ~~445.5.1~~ 114.5.1, and ~~445.2~~ are amended to read as follows: Work Commenced before permit is issued. Any person who commences work requiring a permit before obtaining the necessary permits shall be subject to a fee established by the applicable governing authority that shall be in addition to the required permit fee.

15.08.050 Installation

Section ~~304.4~~ 303.1 Installation. The California Mechanical Code adopted in Section 15.08.010, is amended to read as follows:

Section ~~304.1-2~~ 303.1.2 Location of heating and cooling equipment. Heating, cooling, and swimming pool equipment shall not be located within the required five-foot side yard setback as defined by the City of Lodi Zoning Ordinance for residential zonings.

15.08.060 CMC Chapter 1, Division II (Board of Appeals)

~~Sec.440.4~~ 108.0 and 108.1- In order to determine the suitability of alternate materials and types of construction and to provide for reasonable interpretations of this Chapter, the City Council shall sit as a Board of Appeals. The Building Official shall be an ex-officio member and shall act as secretary of the Board. Three members present shall constitute a quorum and no act of the board shall be valid unless a majority of the full board shall concur therein.

The Board of Appeals shall adopt reasonable rules and regulations for conducting a meeting and investigations and shall render a decision and findings in duplicate. A copy will go to the Building Official with the other copy to the applicant.

15.08.070 Violation – Misdemeanor

A. It shall be unlawful for any person, to erect, install, alter, repair, relocate, add to, replace, use, or maintain heating, ventilating, comfort cooling, or refrigeration equipment in the jurisdiction, or cause the same to be done, contrary to or in violation of any of the provision of this Chapter. Maintenance of equipment, which was unlawful at the time it was installed and which would be unlawful under this Code if installed after effective date of this Chapter, shall constitute a continuing violation of this Chapter.

B. Any person, firm, or corporation violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter is guilty of a misdemeanor punishable on conviction as set forth in Chapter 1.08 of this Code. Each separate day or any portion of thereof, during which any violation of this Chapter occurs or continues, shall be deemed to constitute a separate offense and punished accordingly.

C. In addition to the penalties set forth in Section 15.08.070(B) above, City may at its sole discretion, seek to enforce this Chapter under Chapter 1.10 of this Code.

Section 2. – No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside if the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. – Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The

City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

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

Section 5. This ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect January 1, ~~2014~~, 2014 which date is at least 30 days after passage of this ordinance.

Approved this ____ day of November, 2013

ALAN NAKANISHI
Mayor

Attest:

RANDI JOHL-OLSON
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No.____ was introduced at a regular meeting of the City Council of the City of Lodi held November 6, 2013, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2013, by the following vote:

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

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

RANDI JOHL-OLSON
City Clerk

Approved as to Form:
D. STEPHEN SCHWABAUER
City Attorney, City of Lodi

By:_____
JANICE D. MAGDICH
Deputy City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL ADOPTING
THE "2010 2013 CALIFORNIA ELECTRICAL CODE"; THEREBY,
REPEALING AND RE-ENACTING LODI MUNICIPAL CODE
CHAPTER 15.16 IN ITS ENTIRETY

=====

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

Section 1. Lodi Municipal Code Chapter 15.16, "California Electrical Code," is hereby repealed and reenacted in its entirety to read as follows.

Chapter 15.16

Electrical Code

Sections:

- 15.16.010 Adoption.
- 15.16.020 Fees.
- 15.16.030 Fee Schedule.
- 15.16.040 Investigation Fee.
- 15.16.050 Appeals Board.
- 15.16.060 ~~Inspectors~~ Qualifications of Inspectors.
- 15.16.070 Violation – Misdemeanor.

15.16.010 Adoption

The provisions set forth in the "2010 2013 California Electrical Code" together with Annex C, Annex H, and Administration and Enforcement thereto, are hereby adopted as the Electrical Code of the City of Lodi, and copies of the same are maintained by the City Building Official and available for review in the Community Development Department. The Electrical Code of the City of Lodi shall apply to all matters pertaining to the installation, alteration, or addition of electrical wiring, devices, appliances, or equipment in the City of Lodi, ~~California~~; and the enforcement of the rules and regulations as set forth in the 2010 2013 California Electrical Code together with Annex C, Annex H and Administration and Enforcement thereto.

15.16.020 Fees

A fee for each electrical permit required by this Code shall be paid to the City of Lodi. Fees shall be paid prior to permit issuance.

15.16.030 Fee Schedule

The Schedule of Electrical Permit Fees required by this Chapter will be those established and adopted by the City Council from time to time by resolution.

15.16.040 Investigation Fee – Work Without a Permit

Work commenced before permit is issued. Any person who commences work requiring a permit before obtaining the necessary permits shall be subject to a fee established by the applicable governing authority that shall be in addition to the required permit fee.

15.16.050 Appeals Board (CEC Annex H)

Annex H 80.15 - is amended to read: In order to determine the suitability of alternate materials and types of construction and to provide for reasonable interpretations of this Chapter, the City Council shall sit as a Board of Appeals. The Building Official shall be an ex-officio member and shall act as secretary of the Board. Three members present shall constitute a quorum and no act of the Board shall be valid unless a majority of the full board shall concur therein.

The Board of Appeals shall adopt reasonable rules and regulations for conducting a meeting and investigations and shall render a decision and findings in duplicate. A copy will go to the Building Official with the other copy to the applicant.

15.16.060 ~~Inspectors~~ Qualifications of Inspectors

Annex H 80.27- is amended to read: All electrical inspectors shall meet the minimum certification and experience as required by the City of Lodi's job description.

15.16.070 Violation – Misdemeanor

A. It shall be unlawful for any person, firm, or corporation to erect, construct, enlarge, alter, repair, move, improve, remove, convert, demolish, equip, use, or maintain any electrical wiring, devices, appliances or equipment or permit the same to be done in violation of this Chapter.

B. Any person, firm, or corporation violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter is guilty of a misdemeanor punishable on conviction as set forth in Chapter 1.08 of this Code. Each separate day or any portion of thereof, during which any violation of this Chapter occurs or continues, shall be deemed to constitute a separate offense and punished accordingly.

C. In addition to the penalties set forth in Section 15.16.070(B) above, City may at its sole discretion, seek to enforce its Building Code under Chapter 1.10 of this Code.

Section 2 - No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3 – Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

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

Section 5. This ordinance shall be published one time in the "Lodi News Sentinel," a newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect January 1, ~~2014~~ 2014, which date is at least 30 days after the passage of this ordinance.

