



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Minutes
a) October 16, 2007 (Shirtsleeve Session)
b) October 17, 2007 (Regular Meeting)
c) October 23, 2007 (Shirtsleeve Session)
d) October 30, 2007 (Shirtsleeve Session)

MEETING DATE: November 7, 2007

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) October 16, 2007 (Shirtsleeve Session)
b) October 17, 2007 (Regular Meeting)
c) October 23, 2007 (Shirtsleeve Session)
d) October 30, 2007 (Shirtsleeve Session)

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

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

RJ/JMP

Attachments

APPROVED: _____
Blair King, City Manager

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 16, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, October 16, 2007, commencing at 7:01 a.m.

A. ROLL CALL

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

Absent: Council Members – None

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

B. TOPIC(S)

B-1 "Presentation Regarding Options for a Heritage Tree Policy"

City Manager King and Community Development Director Hatch provided a brief introduction of the subject matter.

Planning Manager Peter Pirnejad provided a PowerPoint presentation regarding options for a tree policy. Specific topics of discussion included history of proposed policy, current practices, Tree City USA designation, types of policies for tree preservation, tree protection ordinance, view and/or solar access ordinance, process associated with implementation, examples of cities with Heritage Tree ordinance, and next steps.

In response to Mayor Johnson, Mr. Hatch stated the situation that gave rise to the discussion is the potential expansion of Mike's Muffler auto business on Central and Kettleman; whereby, the owner wanted to purchase adjacent land that had a significant number of trees on it.

Council Member Hansen provided general comments about the actual need for the tree enforcement policy and fees. He also suggested better promotion of the Tree City USA designation.

Discussion ensued between Council Member Hitchcock, City Attorney Schwabauer, and Community Development Director Hatch regarding a moderate ordinance focused on new developments and larger parcels that would not apply so much to existing small property owners. Specific topics of discussion included the possibility of enforcement prior to development, similar ordinances in other communities, community survey for new projects including Reynolds Ranch, the need to address infill sites such as the Gini project, and the helpfulness of a policy that encourages preservation.

In response to Mayor Johnson, Street and Drainage Manager George Bradley and Interim Parks and Recreation Director Steve Dutra stated individuals were not specifically contacted regarding the meeting.

City Manager King discussed flying the Tree City USA flag, prior experience with a Heritage Tree policy breaking down in the beginning, options associated with better tree designation, property owner participation, and the need for a committee to address potential conflict.

Council Member Hansen suggested there is a need to get input from stakeholders such as Joyce Harmon and Tree Lodi and stated any policy should include an appeals process.

City Manager King provided an overview of the process regarding current tree removal and discussed staff arborist involvement, replacement trees, procedure that has good checks and balances, and private property owner participation in removing trees for a variety of reasons, including sidewalk damage.

In response to Council Member Hitchcock, Mr. King stated that, although there are existing development agreements with the bigger projects as indicated by Mr. Schwabauer, mitigation measures and various regulations may still apply. Mr. Schwabauer stated the projects with development agreements are mostly exempt from fee programs.

In response to Myrna Wetzel, Mayor Johnson stated any tree could be included in the potential policy.

Steve Dutra stated the first step is designation, along with early involvement, especially with examples such as the PAM Company development and the 13-acre Lodi Lake site. He stated Tree Lodi would be happy to assist on a Committee level.

In response to Mayor Johnson, Mr. Dutra stated there is no designated method of replacement as it varies with the opportunities for replacement that present themselves. Mr. King stated in some cases a replacement tree may be planted prior to another tree being removed to allow growth, while in other cases a replacement tree may be planted in the vicinity but not at the same location, such as at the Armory.

George Bradley stated surrounding property owners are contacted when trees are removed and moving trees is sometimes an option, but it is expensive.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 7:52 a.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, OCTOBER 17, 2007**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of October 17, 2007, was called to order by Mayor Johnson at 5:35 p.m.

Present: Council Members – Hansen, Hitchcock, Katzakian [excluding C-2 (b)], Mounce, and Mayor Johnson

Absent: Council Members – None

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

C-2 ANNOUNCEMENT OF CLOSED SESSION

a) Conference with Blair King, City Manager, and Jim Krueger, Deputy City Manager (Acting Labor Negotiators), regarding Lodi Professional Firefighters, Association of Lodi City Employees regarding Maintenance and Operators, and Lodi Police Officers Association pursuant to Government Code §54957.6

b) Actual Litigation: Government Code §54956.9(a); One Case; City of Lodi v. Michael C. Donovan, an individual; Envision Law Group, LLP, et al., San Francisco Superior Court, Case No. CGC-05-441976

C-3 ADJOURN TO CLOSED SESSION

At 5:35 p.m., Mayor Johnson adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:53 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:03 p.m., Mayor Johnson reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

In regard to Items C-2 (a) and C-2 (b), discussion was had and direction was given. There was no reportable action.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of October 17, 2007, was called to order by Mayor Johnson at 7:03 p.m.

