

**LODI CITY COUNCIL  
SHIRTSLEEVE SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, MAY 3, 2016**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, May 3, 2016, commencing at 7:00 a.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

NOTE: Mayor Pro Tempore Kuehne left the meeting at 7:59 a.m.; and Council Member Nakanishi left the meeting at 8:10 a.m.

B. Topic(s)

B-1 Receive Information from Staff on Potential Uses for Potential Sales Tax Measure Revenue (CM)

City Manager Schwabauer provided a PowerPoint presentation regarding possible uses for potential sales tax measure revenue. Specific topics of discussion included overview; additional revenue objectives; Fire Department spending plan; Police Department spending plan; Parks, Recreation, and Cultural Services (PRCS) spending plan; PRCS needs; and discussion points. Mr. Schwabauer explained that a general tax can be spent on non-specific purposes and requires a 50 percent plus one public approval to pass; whereas, a special tax is dedicated to a specific purpose and requires a two-thirds vote of the public to pass. Regardless of general versus special, a four-fifths vote of the Council is required to support the ballot measure.

Council Member Nakanishi stated he could not support a tax measure because it is not a suitable time to do so. He expressed concern that Lodi has an unfunded liability and it may be necessary to make a decision on a tax measure years down the line if the fiscal condition worsens; a decision he prefers to come from Council. Additionally, any money spent today will increase ongoing costs, and that is something the City should not do at this time.

Mayor Pro Tempore Kuehne stated that PRCS has done a stellar job in assessing the needs, polling and surveying, and doing the necessary legwork that convinces him maintenance is a top priority. He expressed concern that there may not be enough time to do a sufficient job to get the PRCS tax as a solo item on the next ballot, but he was willing to support the measure and let the citizens speak as to whether they want this or not. He further opined that adding Police and Fire to the ballot would likely water down the measure and he would prefer to see the public safety measure stand on its own, adding that the timing was insufficient to place it on the next ballot because there may not be ample time to educate voters and walk the precincts. Mayor Pro Tempore Kuehne stated the recommendation is that it be a 1/8 percent special tax, requiring a two-thirds vote of the citizens, with a spending plan to make the public aware of how the money will be spent. He suggested that the 2018 election cycle include a ballot measure for public safety because he was concerned that a measure will all three issues would fail.

Mayor Chandler questioned what the Department Heads thought of the timing on the public safety measure. Police Chief Tod Patterson opined that a standalone measure seems to work the best, stating there is a short time before the election and he would like to see how the PRCS measure fares with the public. In the meantime, the Department will do what it needs to in order to prepare for a potential public safety measure. Fire Chief Larry Rooney concurred with

Chief Patterson, stating that he believed there was insufficient time to educate the public on the issue.

In response to Mayor Chandler, Parks, Recreation, and Cultural Services Director Jeff Hood stated there is no commission or foundation set up to solicit funds for this measure, but one could be created by the community as there are many local groups that are parks specific.

Council Member Johnson stated that he was not opposed to exploring a combined sales tax measure. The PRCS deferred maintenance is appalling and cannot continue in the same fashion, and the issue is whether or not to include public safety. Council Member Johnson questioned the proposed spending plans and whether some of the positions, such as lieutenant, crime prevention officer, and dispatcher, were necessary because the more important need is additional police officers on the street. In response to Council Member Johnson, Chief Patterson stated that in the past the crime prevention officer was a lateral duty for a dispatcher, and Mr. Schwabauer added that currently a retired officer handles the duties in a part-time capacity. Council Member Johnson stated that he does not question the need for funds, rather, he is questioning the proposed use of the funds because he would prefer to see it dedicated to combatting crime. With regard to Fire, he questioned what the current call volume is and whether it makes more sense to hire additional permanent personnel or to continue with overtime hours. He stated that overall he supports pursuing a measure that would cover PRCS, Police, and Fire, but he was uncertain of the makeup of the spending plan.

Council Member Mounce stated that it was her suggestion to package the measure together because it makes no sense to fix the parks if they continue to be overrun with gangs, drugs, vandalism, blight, and homelessness because public safety cannot meet the needs. She agreed that the PRCS maintenance is lacking, stating the City is \$40 million in arrears in repairs, but sales tax money over a 20-year period will only scratch the surface and, after 20 years, the price will only quadruple. Council Member Mounce stated that she believes the City needs additional police officers on the street, park officers in the parks, and code enforcement officers to make any sort of difference. She stated that PRCS should take the lead on the measure to ensure its success. The Strategic Plan and survey appear to indicate public support for the PRCS measure, and she believed that people will support paying more for things they value and, for her, she finds significant value in police and fire and their service to the community; therefore, she believed the measure should be a complete package drilled down to those items the community wants and needs. If Lodi strives to be less like Stockton, it needs great park facilities, a Fire Department that will respond timely, and enough police officers to ensure the community is safe. A PRCS measure alone will not suffice, and perhaps more time is needed to communicate to the public why it is important to create a community it wants. Council Member Mounce stated she would only support a special tax if it includes an oversight committee with a 10- to 15-year sunset clause.