Approved this ____ day of November, 2013

ALAN NAKANISHI
Mayor

Attest:

RANDI JOHL-OLSON
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was introduced at a regular meeting of the City Council of the City of Lodi held November 6, 2013, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2013, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN COUNCIL MEMBERS –

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

RANDI JOHL-OLSON
City Clerk

Approved as to Form:

D. STEVEN SCHWABAUER
City Attorney, City of Lodi

By _____
JANICE MAGDICH
Deputy City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL
ADOPTING THE "20102013 CALIFORNIA
PLUMBING CODE"; THEREBY, REPEALING AND
RE-ENACTING LODI MUNICIPAL CODE CHAPTER
15.12 IN ITS ENTIRETY

=====

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

Section 1. Lodi Municipal Code Chapter 15.12, "California Plumbing Code," is hereby repealed and reenacted to read as follows:

Chapter 15.12

Plumbing Code

- 15.12.010 Adoption.
- 15.12.020 Department Having Jurisdiction.
- 15.12.030 Plumbing Permit Fees.
- 15.12.040 Fee Schedule.
- 15.12.050 Investigation Fee.
- 15.12.060 Violation – Misdemeanor.

15.12.010 Adoption

The provisions set forth in the "20102013 California Plumbing Code" together with Chapter 1 Administration Division II are hereby adopted as the Plumbing Code of the City of Lodi and copies of the same are maintained by the City Building Official and available for review in the Community Development Department. The Plumbing Code of the City of Lodi shall apply to all matters pertaining to plumbing, drainage systems, and gas fittings in the City of Lodi.

15.12.020 Department Having Jurisdiction

The Building Division of the Community Development Department and the Building Official or his/her authorized representative shall enforce the provisions of this Chapter and shall have all of the duties and rights of the Administrative Authority as provided in the 2010 2013 California Plumbing Code.

15.12.030 Plumbing Permit Fees

A fee for each plumbing permit required by this Chapter shall be paid to the City of Lodi. Fees shall be paid prior to permit issuance.

15.12.040 Fee Schedule

Section 103.4 The schedule of plumbing permit fees required by this Chapter will be those established and adopted by City Council from time to time by resolution.

15.16.050 Investigation Fee – Work Without a Permit

Work Commenced before permit is issued. Any person who commences work requiring a permit before obtaining the necessary permits shall be subject to a fee established by the applicable governing authority that shall be in addition to the required permit fee.

15.12.060 Violation – Misdemeanor

- A. It shall be unlawful for any person, firm or corporation to erect, construct, enlarge, alter, repair, move, improve, remove, convert, demolish, equip, use or maintain any plumbing or permit the same to be done in violation of this Chapter.
- B. Any person, firm, or corporation violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter is guilty of a misdemeanor punishable on conviction as set forth in Chapter 1.08 of this Code. Each separate day or any portion of thereof, during which any violation of this Chapter occurs or continues, shall be deemed to constitute a separate offense and punished accordingly.
- C. In addition to the penalties set forth in Section 15.12.060(B) above, City may at its sole discretion, seek to enforce this Chapter under Chapter 1.10 of this Code.

Section 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

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

Section 5. This ordinance shall be published one time in the “Lodi News Sentinel,” a newspaper of general circulation, printed and published in the City of Lodi, and shall be in force and take effect January 1, 2014, which date is at least 30 days after passage of this ordinance.

Approved this ____ day of November, 2013

ALAN NAKANISHI
Mayor

Attest:

RANDI JOHL-OLSON
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No.____ was introduced at a regular meeting of the City Council of the City of Lodi held November 6, 2013, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2013, by the following vote:

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

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

RANDI JOHL-OLSON, City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney, City of Lodi

By:_____
JANICE D. MAGDICH
Deputy City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL
ADOPTING THE “~~2010~~ 2013 CALIFORNIA
RESIDENTIAL BUILDING CODE”; THERBY REPEALING
AND RE-ENACTING LODI MUNICIPAL CODE CHAPTER
15.06 IN ITS ENTIRETY

=====

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

Section 1. Lodi Municipal Code Chapter 15.06, “California Residential Building Code,” is hereby repealed and reenacted in its entirety to read as follows:

Chapter 15.06

Residential Code

- 15.06.010 Adoption.
- 15.06.020 CBC Chapter 1, Division II (Board of Appeals).
- 15.06.030 CBC Chapter 1, Division II (Building Permit Fees and Valuation).
- 15.06.040 Fee Schedule.
- 15.06.050 Repetitive Submittals (Master Plans).
- 15.06.060 Violation – Misdemeanor.

15.06.010 Adoption

The provisions set forth in the ~~2010~~ 2013 California Residential Code, including Chapter 1, Division II, Appendix ~~G~~, H, and J, Sections AJ501.7, AJ501.8, ~~AJ601~~ AJ601.1 only, thereto, are hereby adopted as the Residential Building Code of the City of Lodi and copies of the same are maintained by the City Building Official and available for review in the Community Development Department. The Residential Code of the City of Lodi shall apply to all matters pertaining to the erection, construction, enlargement, alteration, repair, moving, removal, conversion, demolition, occupancy, equipment, use, height, area, and maintenance of buildings or structures in the City of Lodi, California; the issuance of building permits and the collection of fees therefore; and the enforcement of the rules and regulations as set forth in said “~~2010~~ 2013 California Residential Code” and the above-designated appendixes thereto.

15.06.020 CBC Chapter 1 Division II (Board of Appeals)

Sec.112.1 - In order to determine the suitability of alternate materials and types of construction and to provide for reasonable interpretations of this Chapter, the City Council shall sit as a Board of Appeals. The Building Official shall be an ex-officio member and shall act as secretary of the Board. Three members present shall constitute a quorum and no act of the Board shall be valid unless a majority of the full Board shall concur therein.

The Board of Appeals shall adopt reasonable rules and regulations for conducting a meeting and investigations and shall render a decision and findings in duplicate. A copy will go to the Building Official with the other copy to the applicant.

15.06.030 CBC Chapter 1, Division II (Building Permit Fees and Valuation)

Section 108.1. Building Permit Fees. A fee for each building permit required by this Chapter shall be paid to the City of Lodi. Fees shall be paid prior to permit issuance.

Section 108.3. The determination of value or valuation under any of the provisions of this Chapter shall be made by the Building Official and shall be based of the latest building valuation data as printed in the Building Safety Journal, published by the International Code Council, 5360 South Workman Mill Road, Whittier, CA 90601. The valuation to be used in computing the permit and plan check fees shall be the total value of all construction work, including materials and labor for which the permit is issued, as well as all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, fire extinguishing systems, and any other permanent work or permanent equipment.

EXCEPTION: The Building Official shall determine the valuation when no applicable data is available in Building Safety Journal.

15.06.040 Fee Schedule

The schedule of building permit fees required by this Chapter will be those established and adopted by the City Council from time to time by resolution.

15.06.050 Repetitive submittals (Master Plans)

A. Fees for the repetitive submittals of Master Plans shall be as follows:

1. Original plan: 100% of building permit fee, plus 10%.
2. Subsequent plans: 25% of building permit fee.
3. City's Residential Code (Chapter 15.06) is subject to review and adoption every three years; as such, Master Plans expire upon the effective date of City's most recent Residential Code.

15.06.060 Violation – Misdemeanor

A. It is unlawful for any person to erect, construct, enlarge, alter, repair, move, improve, remove, convert, or demolish, equip, use, occupy, or maintain any building or structure located within the City, or cause the same to be done, contrary to or in violation of any of the provisions of this Chapter.

B. Any person, firm, or corporation violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter is guilty of a misdemeanor punishable on conviction as set forth in Chapter 1.08 of this Code. Each separate day or any portion of thereof, during which any violation of this Chapter occurs or continues, shall be deemed to constitute a separate offense and punished accordingly.

- C. In addition to the penalties set forth in Section 15.06.060(B) above, City may at its sole discretion, seek to enforce this Chapter under Chapter 1.10 of this Code.

Section 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

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

Section 5. This ordinance shall be published one time in the "Lodi News Sentinel," a newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect January 1, ~~2014~~ 2014, which date is at least 30 days after the passage of this ordinance.

Approved this ____ day of November, 2013

ALAN NAKANISHI
Mayor

Attest:

RANDI JOHL-OLSON, City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No.____ was introduced at a regular meeting of the City Council of the City of Lodi held November 6, 2013, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2013, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

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

RANDI JOHL-OLSON, City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney, City of Lodi

By: _____
JANICE D. MAGDICH
Deputy City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL ADOPTING THE
"2010 2013 CALIFORNIA GREEN BUILDING STANDARD
CODE"; THEREBY, REPEALING AND RE-ENACTING LODI
MUNICIPAL CODE CHAPTER 15.18 IN ITS ENTIRETY

=====

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LODI AS FOLLOWS:

Section 1. Lodi Municipal Code Chapter 15.18, "California Green Building Standard Code," is hereby repealed and reenacted in its entirety to read as follow:

Chapter 15.18

Green Building Code

15.18.010 Adoption.

The provisions set forth in the 2010~~03~~ California Green Building Standard Code is hereby adopted as the Green Building Code of the City of Lodi, and a copy of the same is maintained by the City Building Official and available for review in the Community Development Department. The Green Building Code of the City of Lodi shall apply to the planning, design, operations, construction, use, and occupancy of every newly constructed building or structure requiring a Building Permit in the City of Lodi, ~~California~~.

Section 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

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

Section 5. This ordinance shall be published one time in the "Lodi News Sentinel," a newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect January 1, 2014~~2014~~ which date is at least 30 days after the passage of this ordinance.

Approved this ____ day of November, 2013

ALAN NAKANISHI
Mayor

Attest:

RANDI JOHL-OLSON
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No.____ was introduced at a regular meeting of the City Council of the City of Lodi held November 6, 2013, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2013, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

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

RANDI JOHL-OLSON
City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney, City of Lodi

By:_____
JANICE D. MAGDICH
Deputy City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL
ADOPTING THE "20103 CALIFORNIA FIRE CODE";
THEREBY, REPEALING AND RE-ENACTING LODI
MUNICIPAL CODE CHAPTER 15.20 IN ITS ENTIRETY

=====

THE CITY COUNCIL OF THE CITY OF LODI DOES ORDAIN AS FOLLOWS:

Section 1. Lodi Municipal Code Chapter 15.20, "California Fire Code," is hereby repealed in its entirety and reenacted to read as follows:

CHAPTER 15.20
FIRE CODE

Section:

- 15.20.010 Adoption
- 15.20.020 Enforcement
- 15.20.030 Definitions
- 15.20.040 Findings and Filings
- 15.20.050 Open Burning, Recreational Fires and Portable Outdoor Fireplaces
- ~~15.20.060 Open Flames - Religious Ceremonies~~
- 15.20.065 Sky Lanterns
- 15.20.070 Misc. Combustible Material Storage - Pallets, Palletized Packing Boxes, and Bin Boxes
- 15.20.080 Fire Apparatus Access Roads - Dimensions
- 15.20.090 Fire Apparatus Access Roads - Surfaces
- 15.20.100 Premises Identification
- 15.20.110 Key Boxes - Hazardous Materials Management Plan Box
- 15.20.120 Emergency Responder Radio Coverage - Public Safety Radio Building Amplification System
- 15.20.130 Fuel - Fired Appliances Gas Meters - Gas Service Identification
- 15.20.140 Electrical Equipment Wiring and Hazards - Electrical Disconnect
- 15.20.150 Fire Protection Systems - System Maintenance
- 15.20.160 Automatic Sprinkler Systems
- 15.20.170 Sprinkler Coverage Identification
- 15.20.180 Fire Control Room
- 15.20.190 Fire Alarm and Detection System Certification
- 15.20.200 Precautions Against Fire - Opening Burning Construction Sites
- 15.20.210 Tire Rebuilding and Tire Storage - Inside Tire Storage
- 15.20.220 Explosives and Fireworks - Seizure of Fireworks
- 15.20.230 Explosives and Fireworks - Limits Explosive and Blasting Agents
- 15.20.240 Explosives and Fireworks - Manufacturing of Fireworks
- 15.20.250 Storage - Locations Where Aboveground Tanks are Prohibited Class I & II Liquids
- 15.20.260 General Authority - Contract Inspector
- 15.20.270 General Authority - Fire investigators
- 15.20.280 Permits - Required Fees
- 15.20.290 Permits - Inspection Authorized
- 15.20.300 Permits - Revocation
- 15.20.310 Permits - Required

- 15.20.320 Inspections - Administrative Costs
- 15.20.325 Board of Appeals
- 15.20.330 Violations - Administrative Enforcement Provisions
- 15.20.340 Violations - Abatement of Hazard by Fire Code Official
- 15.20.350 Unsafe Building - Structural fires
- 15.20.360 Stop Work Order - Failure to comply
- 15.20.370 Fire Hydrants - Location and Distribution, Distribution of fire hydrants
- 15.20.380 Changes or modifications