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

Absent: Council Members – None

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

B. INVOCATION

The invocation was given by Pastor Bill Cummins, Bear Creek Community Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Johnson.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 (a) Following introductory comments by Community Improvement Manager Wood and Lodi Improvement Committee Chair Eileen St. Yves, Mayor Johnson presented the Community Improvement Award to Pat Walker and Jack Roderick, owners of 207 E. Pine Street, for their efforts in improving their property.

D-2 (a) Mayor Johnson presented a proclamation to Diane Amaral with Hutchins Street Square proclaiming October 2007 as "National Arts and Humanities Month" in the City of Lodi.

D-3 Presentations – None

E. CONSENT CALENDAR

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

- E-1 Claims were approved in the amount of \$8,478,743.48.
- E-2 The minutes of September 19, 2007 (Regular Meeting), October 2, 2007 (Shirtsleeve Session), October 3, 2007 (Regular Meeting), and October 9, 2007 (Shirtsleeve Session) were approved as written.
- E-3 Approved the specifications and authorized advertisement for bids for City-funded maintenance of landscape areas for 2008.
- E-4 Adopted Resolution No. 2007-200 awarding the contract for Lane Line Striping for Various City Streets 2007 to Chrisp Company, of Fremont, up to the amount of \$50,152.
- E-5 Adopted Resolution No. 2007-201 approving the Improvement Agreement for Public Improvements at 610 South Guild Avenue and authorizing the City Manager and City Clerk to execute the agreement on behalf of the City.
- E-6 Adopted Resolution No. 2007-202 authorizing the City Manager to extend the elevator services contract with Elevator Technology, Inc., of El Dorado Hills, in the amount of \$22,375, and authorizing the City Manager to extend the contract up to an additional two years, if an extension is in the best interest of the City.
- E-7 Adopted Resolution No. 2007-203 authorizing the City Manager to execute a Novation Agreement with Sempra Energy Trading Corporation and The Royal Bank of Scotland, transferring interest in a Power Purchase Sales and Enabling Agreement dated May 27, 2004.
- E-8 Adopted Resolution No. 2007-204 authorizing the City Manager to execute a Pole License Agreement with Pacific Gas & Electric Company (PG&E) that would allow PG&E to install gas meter communication equipment on designated Electric Utility Department streetlight and utility poles.
- E-9 Adopted Resolution No. 2007-205 amending Traffic Resolution No. 97-148 to establish terminal access routes on Cluff Avenue between Turner Road and Victor Road, Black Diamond Way, and Beckman Road between Black Diamond Way and Turner Road and to authorize the Public Works Director to establish terminal access routes on industrial streets defined as streets adjacent to industrial-zoned areas and streets east of Highway 99.
- E-10 “Adopt Resolution Authorizing the City Manager to Enter into Negotiations with Union Pacific Railroad for the Acquisition of Properties Located at 232 North Washington Street, 242 Rush Street, and 420 East Lockeford Street as Part of an Affordable Housing Project” was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar**.
- E-11 Set public hearing for November 7, 2007, to consider reallocation of available Community Development Block Grant and HOME Program income for an affordable housing project.

- E-12 Set public hearing for November 7, 2007, to consider Report for Sidewalk Repairs and to confirm the Report as submitted by the Public Works Department.
-

ACTION ON ITEM REMOVED FROM THE CONSENT CALENDAR

- E-10 "Adopt Resolution Authorizing the City Manager to Enter into Negotiations with Union Pacific Railroad for the Acquisition of Properties Located at 232 North Washington Street, 242 Rush Street, and 420 East Lockeford Street as Part of an Affordable Housing Project"

This item was pulled for further discussion by Mayor Johnson.

In response to Mayor Johnson, Community Development Director Hatch stated any shortfall would come from the developer who builds the same into the cost of the project.

MOTION / VOTE:

The City Council, on motion of Mayor Johnson, Mounce second, unanimously adopted Resolution No. 2007-206 authorizing the City Manager to enter into negotiations with Union Pacific Railroad for the acquisition of properties located at 232 North Washington Street, 242 Rush Street, and 420 East Lockeford Street as part of an affordable housing project.

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Jackie McQueen spoke of her concerns regarding the sidewalk in front of her home. She specifically discussed the written request to repair the sidewalk for approximately \$8,800, the lack of disclosures when the home was purchased, information shared by George Bradley regarding the State mandate and options for getting a contractor, applicability of repairs to the neighbor's property, realtor and title company communications, and the City's policy regarding patching versus replacing.
- Robert McGarry spoke of his concerns regarding electric rates based in comparison with other electric utility providers. Council Member Hansen suggested Mr. McGeary meet with Electric Utility Director Morrow following the Council meeting.