In response to Mayor Chandler, Mr. Hood stated that the only public outreach has been through the survey and a follow-up questionnaire that corroborated the survey, but without clear direction from Council, staff felt it was not appropriate to drill down further with additional surveys of other demographics or groups.

Mr. Schwabauer asked for clarification from Council on which direction to proceed. It appeared Council primarily agreed that, if the City moves forward this year, it would be for all or none; however, he doubted there was adequate support to put a measure on the ballot for all three issues: PRCS, Police, and Fire. Once Council determines what issues are moving forward, he will need input on the makeup of the spending plan, oversight committee, sunset clause, etc.

Mayor Chandler stated he felt it may be too much to get done this year and the half cent is a million dollars short.

Mayor Pro Tempore Kuehne stated he would not support a combined measure, but would support a standalone PRCS special tax with an oversight committee and sunset clause. His fear is that a combined measure would fail and that does not give public safety an opportunity to market its position to citizens. He would like to see the PRCS measure move forward this year

and the public safety measure move forward on its own in the near future.

Council Member Johnson suggested that, if the City moves forward with all three issues at the 2018 election and includes a sunset clause, it use the additional time to consider a 1/2 cent sales tax that could cover all of the needs, including any hidden maintenance or equipment replacements needs for public safety as well.

Mike Lusk agreed that PRCS is in dire straights and supports additional funding for the department based on the deferred maintenance needs for its facilities; however, he would not be supportive of building any new facilities, adding that new facilities in a subdivision should be paid for by the developer through impact fees. Mr. Lusk stated that he is a proponent for a sales tax that would support Police, Fire, and the California Public Employees Retirement (Cal-PERS) debt and that those three issues alone equate to \$5 million, which would be 1/2 percent sales tax. He believed a long campaign was unnecessary to prove the need for additional police officers and a survey would be redundant because the need for a special tax would speak for itself and the public can either vote for or against it. Mr. Lusk believed that the PRCS measure should be a separate ballot measure from public safety and Cal-PERS debt, pointing to the past failed sales tax measure that would have given \$7 million, out of \$18 million, to public safety. He believed that two years was too long to wait and the public is educated enough to vote on the issue now.

In response to Mayor Chandler, Mr. Schwabauer stated that the 2016 ballot appears to be less impacted with ballot measures, while the 2018 ballot may have a Measure K extension and a school district measure. From a crowded ballot aspect, 2016 would likely be a better year to put forth a measure.

In light of that information, Mayor Pro Tempore Kuehne stated he would not be opposed to having the PRCS measure as one issue and the public safety issue as a separate measure on the 2016 ballot, but he was uncertain as to what rates they should each be.

Mr. Schwabauer explained that a 1/8 percent sales tax would raise what the Recreation Commission asked for and 1/4 percent would be sufficient for the public safety issue, adding that those amounts would be less confusing to the public than a combined measure of 3/8 percent. The proposed amounts of 1/8 percent and 1/4 percent would raise the dollars for both spending plans, but staff would need agreement from Council on the spending plans.

Mayor Pro Tempore Kuehne reiterated that he would prefer a special tax with an oversight committee and would defer to Council on the duration of a sunset clause for the PRCS measure and whether or not there should be one at all on public safety.

In response to Myrna Wetzel, Mr. Schwabauer explained that park officers work for the Police Department, but their staffing is determined by the PRCS Director according to the needs. In further response, Mr. Hood explained that the PRCS sales tax measure is solely for capital repairs, replacement, and maintenance; not for personnel. Currently, PRCS funds the equivalent of one part-time officer for parks, and that funding level would not be increased. Mr. Schwabauer explained that the proposed spending plan provided at this meeting funds three areas: 1) Engine No. 1 and training in the Fire Department; 2) new police officers in the Police Department; and 3) park improvements. The proposal does not fund additional park officers, but additional officers on the street could allow the Department to fund park officers on an additional basis. Ms. Wetzel stated that she believed the public would be inclined to support the measure if they were aware it could put more officers in the parks, but perhaps not if it were for construction of facilities. Mr. Schwabauer reiterated that this measure would not fund the construction of new parks in the City or in subdivisions; rather, it is proposed to preserve the City's current assets, including Lodi Lake, which is slowly washing away due to severe erosion. The City has an obligation to either protect its assets or let them go, and that is what the PRCS spending plan addresses - it will reclaim them; not build anything new. Ms. Wetzel pointed out that the presentation mentioned more than just Lodi Lake, to which Mr. Schwabauer responded that the majority of the list is for repairs or replacements, while other items are to finish partially completed or damaged parks and facilities. In further response to Ms. Wetzel, Mr. Schwabauer stated that citizens have volunteered hours to help maintain Candy Cane Park, but not for the replacement of the \$70,000 play