- 15.20.010 Adoption

~~The provisions set forth in the 2010 California Fire Code, including Chapters 1, Division II, Chapters 3, 16 and 25, and Appendix Chapters B, D, E, F, G, I and J, are hereby adopted as the Fire Code of the City of Lodi, and copies of the same are maintained by the City Building Official and available for review in the Community Development Department. The Fire Code of the City of Lodi shall regulate and govern the safeguarding of life and property from fire and explosion hazards arising from the storage, handling, and use of hazardous substances, materials, and devices, and from conditions hazardous to life and property in the occupancy of buildings and premises as herein provided; providing for the issuance of permits and collection of fees therefore; and the enforcement of the rules and regulations as set forth in said "2010 California Fire Code" and the above-designated appendixes thereto.~~

The provisions set forth in the California Fire Code (2013 Edition), including Chapters 1, Division II, and Appendix Chapters 4, A, B, BB, C, CC, D, E, F, G, H, I, J, and K, with the exception of Section 103.2 (published by the International Code Council), are hereby adopted as the Fire Code of the City of Lodi, and copies of the same are maintained by the City Building Official and available for review in the Community Development Department, regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling, and use of hazardous substances, materials, and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises as herein provided; providing for the issuance of permits and collection of fees therefore; and the enforcement of the rules, regulations, penalties, conditions and terms of the Fire Code of the City of Lodi, are hereby referred to, adopted, and made a part hereof, as if fully set out in this ordinance, with the additions, insertions, deletions and changes as prescribed in this ordinance.

15.20.020 Enforcement

Peace officers and persons employed in positions authorized to exercise the authority provided in California Penal Code Section 836.5 are authorized to issue citations for violation of this Chapter. The following designated employee positions may enforce the provisions of this Chapter by issuance of citations: the City Manager or his/her duly authorized representative, the Fire Chief, the Fire Marshal, Fire Inspectors, and all sworn members of the City's fire department

15.20.030 Definitions

- a) Whenever the words "International Fire Code" are used in this Chapter, it shall mean the California Fire Code (2013 Edition), Title 24, California Code of Regulations, ~~and~~ Part 9.

- b) [Whenever the words “California Fire Code” are used in this Chapter, it shall mean the California Fire Code \(2013 Edition\), Title 24, California Code of Regulations, Part 9, as adopted.](#)
- c) Whenever the word “municipality” is used in the California Fire Code [\(2013 Edition\)](#), it shall mean the City of Lodi.
- d) Whenever the words “Chief” or “Fire Code Official” is used in the California Fire Code [\(2013 Edition\)](#), they shall mean the Fire Chief for the City of Lodi or his/her designated representative.

15.20.040 Findings and filings

The findings of fact required in accordance with Health and Safety Code Section 17958.5 are set forth in Section 15.20.380 of this Chapter and are filed separately with the California Building Standards Commission and Lodi City Clerk’s Office.

15.20.050 Open burning, Recreational Fires and Portable Outdoor Fireplaces

Section 307.1 of the California Fire Code is hereby amended to read as follows:

A person shall not kindle or authorize to be kindled or maintain any outdoor burning within the limits of the City of Lodi, except that this section shall not prohibit those fires that are approved by the Fire Code Official for the following purposes:

- a. The prevention of a fire hazard that cannot be evaded by any other means.
- b. The instruction of public employees in the methods of fighting fire.
- c. The instruction of employees in the methods of fighting fire, when such fire is set, pursuant to permit, on property used for industrial purposes.
- d. The setting of backfires necessary to save life or valuable property pursuant to Section 4462 of the Public Resource Code.
- e. The abatement of fire hazards pursuant to Section 13055 of the Health and Safety Code.
- f. Disease or pest prevention, where there is an immediate need for and no reasonable alternative to burning.

Nothing in this section shall be construed as prohibiting open outdoor fires used only for cooking food for human consumption where such use is accomplished in an approved fireplace or barbecue pit, or for recreational purposes in areas approved by the Fire Code Official, provided that the combustible is clear dry wood or charcoal and it is a permissive burn day. Approval shall be in accordance with Sections 307.1.1 – 307.5 of the California Fire Code.

~~15.20.060 Open Flames – Religious Ceremonies~~

~~Section 308.1.7 of the California Fire Code is hereby deleted:~~

~~Title 19 of the California Code of Regulations – Public Safety – Section 3.25 (b) supersedes this section thereby making the carrying of hand held candles illegal.~~

15.20.65 Sky Lanterns

Section 308 of the California Fire Code is hereby amended to add the following:

No person shall release or cause to be released an untethered sky lantern.

Sky Lantern. An unmanned device with a fuel source that incorporates an open flame in order to make the device airborne.

15.20.070 Miscellaneous Combustible Materials Storage - Pallets, Palletized Packing Boxes and Bin Boxes

Section 315 of the California Fire Code is hereby amended to add the following:

A permit shall be required to store pallets, palletized packing boxes, or bin boxes in excess of 30,000 board feet, in accordance with the following restrictions.

Pallets, palletized packing boxes, and bin boxes shall be piled with due regard to stability of piles and in no case higher than 12 feet. Where pallets are piled next to a property line, the distance from the property line shall not be less than one half the pile height and in no case less than 5 feet from the property line.

Exception: Bin boxes may be stacked to a maximum height of 20 feet.

Driveways between and around pallets, bin boxes, and palletized packing boxes shall be a minimum of 20 feet wide and maintained free from accumulations of rubbish, weeds, machinery or other articles that would block access or add to the fire hazard. Driveways shall be spaced so a maximum grid of storage is no more than 50 feet by 50 feet.

Pallets, palletized packing boxes, and bin boxes, operating under a permit, shall be enclosed by a suitable fence of at least 6 feet in height, unless storage is in a building.

An approved water supply and/or fire hydrants capable of supplying the required fire flow shall be provided to the premises within all portions of the storage areas in accordance with Section 507, California Fire Code and Lodi Municipal Code 15.20.370.

For permitting purposes one pallet will be calculated as having 25 board feet and palletized packing boxes and bin boxes will be calculated based on average board feet per box.

15.20.080 Fire Apparatus Access Roads - Dimensions

Section 503.2.1 of the California Fire Code is hereby amended to read as follows:

Fire apparatus access roads shall have an unobstructed width of not less than 24 feet, exclusive of shoulders, except for approved security gates in accordance with Section 503.6 of the California Fire Code and an unobstructed vertical clearance of not less than 13 feet 6 inches.

15.20.090 Fire Apparatus Access Roads - Surfaces

Section 503.2.3 of the California Fire Code is hereby amended to read as follows:

Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall provide a permanent surface of asphalt or concrete installed the full width of all streets, cul-de-sacs, and fire lanes.

15.20.100 Premises Identification

Section 505.1 of the California Fire Code is hereby amended to read as follows:

A. Address Identification

New and existing buildings shall have approved address numbers, building numbers, or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Address numbers shall be a minimum of 4 inches high with a minimum stroke width of 0.5 inch.

The approved minimum size dimensions of the numbers shall be as specified by Table 1.

Where a building is set back from the street or road fronting the property and where addresses may not be clearly identifiable due to distance from the street or roadway, landscape and architectural appendages, or other obstructions, address posting shall be required both at the street driveway serving such building and on the building.

| Table 1 | |
|--|-------------|
| Distance to Building address measured from back of walk. | Size Height |
| 25 Feet | 4 inches |
| 26-40 Feet | 6 inches |
| 41-55 Feet | 9 inches |
| Over 55 Feet | 12 inches |

B. Address Identification – Rear

Any business or apartment building which affords vehicular access to the rear through a driveway, alley way, or parking lot shall also display approved identification or address numbers on the rear of the building for such business or apartment building in a location approved by the Fire Code Official.

C. Address Identification - Multiple Dwelling Units

An approved diagram of the premises, which clearly indicates all individual addresses of each unit in the complex, shall be erected at the entrance driveways to every multiple dwelling complex having more than one building on the premises or when required by the Fire Code Official.

In addition, the Fire Code Official may require that individual buildings on the premises be identified in an approved manner.

D. Address Identification - Multiple Buildings

An approved identification of multiple buildings within an industrial complex shall be required which clearly indicates each individual building in the complex. Identification shall be placed on each building in a size and location, when required by the Fire Code Official, and be visible for responding emergency personnel in an approved manner.

E. Address Identification - Illumination

Addressing shall be illuminated at night in all new buildings. Signs shall be internally or externally illuminated. When the luminance or the face of a sign is from an external source, it shall have an intensity of not less than 5.0 foot-candles. Internally illuminated signs shall provide equivalent luminance.

15.20.110 Key Boxes - Hazardous Materials Management Plan Box

Section 506 of the California Fire Code is hereby amended to add the following:

When a business which handles hazardous materials is required to complete a Hazardous Materials Management Plan (HMMP), the Fire Code Official may require the installation of a secured box at the primary facility entrance or the fire control room, which contains a copy of the Hazardous Materials Management Plan. This box shall be waterproof and capable of holding the document in a rolled condition without folding. Other characteristics of the box shall be approved by the Fire Code Official.

Businesses which handle acutely hazardous material as defined in Section 25532 of the Health and Safety Code shall install a Hazardous Material Management Plan Box in accordance with this section.

15.20.120 Emergency Responder Radio Coverage - Public Safety Radio Building Amplification System

Section 510 (Emergency Responder Radio Coverage) of the California Fire Code is hereby amended to add the following:

A. Requirement for Approved Emergency Responder Radio Coverage in Buildings.

All buildings shall have approved indoor radio coverage for emergency responders. Except as otherwise provided, no person shall erect, construct, change the use of or provide an addition of more than 20 percent to, any building or structure or any part thereof, or cause the same to be done which fails to support adequate radio coverage for the City of Lodi radio communications system. Determining the existence of approved radio coverage and the correction of any deficiencies shall be the responsibility of the building owner. Existing buildings, buildings of one or two single family dwellings, or those below minimum areas as determined by the fire code official may be exempted from this requirement by the Fire Code Official.

B. Approved Radio Coverage

Approved radio coverage shall conform to the current standards of the Lodi Fire Department. These standards shall define the acceptable indoor signal levels to provide 90% reliability of the Lodi Public Safety Radio System inside structures. The fire code official may determine exceptions and additions to these standards as required to protect the integrity of the public safety radio system and provide acceptable signal levels in structures critical to public health and safety.

C. Indoor Public Safety Radio Enhancement Systems

If required by this code, any indoor public safety radio enhancement system must comply with current standards set by the Lodi Fire Department, and the regulations of the Federal Communications Commission. Systems shall be inspected, maintained, and modified as necessary to provide approved emergency responder radio coverage. If changes in FCC regulations or modifications to the Lodi Public Safety Radio System require modifications to a public safety radio enhancement system, the building owner, at his/her own expense, shall make necessary changes to conform to the existing standard

15.20.130 Fuel-Fired Appliances - Gas Meters, Gas Service Identification

Section 603.9 of the California Fire Code is hereby amended to add the following:

All buildings providing natural gas service through more than one (1) service meter or through multiple service connections shall have individual gas shutoffs identified in a manner approved by the Fire Chief indicating areas or units served.

15.20.140 Electrical Equipment, Wiring and Hazards - Electrical Disconnect

Section 605 of the California Fire Code is hereby amended to add the following:

All buildings constructed after July 1, 2005, shall have main electrical shut off accessible to the exterior of the structure. This may be accomplished by placing the shut off on the building exterior, an electrical room with a door leading directly to the exterior or a remote electrical (shunt) switch on the building exterior. Breakaway locks are allowable for security.

15.20.150 Fire Protection Systems- System Maintenance

Section 901.7 of the California Fire Code is hereby amended to add the following:

All individuals or companies installing, repairing, testing, servicing, or maintaining sprinkler systems, fire hydrant systems, standpipes, fire alarm systems, portable fire extinguishers, smoke and heat ventilators, smoke-removal systems, and other fire protection or extinguishing systems or appliances shall be a fire protection contractor or contractor licensed for said work by the State of California or have the appropriate license required by the California State Fire Marshal's Office or both.

The authority having jurisdiction shall be notified immediately when a fire protection or detection system or portion thereof is found inoperable.

The authority having jurisdiction shall be notified in writing within 72-hours by the person performing repairs, testing, or maintenance when a fire protection or detection system is not in compliance with applicable codes.

When changes involve shutting off water for a considerable number of sprinklers for more than 4-hours, temporary water supply connections shall be made to sprinkler systems so that reasonable protection can be maintained. Protection shall be restored each night. The Fire Code Official may require a fire watch while any system is inoperative.

When shorts, failures, or other interruptions of service occur within a building's fire alarm system that connects to an approved alarm service provider's Type A (listed) Central Station or is a local alarm only, the Fire Code Official may require the system to be disconnected or shunt out the private fire alarm system and/or circuit. When shorts, failures, or other interruption of service occur within a building's fire alarm system that connects to an approved alarm service provider's Type A (listed) Central Station, the Fire Code Official may require the system to be repaired and written notification to be provided to the Fire Code Official before he or she responds to alarms generated by the system.

