

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, OCTOBER 12, 2010**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, October 12, 2010, commencing at 7:02 a.m.

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

Absent: Council Member Mounce

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

B. Topic(s)

B-1 Receive Operational/Financial Report for the Hutchins Street Square Community Center (COM)

Interim City Manager Rad Bartlam provided a brief introduction to the subject matter of the operational and financial report for Hutchins Street Square (HSS).

Community Center Director Jim Rodems provided a PowerPoint presentation regarding the operational and financial report for the Community Center. Specific topics of discussion included an overview of HSS, 2009/10 budget target, 2009/10 budget actual, three-year revenue comparison, deficit items, revenue comparison by area, facility rentals, HSS Foundation, arts and specialty classes, arts and event coordination, Performing Arts Center, Senior Center, senior programs, Lodi Youth Commission, Lodi Memorial Hospital (LMH) programs, corrective fiscal measures, challenges for 2010/11, and goals for 2010/11.

In response to Mayor Pro Tempore Hitchcock, Mr. Rodems stated the 35% target number for revenue generation was established when HSS was transitioned to a special revenue fund. Mr. Rodems stated the number was chosen based on a \$1 to \$2 ratio and similar departments in other cities are funded based on the needs of the City as there is no industry standard.

In response to Mayor Katzakian, Mr. Rodems stated the department started tracking the revenues for generation purposes a few years ago and overall the numbers have remained consistent.

In response to Council Member Hansen, Mr. Rodems stated there are no plans in place to look at deferred maintenance for the HSS facility alone as the discussion is part of the Citywide facilities and deferred maintenance discussion.

In response to Council Member Hansen, Mr. Bartlam stated the City is going to have to start looking at deferred maintenance being funded from expenditures because there are no new revenue sources. Mr. Bartlam stated in recreation some maintenance was built into the fees; although, HSS needs to be cognizant of the economy and market conditions to remain competitive in its offerings.

In response to Mayor Katzakian, Mr. Bartlam stated the one-time funds from the Lodi Energy Center may be put toward one-time capital maintenance projects, understanding that the list of projects is greater than the funds available.

In response to Mayor Pro Tempore Hitchcock, Mr. Rodems stated the use has gone up but the revenue has gone down and that is due to an increase in internal and community use.

In response to Council Member Johnson, Mr. Rodems stated he is aware of the current status of the annual report from the HSS Foundation but, based on the direction from the former City Manager, the Foundation began looking at facility-related maintenance costs to fund, such as the pool, as opposed to paying down the debt service.

In response to Council Member Hansen, Mr. Rodems stated revenues will not necessarily match expenditures with respect to programming and classes due to the economy and low-performing classes as they are generally direct cost recovery based.

In response to Council Member Hansen, Mr. Rodems stated the General Fund support for the Community Center is \$29,000.

In response to Council Member Johnson, Mr. Rodems stated the formula for programming and classes at HSS is contractually based with a 60%/40% split with the City retaining the 40%.

In response to Council Member Hansen, Mr. Rodems stated the 60%/40% formula was arrived at by reviewing the direct and indirect costs for the programming in conjunction with the instructors' needs for the classes and proposed rates.

In response Council Member Hansen, Mr. Rodems stated the attendance numbers reflect single visits to the facility.

In response to Council Member Johnson, Mr. Rodems stated the differential in numbers for City-related uses is due to the fact that class structure was not previously counted as City use.

Mayor Pro Tempore Hitchcock and Council Member Johnson requested a list of uses for the facility showing the different types of uses and a listing of City uses versus non-City uses.

A brief discussion ensued between Mayor Pro Tempore Hitchcock, Council Member Hansen, and Mr. Rodems regarding the programming and class use for community benefit versus private use for revenue generation purposes.

In response to Council Member Johnson, Mr. Rodems stated space adjustments are made without affecting programming and an example is a dance recital being moved to the stage in the theater so that another room can be used for revenue generation.

In response to Council Member Hansen, Mr. Rodems stated there is a \$1 rental for Lodi Memorial Hospital and the Senior Center and there is no cost for the referral and information services provided to seniors.

In response to Mayor Pro Tempore Hitchcock, Mr. Rodems stated one full-time and one part-time staff is dedicated to the senior program currently and the subsidy is essentially the cost of the program at approximately \$117,000.

In response to Council Member Johnson, Mr. Rodems stated staff regularly partners with the LOEL Center to provide senior programs and is looking to continuing partnering with LOEL and other agencies as they try to grow the senior program offerings.

In response to Council Member Hansen, Mr. Rodems stated staff will be looking at options associated with additional partnerships and donations when reviewing and potentially enhancing the senior services programs.

In response to Council Member Hansen, Mr. Rodems stated the rent for the Camp Hutchins space is \$1 per year and it may be possible for LMH to contribute financially toward facility maintenance based on its use of the space.

In response to Council Member Hansen, Mr. Rodems stated that, at the beginning of the LMH fiscal year, LMH will begin to contribute toward the utilities and direct costs for the 3,000 square foot space used for Camp Hutchins. Mr. Rodems stated currently the program is staffed by LMH with two full-time employees and one part-time employee indicating some level of success for the program.

In response to Council Member Hansen, Mr. Rodems stated the fiscal year for LMH runs from January to December.

In response to Mayor Katakian, Mr. Rodems stated there are some music program offerings to offset the school district cuts in those types of programs.

In response to Council Member Johnson, Mr. Rodems stated the auto shop continues to be cleared out although there would need to be significant improvements made to the space to make it available for programming use.

In response to Council Member Johnson, Mr. Rodems stated that, with respect to hiring a replacement for the former Senior Services Coordinator, reference checks are being completed and it is anticipated that an individual will be hired by the first week in November.

In response to Myrna Wetzel, Mr. Rodems stated there is a senior drop in day care program offered at HSS through LMH, the program is more transitional in nature, the criteria is fairly stringent, and participants generally stay for one to six months.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:09 a.m.

ATTEST:

Randi Johl
City Clerk