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

- Council Member Hansen suggested staff look into the possibility of a local process whereby realtors inform buyers of responsibilities associated with sidewalk repairs. Mr. Hansen also reported on his attendance at the Northern California Power Agency meeting and the discussion of greenhouse gas legislation. He also reported that he was appointed as an executive member of the board for San Joaquin Council of Governments.
- Mayor Pro Tempore Mounce reported on her attendance at the 2x2 meeting to discuss Grape Bowl efforts and the stop sign on Ham Lane and her attendance at a meeting for the Lodi Business and Professional Women's group. She also reported on her attendance at a conference for redevelopment reform and provided an overview of the speakers and the City's commitment to not use eminent domain.
- Council Member Hitchcock reported on her attendance at the American Association of University Women meeting where she was the speaker and provided information regarding the General Plan process.
- Mayor Johnson suggested staff look into the influx of new homeless people in the City based on concerns from local business owners and speak to the Police Department and Salvation Army regarding the same. He also stated Orange County Supervisor Chris Norby is a driver of the Municipal Officers for Redevelopment Reform conference who speaks based on efforts in his own community.

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

- City Manager King provided an overview of the anticipated Redevelopment Project Area timeline, stating the Budget and Finance Committee will review the Feasibility Study on October 29, followed by the City Council review of survey areas on November 7, and the Planning Commission designation of the project area on November 14. Discussion ensued between Council Member Hitchcock, Council Member Hansen, and City Manager King regarding the involvement of the Planning Commission at varying stages in the process. Mayor Pro Tempore Mounce suggested the Budget and Finance Committee also consider water meter installation as a part of its review.

I. PUBLIC HEARINGS

- I-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider adoption of the 2007 California Building Code, Mechanical Code, Electrical Code, and Plumbing Code with local amendments and revise Building Permit Fee Schedule 1A, along with fees for building, mechanical, plumbing, and electrical permits.

City Manager King and Community Development Director Hatch briefly introduced the subject matter.

Building Official Dennis Canright provided a brief PowerPoint presentation regarding the proposed adoption of the Building Code. Specific topics of discussion included Code adoption timelines, changes in the Code cycle, fee schedule changes, cost recovery, fee comparison versus cost recovery, and public communication.

In response to Council Member Hansen, Mr. King stated the Code that is currently shelved is the Zoning Code.

In response to Council Member Hansen, Mr. Hatch stated this Code does not address how many people can live in a rental unit. Mr. Hatch provided an overview of the distinctions between the Uniform Building Code and the International/California Building Code.

In response to Council Member Hitchcock, Mr. Canright stated the City must adopt the Building Code and provide justifications for amendments to the same. Fire Marshal Verne Person stated the new Code does allow for flexibility for new technology. Mr. King stated if the City does not adopt the Code, it will be imposed on January 1 and the only considerations are the amendments and the fee schedule.

In response to Council Member Hitchcock, Mr. Canright stated the Code is set up in different zones and an example is the city of San Francisco, which is more earthquake specific than the City of Lodi.

In response to Council Member Hansen, Mr. Canright stated the fees directly correspond with the service and are consistent with review and turn-around times for contractors, which have been cut down significantly.

Discussion ensued between Mayor Johnson, Council Member Hansen, and Mr. Hatch regarding turn-around times with contractors in responding to the demands of the industry.

In response to Council Member Hansen, Mr. Canright stated Mr. Hansen's suggestion regarding reviews by multiple staff members is well-received as cross training with the employees reviewing both commercial and residential permits has already begun and weekly meetings are held to address the same.

In response to Council Member Hansen, Mr. Hatch stated the fees correspond directly to the cost of process and staff time and the only thing that varies from agency to agency is how overhead costs are handled.

Mayor Johnson suggested reviewing the documentation that is produced by the building industry regarding fees before implementing the new fee schedule. Council Member Hitchcock also suggested reviewing the process and break down of fees for other agencies.

In response to Council Member Hitchcock, Mr. Hatch stated the Code is currently not being enforced.

City Manager King stated the Proposition 218 requirements and fee valuation can be moved separately than the Code adoption if it is necessary to do so.

Hearing Opened to the Public and Will Remain Open Until November 7, 2007

- Crystal Kirst, of Tokay Development, spoke in favor of the continuation of the public hearing to allow the business community time to analyze the fee schedule and review the nexus between the costs and services.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Mounce, Hitchcock second, unanimously continued the subject public hearing to the regular City Council meeting of November 7, 2007.

I-2 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider introduction of ordinance repealing and reenacting Chapter 20 of Title 15 of the Lodi Municipal Code regulating and governing fire prevention and adopting by reference the code known as the "California Fire Code, Title 24, California Code of Regulations, Part 9" and the 2006 Edition of the International Fire Code Standards, effective January 1, 2008.