Where alarm system(s) are wholly or partially out of service for more than 8 hours, the alarm company having responsibility shall notify the fire dispatch center.

15.20.160 Automatic Sprinkler Systems

Section 903 of the California Fire Code is hereby amended to add the following:

In addition to the requirements specified in Section 903 of the California Fire Code, an automatic sprinkler system shall be installed throughout and maintained in an operable condition regardless of the installation of area separation walls in the following buildings:

- (1) Every building hereafter constructed in which the total floor area is 6,000 square feet or more.
- (2) Every building hereafter constructed of three or more stories as defined in the California Building Code.
- (3) Every building hereafter in which the square footage existing as of September 1, 1997, is increased by 50% ~~and~~ or the total square footage of the building exceeds 6,000 square feet.

~~Exception: Group R, Division 3 occupancies.~~

15.20.170 Sprinkler Coverage Identification

Section 903 of the California Fire Code is hereby amended to add the following:

When required by the Fire Code Official, approved signs shall identify the building(s) or portions of building(s) served by a fire department connection and/or riser.

15.20.180 Fire Control Room

Section 903 of the California Fire Code is hereby amended to add the following:

An approved fire control room shall be provided for all buildings protected by an automatic fire extinguishing system. Existing buildings installing automatic fire

extinguishing system shall have a fire control room added unless approved by the Fire Code Official or his/her designee for good cause. Fire control room shall contain all system control valves, fire alarm control panels, and other fire equipment required by the Fire Code Official. Fire control rooms shall be located within the building at a location approved by the Fire Code Official and shall be provided with a means to access the room directly from the exterior. Durable signage shall be provided on the exterior side of the access door to identify the fire control room.

EXCEPTION: Group R, Division 3 occupancies.

15.20.190 Fire Alarm and Detection Systems - Certification

Section 907.8.2 of the California Fire Code is hereby amended to add the following:

The permittee shall provide a serially numbered certificate from an approved nationally recognized testing laboratory for all required fire alarm systems indicating that the system has been installed in accordance with the approved plans and specifications and meets National Fire Protection Association Standards. Certification shall be required for all new systems to be installed after July 1, 2003. All existing systems must obtain certification in a timely manner, as approved by the Fire Code Official. A copy of the certification shall be provided to the Fire Code Official at no cost.

15.20.200 Precautions Against Fire - Open Burning Construction Sites

Section ~~1404.3~~ 3404.3 of the California Fire Code is hereby amended to add the following:

No fire shall be permitted to burn on any construction site for any purpose. This section is not intended to prohibit the use of devices or tools producing a flame when used in an approved manner and necessary for the construction of the building.

15.20.210 Tire Rebuilding and Tire Storage - Indoor Tire Storage

Chapter ~~25~~ 34(Tire Rebuilding and Tire Storage) ~~2509.4~~ 3409.1 of the California Fire Code are hereby amended to add the following:

Inside tire storage shall be in accordance with the following requirements.

Tires stored on side walls shall not be higher than six feet. Tires stored in a lace pattern shall not be higher than 5 feet. A minimum of 3 feet of clearance from tire storage racks shall be maintained in all directions to roof structure, sprinkler deflectors, unit heaters, supply and return air duct registers, lighting fixtures, electrical outlets or any other producing device. On-tread storage piles, regardless of storage needs, shall not exceed 25 feet in the direction of the wheel holes. On-floor, on-tread storage shall not exceed 5 feet in height. The width of the main aisles between piles shall not be less than 8 feet. Any aisle other than the main aisles shall not be less than 4 feet in width.

Definitions:

On-side storage: Tires stored horizontally or flat.

On-tread storage: Tires stored vertically or on their treads.

Laced storage: Tires stored where the sides of the tires overlap, creating a woven or laced appearance.

15.20.220 Explosives and Fireworks - Seizure of Fireworks

Chapter ~~33~~ 56(Explosives and Fireworks) of the California Fire Code is hereby amended to add the following:

The Fire Code Official is authorized to seize, take, remove, or cause to be removed at the expense of the owner all stocks of fireworks offered or exposed for sale, stored, or held in violation of local, state, or federal regulations.

15.20.230 Explosives and Fireworks - Limits Explosive and Blasting Agents

Chapter ~~33~~ 56(Explosives and Fireworks) of the California Fire Code is hereby amended to add the following:

The storage of explosives and blasting agents is prohibited within the City limits, except in areas zoned M-2 as such zone is defined in the zoning regulations of the City.

15.20.240 Explosives and Fireworks-Manufacturing of Fireworks

Chapter ~~33~~ 56(Explosives and Fireworks) of the California Fire Code is hereby amended to add the following:

The manufacture of fireworks within the limits of the City of Lodi is prohibited.

15.20.250 Storage - Locations where aboveground tanks are prohibited – Class I & II Liquids

Section ~~3404.2.9.6.1~~ 5704.2.9.6.1 of the California Fire Code is hereby amended to read as follows:

Storage of Class I and Class II liquids in aboveground tanks outside of buildings is prohibited within the limits of the City of Lodi, except areas zoned IP, M-1, and M-2 as such zones are defined in the zoning regulations of the City of Lodi.

15.20.260 General Authority - Contract Inspector

Chapter 1, Division II, Part 2 Section 104.7.2 of the California Fire Code is hereby amended to add the following:

The Fire Code Official may require the owner or the person in possession or control of the building or premise to provide, without charge to the fire department, a special inspector (“Contract Inspector”) when the department requires technical expertise for assistance to conduct the required inspections.

The Contract Inspector shall be a qualified person who shall demonstrate his/her competence to the satisfaction of the Fire Code Official for inspection of a particular type of construction, operation, fire extinguishing, or detection system or process.

Duties and responsibilities of the Contract Inspector shall include but not be limited to the following:

1. The Contract Inspector shall observe the work assigned for conformance with the approved design drawing and specifications.
2. The Contract Inspector shall furnish inspection reports to the Fire Code Official, Building Official, and other designated persons as required by the Fire Code Official. All discrepancies shall be brought to the immediate attention of the contractor for correction, then if uncorrected, to the proper design authority, Fire Code Official, and to the building official.
3. The Contract Inspector shall submit a final signed report stating whether the work requiring inspection was, to the best of his/her knowledge, in conformance with the approved plans and specifications and the applicable workmanship provision of this code.

