

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, FEBRUARY 3, 2016**

- C-1 Call to Order / Roll Call - N/A
- C-2 Announcement of Closed Session - N/A
- C-3 Adjourn to Closed Session - N/A
- C-4 Return to Open Session / Disclosure of Action - N/A
- A. Call to Order / Roll Call

The Regular City Council meeting of February 3, 2016, was called to order by Mayor Chandler at 7:02 p.m.

Present: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler
Absent: None
Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

B. Presentations

B-1 Certificate of Recognition for Abbie Mulbarger for Participation in Earth Hour (EU)

Business Development Manager Adam Brucker introduced Abbie Mulbarger, who gave a brief presentation on Earth Hour 2016. Ms. Mulbarger reported that Earth Hour, which began in 2007 in Sydney, Australia, has now grown to over 170 countries and encourages citizens to turn off all non-essential lights and other electrical items for one hour on March 19, 2016, from 8:30 to 9:30 p.m. Mayor Chandler presented Ms. Mulbarger with a Certificate of Recognition for her efforts to promote Earth Hour 2016.

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

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

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-1 Receive Register of Claims in the Amount of \$3,841,819.26 (FIN)

Claims were approved in the amount of \$3,841,819.26.

C-2 Approve Minutes (CLK)

The minutes of January 6, 2016 (Regular Meeting), January 12, 2016 (Shirtsleeve Session), January 19, 2016 (Shirtsleeve Session), January 20, 2016 (Regular Meeting), and January 26, 2016 (Shirtsleeve Session) were approved as written.

C-3 Approve Specifications and Authorize Advertisement for Bids for Lodi Electric Utility Storage Yard Block Wall (PW)

Approved the specifications and authorized advertisement for bids for the Lodi Electric Utility Storage Yard Block Wall project.

C-4 Accept Improvements Under Contract for City Hall Annex First Floor Phase 2 Interior Remodel Project (PW)

Accepted the improvements under the contract for the City Hall Annex First Floor Phase 2 Interior Remodel Project.

C-5 Accept Improvements Under Contract for School Street Tree Well LED Light Retrofit Project, Lodi Avenue to Locust Street (PW)

Accepted the improvements under the contract for the School Street Tree Well LED Light Retrofit Project, Lodi Avenue to Locust Street.

C-6 Adopt Resolution Accepting U.S. Environmental Protection Agency Brownfields Community-Wide Assessment Grant and Appropriating Funds (\$400,000); and Awarding Contract for Brownfields Grant Implementation Assistance to Stantec Consulting Corporation, of Rancho Cordova (\$376,000) (CD)

Adopted Resolution No. 2016-13 accepting the U.S. Environmental Protection Agency Brownfields Community-Wide Assessment Grant and appropriating funds in the amount of \$400,000; and awarding the contract for Brownfields grant implementation assistance to Stantec Consulting Corporation, of Rancho Cordova, in the amount of \$376,000.

C-7 Adopt Resolution Authorizing City Manager to Apply for Selective Traffic Enforcement Program Grant Funded by the Office of Traffic Safety (\$180,000) (PD)

Adopted Resolution No. 2016-14 authorizing the City Manager to apply for a Selective Traffic Enforcement Program Grant funded by the Office of Traffic Safety in the amount of \$180,000.

C-8 Adopt Resolution Authorizing City Manager to Apply for Petco Foundation Grant (\$23,933) (PD)

Adopted Resolution No. 2016-15 authorizing the City Manager to apply for a Petco Foundation Grant in the amount of \$23,933.

C-9 Receive Report Regarding Boards, Committees, and Commissions (CLK)

Received a report regarding Boards, Committees, and Commissions.

C-10 Set Public Hearing for February 17, 2016, to Consider the Appeal of Bella Terra Plaza / Rio Valley Charter School for Reconsideration of the Planning Commission Project Indecision (CD)

This item was removed from the Consent Calendar by Council Member Johnson for discussion purposes.