structure. Mr. Hood added that funding continues to be set aside in the budget to replace the structure, but there are no donations lined up to handle the entire cost.

Council Member Mounce expressed concern that Ms. Wetzel, who attends every Shirtsleeve Session and follows City business, does not understand how funds from the sales tax measure would be used, which proves this issue will be confusing for the public to understand. She believed greater effort needs to be made on communicating the goals of this measure to the public.

Mayor Chandler agreed, stating that the synopsis of the spending plan was a simple explanation and more work is needed to refine and better explain the list of goals.

Mr. Hood stated that the presentation was simplified, but assured Council that he has an extensive list of what each park project would consist of, including costs.

Council Member Mounce stated that she believed redevelopment failed because it was too ambiguous, adding that if the math does not add up on this measure and the goals are too vague the public will not support it. The citizens should know what they are getting out of this measure and the timeline of when projects will be done. Mr. Hood stated he has a detailed plan on what will be accomplished each year, much of which is based on the survey results. Some of the projects include repairs at Lodi Lake, including the parking lots, erosion control measures, park furniture and drinking fountains, and nature trail, as well as improvements at PRCS facilities and other parks. Council Member Mounce stated that a specific, detailed list is what needs to be presented to the public and, if it is not ready, it needs to be tightened up before it is presented. Mr. Hood confirmed that the list is 90 percent complete.

Larry Long, Chair of the Recreation Commission, stressed that the community is losing Lodi Lake, Pigs Lake is slowly washing away, and the roadway at the Lake is in significant disrepair. The Commission spent considerable time determining the needs in order for the public to understand what will be done with the sales tax money. Whether the measure is a standalone or combined effort, it must pass or many of the parks will be forced to close because of unsafe conditions. Based on the Strategic Plan and survey results, the Commission feels the votes are there to pass the measure, and he urged Council to put it on the ballot.

Council Member Mounce stated that some of the confusion may stem from the presentation of the Strategic Plan, which listed community wants for new facilities, walking tracks, and multi-family destinations and not about repairing Lodi Lake before it washes away. She believed if new facilities were combined with maintenance, the measure would not be successful and that significant effort will be necessary to fine-tune the spending plan and educate the public by walking the precincts.

Mr. Long agreed, stating that any ballot measure requires educating the public with precinct walks and signage and that volunteers and donations will be necessary to accomplish this.

Mr. Schwabauer stated there is nothing in the spending plan for those new, creative ideas that came out of the Strategic Plan.

Alex Aliferis stated that 7.5 percent of sales tax goes to the State; the current sales tax is the highest in 15 states; and the cap for cities and counties is 1 percent. He questioned that, if the current budget cannot maintain the parks, why is the City adding more and why is it not setting aside money every year. Mr. Aliferis stated he believed that staff should be in the field working, instead of in the office, and pointed out that the average firefighter is paid 55 percent more than those in other states and that the budget is 60 percent public safety. He stated he has an issue with overpaid salaries and the Cal-PERS component, which will only increase if more police officers are added to the force. He believed that, if the public safety measure were to pass, it would still not cover the costs, adding that many communities are turning to private security, which is likely the direction Lodi is headed as well.

Mr. Schwabauer responded that there are two people in PRCS who do not run a program or wield

a shovel: the PRCS Director and Management Analyst; however, Parks Superintendent Dutra and all of the Department employees work extremely hard to maintain the City's assets. He reiterated that this proposal does not construct anything new; it maintains what the City has today.

Mr. Lusk expressed appreciation for the PRCS staff, stating they have the City's interests at heart and deserve credit for the efforts they have made. He stated that he, too, thought the spending plan included items presented in the Strategic Plan and he would like further information to clear up that confusion. He supported pursuing a tax measure for the vote of the people and suggested the City consider a 1/2 percent sales tax because anything less will fall short and, if the City came back with another measure to make up the difference, it would likely be unsuccessful.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:12 a.m.

ATTEST:

Jennifer M. Ferraiolo  
City Clerk