15.20.270 General Authority - Fire Investigators

Chapter 1, Division II, Part 2 – Section 104.10 of the California Fire Code is hereby amended to add the following:

All sworn members assigned to the Fire Prevention Bureau or Fire Investigation Unit are hereby assigned as Fire Investigators and as such shall enforce the provisions of the California Penal Code as it pertains to fire and arson investigations.

15.20.280 Permits – Required Fees

Chapter 1, Division II, Part 2 – Section 113.2 of the California Fire Code is hereby amended to add the following:

The fee for each permit shall be as set forth from time to time by resolution of the Lodi City Council. The City may establish fees sufficient to recover its costs in administering this Code. No permit shall be issued until such fees have been paid, and administrative citations may be issued to persons violating this Code by the persons allowed to issue citations as stated in Lodi Municipal Code – Chapter 1.10 – Administrative Enforcement Provisions.

15.20.290 Permits - Inspection Authorized

Chapter 1, Division II, Part 2 – Section 105.2.2 of the California Fire Code is hereby amended to read as follows:

Before a new operational permit is approved, the Fire Code Official is authorized to inspect the receptacles, vehicles, buildings, devices, premises, storage spaces, or areas to be used to determine compliance with this Code or any operational constraints

required. In instances where laws or regulations are enforced by departments other than the fire department, joint approval shall be obtained from all departments concerned.

No final inspection under this Code, as to all or any portion of the development, shall be deemed completed and no certificate of occupancy shall be issued unless and until the requirements imposed by this Code have been completed and the final approval thereof by the Fire Department has been given as provided herein and all plan reviews and inspection fees paid.

15.20.300 Permits - Revocation

Chapter 1, Division II, Part 2 – Section 105.5 of the California Fire Code is hereby amended to add the following:

The Fire Code Official further shall have the power to revoke, suspend, or deny the granting of any permit required pursuant to the provision of this Code for any of the following reasons:

- (a) When deemed necessary for the protection of life, limb, or property; or
- (b) For changing the occupancy, equipment, materials, processes, or other conditions in such a manner as to create a greater danger of fire or explosion or less protection than was present at the time of the issuance of such permits.

15.20.310 Permits - Required

Chapter 1, Division II, Part 2 – Section 105.6 of the California Fire Code is hereby amended to add the following:

Christmas Tree Lots. A permit issued by the Fire Code Official is required to operate a Christmas Tree Lot with or without flame proofing services.

Haunted Houses. A permit issued by the Fire Code Official is required to operate a temporary or permanent haunted house.

Special Events. A permit issued by the Fire Code Official is required to conduct a special event that is not otherwise listed in this Code and in the opinion of the Fire Code Official or his or her designee poses a fire or life safety concern to the public.

15.20.320 Inspections - Administrative Costs

Chapter 1, Division II, Part 2 – Section 106.2 of the California Fire Code is hereby amended to add the following:

When a test or inspection is scheduled and the contractor fails to perform to the satisfaction of the authority having jurisdiction, the authority having jurisdiction may bill the contractor for actual time spent traveling to and from the test/inspection location and the time spent at the test/inspection site as well as administrative costs.

15.20.325 Board Of Appeals

Chapter 1, Division II, Part 2 – Section 108 of the California Fire Code is hereby amended to read as follows:

In order to determine the suitability of alternate materials and types of construction and to provide for reasonable interpretations of this Chapter, the City Council shall sit as a Board of Appeals. The Fire Code Official shall be an ex-officio member and shall act as secretary of the Board. Three members present shall constitute a quorum and no act of the Board shall be valid unless a majority of the full board shall concur therein.

The Board of Appeals shall adopt reasonable rules and regulations for conducting a meeting and investigations and shall render a decision and findings in duplicate. A copy will go to the Fire Code Official with the other copy to the applicant.

15.20.330 Violations - Administrative Enforcement Provisions

Chapter 1, Division II, Part 2 – Section 109.2 and 109.3 of the California Fire Code is hereby amended to read as follows:

Notices of violation, citation, or penalties shall comply with Lodi Municipal Code – Chapter 1.10 – Administrative Enforcement Provisions with the following terminology changes or deletions wherever stated in Chapter 1.10.

(a) Whenever the word “Community Improvement Officer” is used, it shall mean the Fire Code Official.

(b) Whenever the word “Department of Public Safety” is used, it shall mean the Lodi Fire Department.

(c) Whenever the word “Community Development Director” or “Director” is used, it shall mean the Fire Chief or his designee.

(d) Whenever the word “Uniform Codes” is used, it shall mean the California Fire Codes.

(e) Section 1.11.260E is not applicable to the provisions of this chapter, (Community Awareness and Responsibility Education Classes) as it pertains to residential dwellings.

15.20.340 Violations - Abatement of Hazard by Fire Code Official

Chapter 1, Division II, Part 2 – Section 109.3.1 of the California Fire Code is hereby amended to add the following:

If any person fails to comply with the orders of the Fire Code Official, or if the Fire Code Official is unable to locate the owner, operator, occupant, or other person responsible within a reasonable time, the Fire Code Official or his or her authorized representative may take such steps as are necessary to abate the hazard for the protection of the public health and safety. No event notice is necessary before abatement when the hazard is a clear and present danger to the public welfare. All costs related to such abatement shall become a lien or special assessment on the subject property.

15.20.350 Unsafe Buildings - Structural Fires

Chapter 1, Division II, Part 2 – Section 110.1.1 of the California Fire Code is hereby amended to add the following:

The Chief Officer at the scene shall attempt to notify all occupants or owners of structures, which have suffered damage by fire, that such structures or buildings must be inspected before any repairs thereof are made. A permit covering the structural, electrical, and plumbing repairs shall be obtained from the City of Lodi Community Development Department. The Chief Officer shall report all such structural fires to the Chief Building Official or his/her designee within twenty-four hours after the occurrence of such fire.

15.20.360 Stop Work Order - Failure to Comply

Chapter 1, Division II, Part 2 – Section 111.4 of the California Fire Code is hereby amended to read as follows:

Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a fine of not less than that stated in Lodi Municipal Code – Chapter 1.10 – Administrative Enforcement Provisions.

15.20.370 Fire Hydrants Locations and Distribution – Distribution of Fire Hydrants

Appendix C – Section C105.1 of the California Fire Code is hereby amended to read as follows:

Private fire hydrants and public off site fire hydrants shall be spaced with the maximum distances as specified by Table 2.

| Table 2 | |
|---|------------------------|
| Zoning Type | Maximum Spacing |
| Commercial, high density, Industrial or high-value | 300 feet |
| Low Density Residential | 500 feet |
| Residential Reverse Frontage | 1000 feet |

Hydrants shall be required on both sides of the street whenever one or more of the following conditions exist:

1. Streets have median center dividers that make access to hydrants difficult, cause time delays, or create undue hazard or both.
2. On major arterials when there is more than four lanes of traffic.
3. Width of street in excess of 88 feet.

4. The existing street being widened or having a raised median center divider in the future pursuant to the General Plan Roadway Improvements Plans for the City of Lodi.

15.20.380 Changes or Modifications

In accordance with Health and Safety Code Section 17958.5, the adoption of amendments more restrictive than the requirements contained in the provisions published in the California Building Standard Code, are needed because of local conditions, as specified below:

(A) Climatic

(1) Conditions

Precipitation averages 18 inches per year and can reach as high as 35 inches per year. Virtually all of the rain occurs during the months of October through April. The remaining months receive little or no rain. Temperatures during the summer months can reach as high as 110 and City of Lodi averages 19 days over 100 each year. Relative humidity during these summer months is very low. Lodi averages 34 days of dense fog per year, and has had as many as 64 foggy days.

(2) Impacts

The generally dry, hot summer months create extreme fire conditions. Adding to this situation is the dryness and combustibility of many structures during the summer, especially true of structures with wood siding and roofs constructed of wood shakes and shingles. The cyclical uncertainty that allow weather events can cause rapid melting of the snow pack, which causes flood potential in areas surrounding the Mokelumne River. The foggy conditions can inhibit the dispatch and timeliness of emergency equipment reaching the site of a fire. During foggy periods, it is common place for visibility to be near zero, which results in emergency equipment having to decrease their speed to less than 25 miles per hour.

(B) Geographic

(1) Conditions

The City of Lodi is subject to ground tremors from seismic events as the County is in seismic Category D. The Mokelumne River, which borders the northern city limits, is subjected to flood potential and its levies are subject to failure from seismic activity or high water.

(2) Impacts

The geologic conditions in San Joaquin County in general, and the City of Lodi, in particular, have the potential of restricting access to structures, especially in remote or isolated areas. A moderate earthquake or extended periods of rain can impact local access roads.

(C) Topographic

(1) Conditions

The City of Lodi consists mainly of the San Joaquin Valley floor. The valley floor is typically flat land area bisected by intermittent and year round stream and river systems. Much of the valley floor is irrigated agriculture. Low land areas protected by a complex and extensive levee system characterize the Delta area. Union Pacific Railroad Tracks bisect the eastern and western portions of Lodi as well as Highway 99 creating traffic congestion and emergency response delays.

(2) Impacts

The valley floor is frequently subject to both general and localized flooding. Because the area is so flat and low, it is not unusual for local drainage systems to be inadequate during heavy rain periods. This condition can isolate areas where roads are flooded and thereby block access. With the OSHA “two-in two-out” rule requiring two fire fighters ready to make attack only when two others are present, the potential delay in east-west response increases the risk to firefighter and the public.

While it is clearly understood that the adoption of such amendments may not prevent the incidence of fire, the implementation of these various amendments to the code attempt to reduce the severity and potential loss of life, property, and protection of the environment.

Section 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed insofar as such conflict may exist.

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. That nothing in this ordinance or in the [California](#) Fire Code hereby adopted shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in Section 4 of this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

Section 6. That the City Clerk is hereby ordered and directed to cause this ordinance to be published. This ordinance shall be published one time in “Lodi News Sentinel,” a newspaper of general circulation printed and published in the City of Lodi.

Section 7. That this ordinance and the rules, regulations, provisions, requirements, orders, and matters established and adopted hereby shall take effect January 1, 2014, a date which is at least 30 days after passage of this ordinance.

Approved this ____ day of November, 2013

ALAN NAKANISHI
Mayor

Attest:

RANDI JOHL-OLSON
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was introduced at a regular meeting of the City Council of the City of Lodi held November 6, 2013, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2013, by the following vote:

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

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

RANDI JOHL-OLSON
City Clerk

Approved as to Form:
D. Stephen Schwabauer
| City Attorney, City of Lodi

JANICE D. MAGDICH
Deputy City Attorney



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

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

ADVERTISING INSTRUCTIONS

SUBJECT: PUBLIC HEARING TO CONSIDER ADOPTION OF THE 2013 CALIFORNIA BUILDING CODE, MECHANICAL CODE, ELECTRICAL CODE, PLUMBING CODE, RESIDENTIAL CODE, GREEN BUILDING STANDARD CODE, AND FIRE CODE

PUBLISH DATE: SATURDAY, OCTOBER 19, 2013

LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL-OLSON, CITY CLERK
LNS ACCT. #0510052 City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, OCTOBER 17, 2013

ORDERED BY: RANDI JOHL-OLSON
CITY CLERK

Jennifer M. Robison
JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA DITMORE
ADMINISTRATIVE CLERK

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

LNS Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
Phoned to confirm receipt of all pages at _____ (time) _____ JMR _____ MD (Initials)



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER ADOPTION OF THE 2013 CALIFORNIA BUILDING CODE, MECHANICAL CODE, ELECTRICAL CODE, PLUMBING CODE, RESIDENTIAL CODE, GREEN BUILDING STANDARD CODE, AND FIRE CODE

On Thursday, October 17, 2013, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider adoption of the 2013 California Building Code, Mechanical Code, Electrical Code, Plumbing Code, Residential Code, Green Building Standard Code, and Fire Code (attached and marked as Exhibit A) was posted at the following locations:

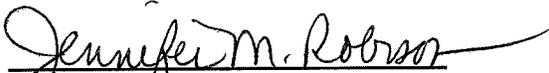
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

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

Executed on October 17, 2013, at Lodi, California.

ORDERED BY:

RANDI JOHL-OLSON
CITY CLERK


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA DITMORE
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: November 6, 2013

Time: 7:00 p.m.

For information regarding this notice please contact:

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

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, November 6, 2013**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following item:

- a) **Adoption of the 2013 California Building Code, Mechanical Code, Electrical Code, Plumbing Code, Residential Code, Green Building Standard Code, and Fire Code.**

Information regarding this item may be obtained in the Community Development Department, 221 West Pine Street, Lodi, (209) 333-6711. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

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

By Order of the Lodi City Council:

Randi Johl-Olson
City Clerk

Dated: **October 16, 2013**

Approved as to form:

D. Stephen Schwabauer
City Attorney

Kari Chadwick

e-mailed by K. Chadwick

Distribution List Name: 2014 Building Codes

Members:

David Dovel
Doug Davis
Jeff Kirst
John Beckman
Larry Darling
Michael Navarra Jr.
Roger Stafford
Wendel Kiser

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