Fire Marshal Verne Person provided a brief presentation regarding the proposed changes to the Fire Code and public communication efforts and stated there are no fee changes.

In response to Council Member Hansen, Mr. Person confirmed that there are no fee increases because the pertinent fee schedule was amended two years ago.

In response to Mayor Johnson, Mr. Person stated an individual would know a sprinkler system is down if it was not functioning properly during a routine test and with a trouble alarm.

In response to Mayor Johnson, Mr. Person stated tampering will set off the alarm.

In response to Council Member Hansen, Mr. Person stated an administrative fee is charged for failing to appear or not being prepared for an inspection.

In response to Council Member Hansen, Mr. Person stated the separator to sprinkler change is required at the State level, but the local ordinance is staying the same, and he does not anticipate a significant impact as a result.

In response to Council Member Hitchcock, Mr. Person stated the California Fire Code is not available on the Internet, but a copy can be purchased from the State for approximately \$200 and also reviewed at the Library for no cost.

In response to Council Member Hitchcock, Mr. Canright stated the Building Code is also not available on the Internet, but it is available for purchase through the State and review at no cost at City Hall.

In response to Mayor Pro Tempore Mounce, Mr. Person stated the cost for a no show is \$75 based on one hour of time expended for preparation and waiting.

In response to Council Member Katzakian, Mr. Person stated the one item for retroactivity is the address numbers.

Hearing Opened to the Public and Will Remain Open Until November 7, 2007

None.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Mounce, Katzakian second, unanimously continued the subject public hearing to the regular City Council meeting of November 7, 2007.

- I-3 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider adopting resolution confirming the 2007 Annual Report and levy of assessments within the Lodi Tourism Business Improvement District.

City Manager King provided a brief overview of the subject matter. Mr. King specifically discussed the already approved work plan and report, the process associated with levying the assessment, and the public hearing process.

In response to Council Member Hitchcock, Executive Director Nancy Beckman stated it is difficult to track data once an advertisement is placed and/or an article has run. Ms. Beckman stated she will look at how to generate actual numbers and the affects on tourism and provide those statistics to the City Council as a part of the annual report.

In response to Mayor Johnson, Ms. Beckman stated the website hits are up significantly along with visitor requests for information, including the newsletter.

Council Member Hitchcock and Mayor Pro Tempore Mounce commended Ms. Beckman and the Visitors Bureau on its efforts to enhance tourism in the City and stated the data could be useful for tracking purposes.

City Manager King stated next year staff will request a clarification regarding the Board for the Lodi Tourism Business Improvement District and Visitors Conference Bureau Board to indicate that both entities are one in the same.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Mounce second, unanimously adopted Resolution No. 2007-207 confirming the 2007 Annual Report for the Lodi Tourism Business Improvement District and levy of assessment.

J. COMMUNICATIONS

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

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Mayor Pro Tempore Mounce, Hansen second, unanimously directed the City Clerk to post for the following vacancy and to re-post for the following open terms on the newly created Lodi Animal Advisory Commission:

Lodi Animal Advisory Commission

Two Vacancies	Terms to expire December 31, 2008
Two Vacancies	Terms to expire December 31, 2009
Three Vacancies	Terms to expire December 31, 2010

Planning Commission

Doug Kuehne	Term to expire June 30, 2009
-------------	------------------------------

J-3 Miscellaneous

- a) The City Council, on motion of Mayor Pro Tempore Mounce, Johnson second, unanimously accepted the cumulative Monthly Protocol Account Report through September 30, 2007.

K. REGULAR CALENDAR

K-1 "Approve Recommendations for Preferred Site and Treatment Technology for Lodi Surface Water Treatment Facility"

Public Works Director Prima and Rich Stratton, the City's consultant from HDR, provided a presentation regarding the surface water treatment facility site selection and treatment technology. Specific topics of discussion included objective of process design development, Mokelumne River water quality summary, water supply and demand considerations, water supply and required treatment capacity, conventional treatments, treatment plant example, requirement for a 5-acre site, membrane treatment and plant example, 3.5-acre site requirement, alternative cost comparison, findings and recommendations, site selection, parks and recreation issues, examples of plant designs, preliminary building concept, Site A aerial view, next steps, recommended actions, and alternative site studies.

In response to Mayor Johnson, Mr. Prima stated the plant capacity for designated period usage versus year-round usage is different because there is more usage when there is a shorter period of time, within which the million gallons per day measured usage can occur.

In response to Mayor Johnson, Mr. Prima stated staff did look into the ability to obtain more water but that is not an option currently; although, it may be later.

In response to Mayor Johnson, Mr. Stratton stated it is best to start out with a 12 capacity and leave room for a 16 capacity should the need arise.

In response to Council Member Hitchcock, Mr. Prima stated the total proposed acreage was 8.5.

In response to Council Member Katzakian, Mr. Prima stated the banked water is utilized during dry years and the extension itself can be banked onto the end of the contract.

In response to Council Member Hansen, Mr. Stratton stated the facility is proposed to be staffed all year round.

In response to Mayor Pro Tempore Mounce, Mr. Prima stated the incremental cost difference between 12 and 26 capacity is approximately sixty cents per gallon per day and staff will be coming back to Council with the actual cost estimates and financing options.

In response to Council Member Katzakian, Mr. Stratton confirmed that there is not too much of an additional cost to add a module if additional room to expand is left in the newly constructed facility.

In response to Council Member Hitchcock, Mr. Stratton stated membrane use treatment is well established and commonly used. He stated in terms of electrical use, membrane treatment uses a little more power, but it is not significant in comparison to the traditional treatment.

In response to Council Member Hitchcock, Mr. Prima confirmed there are no ponds and the storage tanks could be enclosed in a building; although, it is expensive given the size of the tanks and the need for a larger facility. Mr. Prima stated various design options will be brought back to the Council.

Discussion ensued between Council Member Hitchcock and Mr. Prima regarding the aerial view of Site A.

In response to Council Member Hansen, Mr. Prima stated they are looking at a cooperative effort for the Discovery Center. He also stated that there is a significant cost difference to go north because of in ground laid pipe versus outer ground pipe.

Discussion ensued between Council Member Hitchcock and Mr. King regarding contribution by new development, land value for parks and recreation, general fund and enterprise fund application, and options through an appraisal.

In response to Council Member Hitchcock, Mr. Prima stated that, while there will be some environmental analysis, the exact environmental document has not yet been identified.

Council Member Hansen suggested the monetary value from the appraisal be dedicated to the Lake.

Council Member Hitchcock stated she cannot support the concept because she believes the land should be preserved for park purposes.

MOTION/ VOTE:

The City Council, on motion of Mayor Pro Tempore Mounce, Hansen second, approved the staff recommendation of the vacant 13 acres at the west side of Lodi Lake for the preferred site selection with additional monetary value from the appraisal being dedicated to parks and recreation and approved the selection of membrane treatment technology for the Lodi Surface Water Treatment Facility. The motion carried by the following vote:

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

Noes: Council Members – Hitchcock

Absent: Council Members – None

- K-2 “Adopt Resolution Authorizing the City Manager to Negotiate Change Orders up to \$7,750,000 with Western Water Constructors, Inc., of Santa Rosa, for Emergency Repair of Domestic Outfall Sewer Pipeline”

City Manager King provided a brief overview of the status of the emergency repair project.

Public Works Director Prima provided a brief history of related improvements, budget application, inspections to assess the improvements needed, nature of the immediate repairs, cost of approximately \$7.75 million which may be reduced somewhat, status of cost-related negotiations, and subcontractor work.

In response to Council Member Hansen, Mr. Prima stated the process includes lining the existing pipe with another PVC pipe. Mr. King stated sliplining is a replacement in-kind process.

In response to Council Member Hansen, Mr. Prima confirmed that the process is much more cost effective than replacing the entire pipe.

In response to Council Member Hansen, Mr. Prima stated the replacement starts by the Van Ruiten property and goes all the way to the plant.

In response to Council Member Hansen, Mr. Prima stated the most severe corrosion appears to be at the end of town; although, some replacement may be needed near the Southwest Gateway project and the Lower Sacramento line coming in.

In response to Mayor Johnson, Mr. Prima stated there may be some obligation if a homeowner's crops are damaged and if there are easements in place. Mr. Prima stated the amount is significant and there will be improvement to access roads as a part of the process.

Discussion ensued between Council Member Hitchcock, City Attorney Schwabauer, and City Manager King regarding the ability to dispense with the formal bid process in cases of emergency and the alternative processes for the same. City Attorney Schwabauer stated he is comfortable with utilizing the local change order process as the most expedient method to undertake the emergency repairs to the infrastructure.

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, unanimously adopted Resolution No. 2007-208 declaring a local emergency for the Domestic Outfall Sewer Pipeline; dispensing the City's bidding requirements in accordance with Lodi Municipal Code §3.20.070; and authorizing the City Manager to negotiate change orders of up to \$7,750,000 with Western Water Constructors, Inc., of Santa Rosa, for the emergency repair of the Domestic Outfall Sewer Pipeline.

K-3 "Approve Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation and Various Other Cases being Handled by Outside Counsel (\$58,949.28)"

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Mounce, Johnson second, unanimously approved the expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel in the amount of \$58,949.28, as detailed below:

Folger Levin & Kahn - Invoices Distribution				
Matter No.	Invoice No.	Date	Description	Water Acct.
8002	104346	Aug-07	People v. M&P Investments	\$ 6,649.92
	15163	Jul-07	PES Environmental, Inc. (Keith Obrien)	\$ 26,013.43
	7024	May-07	West Environmental Services	\$ 7,367.78
	103591	Jul-07	Hartford Client Charges/Costs	\$ 10,110.45
			Total	\$ 50,141.58

Kronick Moskovitz Tiedemann & Girard - Invoices Distribution

Matter No.	Invoice No.	Date	Description	100351.7323	Water Acct.
11233.001	234883	09/25/07	General Advice	\$ 26.40	
11233.026	234883	09/25/07	Lodi First v. City of Lodi	\$ 4,561.00	
11233.027	234883	09/25/07	Citizens for Open Government v. City of Lodi	\$ 262.85	
11233.029	234883	09/25/07	AT&T v. City of Lodi	\$ 1,277.45	
11233.030	234883	09/25/07	Water Supply Issues- Not PCE Related		\$ 470.00
Total				\$ 6,127.70	\$ 470.00

MISCELLANEOUS

Invoice No.	Date	Description	Water Acct. Amount
1347454-100	9/27/2007	JAMS Mediation Services	\$ 550.00
20069594	9/20/2007	Legalink, Inc.	\$ 719.50
20069814	9/20/2007	Legalink, Inc.	\$ 940.50
Total			\$ 2,210.00

K-4 "Consider and Provide Direction with Regard to Participation in the San Joaquin County Enterprise Zone Application"

City Manager King provided a brief presentation regarding the subject matter of the County-wide enterprise zone. Specific topics of discussion included the Council option to participate in a County enterprise zone, concept of enterprise zones, designated areas to stimulate economic development, application due date of November 16, 2007, advantage of enterprise zones for business expansion, state tax incentives, employer wage credits, qualified employees benefits, ability to attract businesses through enterprise zones, concern regarding 15-year commitment, staff resources, memberships in various associations, work on local incentives, reservation with staff time commitment, and the need to fill the economic development coordinator position.

In response to Council Member Hitchcock, Mr. King stated the application is due by November 16, the County will need to have all the information in the next two weeks, and the application requires a commitment for 1/3 person. He also provided an overview of the duties and tasks that will be assigned to that person including reporting requirements.

In response to Council Member Hitchcock, Mr. King stated some cities already have existing staff members that can absorb the work and there is no ability no participate with the program in some junior fashion whereby a 1/3 person commitment would not be necessary.

In response to Council Member Hitchcock, County representative Fran Aguilera discussed the upcoming application deadline, application review by the State around the first of the year, conditional designation for six months, final designation around the end of June, and the self-evaluation process of keeping the commitments made in the application process and thereafter.

In response to Council Member Hitchcock, Mr. Aguilera stated businesses hire from approximately 22 categories and receive approximately \$35,000 over a five-year period for each eligible employee up to the maximum amount set by the State. He stated the program is primarily aimed at manufacturing jobs and used for expansion and retention.

In response to Council Member Katzakian, Mr. Aguilera stated the strategy was to focus on the highest distress level areas to acquire bonus points to improve the chances for application approval.

In response to Council Member Katzakian, Mr. Aguilera stated employers receive tax credits for new hires and possibly existing machinery.

In response to Council Member Hansen, Mr. Aguilera stated a survey identified the business tax incentive as the number one incentive in California for businesses. Mr. King stated other tax credits for businesses in enterprises zones may also apply.

In response to Council Member Hitchcock, Mr. King and Mr. Aguilera stated some of the businesses that may qualify include Holtz Rubber, Cottage Bakery, Pacific Coast Producers, Luster-Cal, Schaefer Systems, and plastic companies.

In response to Council Member Hitchcock, Mr. Aguilera stated any newly hired employee, including replacement employees, could qualify.

Discussion ensued between Mayor Johnson and Mr. Aguilera regarding comparisons with other cities based on land mass and staff persons, similar advantages for all cities, proportional balance between commercial and industrial areas, benefits to individual communities, and outreach efforts to businesses.

In response to Mayor Johnson, Mr. Aguilera stated the early involvement from the City requires a resolution from the City, designation of a representative on the Countywide committee, and the submittal of necessary information for the application process.

Discussion ensued between Mayor Johnson and Mr. Aguilera regarding inclusion of Ripon and Escalon, the Dart Container business, skill shortages, and good workforce trends based on comments from employers.

In response to Council Member Hitchcock, Mr. Aguilera stated the staff commitment would come through an employee of the City who would work in coordination with the Countywide effort.

In response to Council Member Hitchcock, Mr. Aguilera stated the conditional designation would probably come sometime around the first of the year.

In response to Council Member Hansen, Mr. Aguilera stated the designation would help attract new retail and commercial types of businesses.

Ian Poulin, Co-Chair of the Industrial Business Group of the Chamber of Commerce, stated he and the group are in support of the proposition. He also stated that, while he cannot speak for the group, resource commitment to the cause might be an option as well.

Pat Patrick, Executive Director of the Chamber of Commerce, spoke in support of the participation in the Countywide enterprise zone.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Mounce, Hansen second, unanimously approved participation in the County Enterprise Zone efforts and directed staff to complete the application process as necessary.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

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

L. ORDINANCES

None

Continued October 17, 2007

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:46 p.m.

ATTEST:

Randi Johl
City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 23, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, October 23, 2007, commencing at 7:00 a.m.

A. ROLL CALL

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

Absent: Council Members – Hitchcock

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

B. TOPIC(S)

B-1 "Presentation on the Opportunity to Seek Certification for the City's Efforts toward Sustainability"

City Manager King briefly introduced the subject matter of sustainability.

Planning Manager Peter Pirnejad provided a brief PowerPoint presentation regarding the options associated with a certification for the City's efforts toward sustainability. Specific topics of discussion included what is sustainability, why sustainability is important, what are the hopes of achievement, what the City is currently doing, what would be done differently, what sustainability can do for the City, and the next steps in the process.

In response to Mayor Pro Tempore Mounce, Mr. Pirnejad stated Autobond International offers sustainable certification for approximately \$15,000. Mr. Pirnejad stated the cost covers an initial audit of the City's practices, assistance to create standard goals and policies for long-term sustainability, and helps the City to meet those standards.

City Manager King stated the situation is not similar to a consultant, but rather similar to obtaining a Good Housekeeping seal of approval; whereby, marketability is based on a standard of practices used for the designation.

In response to Mayor Pro Tempore Mounce, Community Development Director Hatch stated the value of possible grants is somewhat unknown right now as legislation has passed, but the exact dollar amounts have not yet been determined. He stated the certification provides an edge over other competitors.

In response to Mayor Johnson, Mr. Pirnejad stated the method of the bullet points shows the broad brushed mandates and moves to a more precise focus of why financial sustainability is important. Mr. King stated many general plans now have a discussion of financial sustainability. He stated there needs to be financial sustainability 20 years from now in order to provide services without a heavy burden on taxpayers.

Discussion ensued between Council Member Hansen and Mr. King regarding the proposition being driven on the state and federal levels, certification by non-profit, non-governmental organizations, environmental issues coming to the forefront in the next five years, and minimizing and/or mitigating the financial burdens associated with environmental legislation in the future.

Council Member Hansen provided an overview of the SmartGrowth concept and specifically discussed the need to put residential, commercial, pedestrians, and services together, which causes a good overall livability for the individuals moving into an area. Mr. Hansen stated he would like additional information regarding the certification process and cost.

City Manager King stated the financial return would not be a direct one and compared the program to the Tree City USA and All American City program; whereby, cities can receive certain designations for individual organizations. Mr. King stated he does share concerns about cost and staff time, but believes the time is right for a discussion in light of the General Plan review.

Discussion ensued between Council Member Hansen, Mr. King, Mr. Pirnejad, and Mr. Hatch regarding the overview of trends in sustainability, other cities that are undertaking the certification process from Autobond International, County of San Marin, building department universal trends with sustainability including Leadership in Energy and Environmental Design, process of evaluating what we already do to make it better, self-monitoring, marketing to attract businesses to the area, consistency with other organizations in the City including the Chamber of Commerce, Visitors Bureau, and the Lodi-Woodbridge Winegrape Commission, and General Plan inclusion options.

PUBLIC COMMENTS:

- Dr. Cliff Ohmart, Integrated Pest Management Director for the Lodi-Woodbridge Winegrape Commission, spoke in favor of the sustainability certification, stating the Commission went through a similar process to receive its designation and it is important to lead in the area and be ahead of the mandates. In response to Council Member Hansen, Dr. Ohmart stated the Commission went through the designation process in 2005 and greenhouse gases were not a consideration then, but it is being implemented into its sustainability policy and efforts now.
- John Brody, representative from the Mokelumne River Watershed, spoke in favor of the certification, stating he does grant writing for water conservation purposes and certification helps in receiving natural resource grants. In response to Mayor Pro Tempore Mounce, Mr. Brody stated the cost of certification is less than what the City will retrieve in grants. Mr. Pirnejad stated the cost for the Autobond International certification is approximately \$15,000 for the first two years and \$750 annually thereafter to maintain.

In response to Mayor Johnson, Mr. Pirnejad stated the Autobond certification does throw the largest net for a Citywide effort and review.

Public Works Director Prima stated sustainability is really not an option because in order to operate effectively in the future, the City must review and change practices along the way. Mr. Prima also stated that, since some of the practices are already being done, designation seems appropriate.

In response to Mayor Johnson, Mr. King stated the sustainability movement is spreading between cities across the country and it is a huge topic professionally nationwide. Mr. King stated he anticipates the Council will have a choice in how and from whom it would like to pursue the seal as did the Winegrape Commission.

In response to Council Member Hansen, Mr. King stated the level of staff time is somewhat unknown right now as some of the sustainable practices are already in place. He stated he is relying on staff's enthusiasm and commitments at the current time and additional specific information will likely come at a later time.

Mayor Johnson requested a copy of the sustainability article referred to by the City Manager.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:04 a.m.

ATTEST:

Randi Johl, City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 30, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, October 30, 2007, commencing at 7:05 a.m.

A. ROLL CALL

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

Absent: Council Members – None

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

B. TOPIC(S)

B-1 "Presentation of Various Elements of 2007 Wastewater Certificates of Participation for up to \$35 Million"

City Manager King briefly introduced the subject matter of wastewater system revenue certificates of participation and the members of the financing team.

Consultant Eileen Gallagher provided a PowerPoint presentation regarding the wastewater certificates of participation and related financing. Specific topics of discussion included an overview of the 2007 financing including security, ratings and bond insurance, interest rate trends, financing details, financing team, approvals requested, wrap up, and next steps.

In response to Council Member Hansen, Ms. Gallagher stated reserves can be handled in a few different ways because the insurance is providing multiple bid options to address security and cash reserves.

In response to Council Member Hitchcock, Ms. Gallagher confirmed that the approximate reserve amount is \$2.6 million.

In response to Council Member Hitchcock, Ms. Gallagher stated that, by lowering the principal, the issuance costs that are variable will be lower.

In response to Mayor Johnson, Ms. Gallagher stated there is a strong chance that the federal government will lower interest rates again and the future should be positive. She also explained that the pricing over 30 years involves serial maturities and longer term bonds on the end so that the City can enjoy a benefit in lower costs and interest rates.

In response to Council Member Hitchcock, Ms. Gallagher stated the interest rate is fixed in the beginning and monthly debt service remains relatively the same for six months.

In response to Council Member Hitchcock, Ms. Gallagher stated the prepayment provisions are not set in stone, but it is customary to have bonds callable in ten years time and it is anticipated this will be the case for the current issue. She stated the previous financing had a sliding scale and the payment is approximately 1.5%.

In response to Mayor Johnson, Ms. Gallagher stated the A- stable rating is good and the highlights are a stable customer base with diversity in customers and the economy, as well as some understanding of the environmental litigation and stable growth control.

In response to Council Member Hitchcock, Ms. Gallagher stated the proposed financing is a standard and strong financing for wastewater with no unusual circumstances. City Attorney Schwabauer stated the low interest rate is standard, not contingent, and the bonds can be sold to a variety of investors. He stated there is nothing unique about the financing.

City Manager King provided a brief overview of the difference between issuing certificates of participation through a stand-alone financing corporation and issuing revenue bonds through a financing authority, with the latter being a bit advantageous in saving a step in the overall process.

In response to Council Member Hitchcock, Mr. Schwabauer stated creating a financing authority can be looked into.

In response to Council Member Hansen, Mr. Krueger stated the rate increase from a few years ago, the debt service requirements, and this issue should cover the related costs without a need for an additional increase. Mr. Krueger stated there may be a need to come back to Council at a later date regarding the unanticipated costs associated with the transmission lines.

In response to Council Member Hansen, Mr. Prima stated the 2003-04 total was approximately \$30 million, \$10 million will be refunded, and about \$50 million will be financed.

Discussion ensued between Council Member Hitchcock and City Manager King regarding debt service, cash reserves, alternatives associated with using a surety in lieu of cash reserves, trends regarding the same, and the option of doing a mixed reserve.

In response to Mayor Johnson, Ms. Gallagher stated the timeline will not be affected greatly if the Council desires to take a bit more time to determine if it would like to use a surety or cash reserve.

In response to Council Member Hansen, Mr. Krueger stated that, from an administrative standpoint, the surety is better because of the heavy tracking element associated with cash reserves. He also stated a cash reserve would be shown as restricted and unusable.

In response to Mayor Johnson, Ms. Gallagher stated there is an AAA related backing for both the insurance and the bonds.

City Manager King stated that, while Fitch did give the City a bump in ratings, it also put some consideration into the environmental litigation and the payment of some related costs from the water and wastewater funds. Mr. King stated the matter will come before the City Council on November 7 and the policy issue to be decided appears to be whether a surety or cash reserve should be utilized.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

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

ATTEST:

Randi Johl
City Clerk