Council Member Johnson referenced the Blue Sheet item from Planning Commissioner Randy Heintz regarding the proximity of alcohol-related businesses within 600 feet of a school facility (filed) and questioned if this requirement makes the appeal unnecessary.

Council Member Mounce suggested this item be pulled from the agenda and postponed until it is determined if the project is in violation of the law.

City Attorney Magdich stated that the applicant is entitled to a hearing, as was requested, and that she will have a response at the February 17, 2016, public hearing regarding the issue brought forth by Planning Commissioner Heinitz.

Council Member Johnson made a motion, second by Mayor Pro Tempore Kuehne, to set a public hearing for February 17, 2016, to consider the appeal of Bella Terra Plaza / Rio Valley Charter School for reconsideration of the Planning Commission project indecision.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

D. Comments by the Public on Non-Agenda Items

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

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

None.

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

Council Member Nakanishi stated that a recent memo from the City Manager reported that Lodi's water is clean and meets federal and State standards. He explained the process in which Lodi's water comes from the Mokelumne River, sedimentation sinks to the bottom, the water runs through state-of-the-art filtration and membrane systems, and receives light chlorine treatment.

Mayor Pro Tempore Kuehne reported that it is highly probable a house will be donated to Salvation Army for transitional housing purposes for the homeless and that the Kiwanis Club of Greater Lodi is donating a \$60,000 covered picnic shelter for Lodi Lake.

Council Member Mounce stated that she received an e-mail with information regarding a program that pays homeless individuals \$9 an hour for five hours a day to work on cleaning up the city. She suggested the Homeless Solutions Committee look into employing a few individuals to clean up east side alleys. Council Member Mounce stated she would forward the e-mail to the City Manager.

Mayor Pro Tempore Kuehne stated that the Committee looked into a similar program from the Bay Area and it is an idea worth pursuing.

Mayor Chandler reported that he and 35 Lodians travelled to New York City to take part in Lodi's recognition as Wine Region of the Year from Wine Enthusiast magazine and he went to Sacramento for the wine trade show where Michael-David Winery was named Winery of the Year. Mayor Chandler reported that he also participated in Legislative Day for the Northern California Power Agency, at which he and staff informed legislators of important issues relating to operations of a utility and maintaining local control.

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

None.

G. Public Hearings - None

H. Communications

H-1 Post for One Expiring Term on the Lodi Improvement Committee (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, to direct the City Clerk to post for the following expiring term:

Lodi Improvement Committee

Sunil L. Yadav, term to expire March 1, 2016

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I. Regular Calendar

I-1 Provide Direction on the Setting of Rebate Caps for the Annual Lodi Electric Utility Solar Rebate Program (EU)

Business Development Manager Adam Brucker provided a presentation on rebate caps for the annual Lodi Electric Utility Solar Rebate Program. Specific topics of discussion included Council's request to bring the matter back to discuss reducing the caps; the Senate Bill 1 (SB1) requirement to offer solar rebates to commercial and residential customers through a solar surcharge on customer bills; the rebate fund of \$600,000 a year; and application process. Mr. Brucker stated the current caps are \$7,000 for residential projects and \$40,000 for commercial projects; the City awarded 52 residential rebates and three commercial rebates last year; and the increased interest in solar projects has caused the City to award rebates on a lottery basis instead of a first-come, first-served basis. In comparison, Lodi is within range of the Northern California Power Agency cities with regard to its residential cap amount and in the upper range on commercial. If the current levels are maintained, Mr. Brucker estimated the City could award roughly 58 residential rebates, depending on where the commercial cap is set.

In response to Mayor Chandler, Mr. Brucker stated that last year there were more requests than funds available, which resulted in a lottery selection. He estimated that 200 permits were issued for solar projects with only a total of 55 residential and three commercial projects completing. In 2015, the average cost for a residential solar system was \$2,700. In further response, Mr. Brucker stated that most unsuccessful applicants were disappointed in not receiving the rebate and many opted to wait for the next round. He stated there are only two years remaining in the program but added that the State may require investor-owned utilities to extend their programs, which could trickle down to other utilities. He estimated approximately 88 people have already expressed interested in the 2016 program year.

Council Member Mounce stated that those who applied for the rebate in prior years, but were unsuccessful, should be moved to the front of this year's list with all new applications drawn from a lottery.

Council Member Nakanishi agreed that those on the waiting list should not have to continue to wait and suggested that the program remain the same this year and that staff bring it back next year if it wants to change it.

Mayor Pro Tempore Kuehne stated he requested this matter come back to Council because, in researching neighboring communities, Lodi's cap is higher than the three closest cities and it has a waiting list. He believed that, if the cap were reduced to \$5,000, the program would be available to more residential customers. He further agreed with Council Member Mounce that those who applied and were unsuccessful in the last few years should move to the top of this year's list.

Mayor Pro Tempore Kuehne questioned if federal solar rebates were available and when a residential or commercial customer begins to see the benefits of solar. Mr. Brucker stated there is a federal tax credit that was recently extended, but he was uncertain if the federal government offers a rebate. Mayor Pro Tempore Kuehne stated he was in favor of lowering the residential cap, leaving the commercial cap as-is, and allowing more residents to take advantage of the rebate.

Mayor Chandler questioned if citizens can still get a rebate if they installed their systems after being unsuccessful in the lottery drawing, to which Mr. Brucker responded that the rebate is not available for installed systems. Mr. Schwabauer added that this regulation is a legislative requirement; not the City's.

Mr. Brucker explained that those on the waiting list can fill a spot and be eligible for a rebate if someone drops out of the program because they could not complete their project; the rebate moves to the next person on the list. The concern about unsuccessful applicants over multiple years of a program is that it will take effort to contact all of them to ascertain their interest and many may have already installed their system.

In response to Mayor Johnson, Mr. Brucker stated that "fully subsidized" means that a utility has met its obligations under SB1 and no longer has to offer the solar rebate program. He explained that once Lodi achieves 7 megawatts of solar, it no longer has to offer the program. With regard to a "closed" program, as in the case of the City of Gridley, the utility is not currently offering a rebate, but it will reopen the program at a future time.

Stacy Schmierer questioned why the rebate program was postponed at the time open enrollment was set to begin. Mr. Schwabauer stated that staff was proceeding with the program on the assumption that the current program set-up would go forward, i.e. \$7,000 cap for residential and \$40,000 cap for commercial rebates; however, Council expressed an interest in December to review the program and the issue was brought forward at the first available opportunity. Ms. Schmierer, who works for a general contractor, stated customers have waited since October to submit applications and have expressed concern over the delay.

MOTION:

Mayor Pro Tempore Kuehne made a motion to reduce the residential cap from \$7,000 to \$5,000 and to retain the current commercial cap of \$40,000.

Council Member Johnson questioned if staff is able to recreate an adequate waiting list of unsuccessful applicants. Mr. Brucker stated it would not be a simple task as this program is eight years old with separate application periods for each year.

Following a brief discussion, Mr. Schwabauer clarified the motion as amended by Mayor Pro Tempore Kuehne: to reduce the residential cap from \$7,000 to \$5,000; to retain the commercial cap of \$40,000; and that staff contact those who lost the lottery from the year before and, if still interested, have qualifying projects automatically qualify in the following year with the remaining applications to be drawn by lottery.

SECOND:

Council Member Nakanishi seconded the amended motion.

Discussion followed regarding the need for a motion and vote versus Council direction, to which Mr. Schwabauer stated he did not have clear direction from a majority of Council.

VOTE:

AYES: Council Member Mounce*, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

NOES: Council Member Johnson

ABSENT: None

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

J. Ordinances - None

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 7:41 p.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk