

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 4, 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 May 4, 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, Deputy City Attorney Fukasawa, and City Clerk Ferraiolo

B. Presentations

B-1 Proclamation for Bike Month and Bike to Work Day (PW)

Mayor Chandler presented a proclamation to Kari McNickle with San Joaquin Council of Governments' Commute Connection and the San Joaquin Bicycle Coalition proclaiming May 2016 as Bike Month and May 26, 2016, as Bike to Work Day in Lodi. Ms. McNickle announced that Bike to Work Day will take place on May 26, 2016, with a community event on School Street next to the plaza; many prizes will be given out, including a \$500 certificate to a bike shop; the Farmers' Market will offer free bicycle parking and free GrapeLine rides during the market; Thursdays in June will be car-free days; and anyone interested was encouraged to visit the website at www.mycommuteconnection.com.

B-2 Proclamation for Stroke Awareness Month (CLK)

Mayor Chandler presented a proclamation to Mary Nicholson, Founding Director of Healings in Motion, proclaiming May 2016 as Stroke Awareness Month in 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 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 \$2,340,285.62 (FIN)

Claims were approved in the amount of \$2,340,285.62.

C-2 Approve Minutes (CLK)

The minutes of April 19, 2016 (Shirtsleeve Session) were approved as written.

C-3 Approve Plans and Specifications and Authorize Advertisement for Bids for Blakely Park Restroom Demolition (PRCS)

Approved plans and specifications and authorized advertisement for bids for the Blakely Park Restroom Demolition.

C-4 Approve Specifications and Authorize Advertisement for Bids for 2016 GrapeLine Bus Stop Accessibility and Shelter Improvements (PW)

Approved specifications and authorized advertisement for bids for 2016 GrapeLine Bus Stop Accessibility and Shelter Improvements.

C-5 Approve Specifications and Authorize Advertisement for Bids for 2016 Storm Drainage Improvements (PW)

Approved specifications and authorized advertisement for bids for 2016 GrapeLine Bus Stop Accessibility and Shelter Improvements.

C-6 Approve Specifications and Authorize Advertisement for Bids for 2016/17 Landscape Maintenance of Miscellaneous Areas and Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 (PW)

Approved specifications and authorized advertisement for bids for 2016/17 Landscape Maintenance of Miscellaneous Areas and Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1.

C-7 Adopt Resolution Approving Purchase of Data Center Equipment; Authorizing City Manager to Execute Professional Services Agreement with DSA Technologies, of Elk Grove (\$707,984); and Appropriating Funds (\$642,495) (CM)

This item was removed from the Consent Calendar at the request of Council Member Mounce for discussion purposes.

In response to Council Member Mounce, City Manager Schwabauer stated the room that houses the computer backbone was recently rebuilt and is now being moved.

Information Technology Division Manager Benjamin Buecher reported that he conducted a survey of the equipment and data network and discovered that two-thirds of the equipment was no longer in service or manufactured, which leaves the City out of compliance and the equipment no longer supported by many of the vendors. In order to keep the system running, staff has had to search for parts on the Internet. Additionally, the data network backbone is slow and hinders departments from doing their work and performing data transfers at an optimal level. The secondary backup is virtually non-existent and not set up correctly.

Council Member Mounce stated that the City's auditor expressed concern in the past about the location of the server because it was susceptible to flooding in its current location and questioned if this project would address those concerns. Mr. Buecher stated that no equipment will be relocated out of the basement, but the equipment will be upgraded with new warranty and support. Mr. Schwabauer added that the new equipment will be moved above grade. Council Member Mounce was pleased to see the concern of the auditor is being taken care of, stating that the City's data is too important to lose or have destroyed.

In response to Council Member Nakanishi, Mr. Buecher stated there may be resellers who are interested in buying the outdated equipment, but typically the obsolete equipment is taken out of commission, stripped of all data, and given to a third-party entity for destruction.

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, to adopt Resolution No. 2016-68 approving the purchase of data center equipment; authorizing the City Manager to execute Professional Services Agreement with DSA Technologies, of Elk Grove, in the amount of \$707,984; and appropriating funds in the amount of \$642,495.

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-8 Adopt Resolution Awarding Contract for Well No. 23 Granular Activated Carbon Replacement Project to Calgon Carbon Corporation, of Pittsburgh, Pennsylvania (\$87,660) (PW)

This item was removed from the Consent Calendar at the request of Council Member Nakanishi for discussion purposes.

In response to Council Member Nakanishi, Public Works Director Charlie Swimley stated that Well No. 23 is located on Harney Lane, west of Stockton Street; there are seven well locations treated with granular activated carbon (GAC) filtration systems; this project will continue indefinitely with one GAC replacement each budget year; and the GAC filter on No. Well 23 was last replaced in 2008.

Council Member Johnson made a motion, second by Council Member Nakanishi, to adopt Resolution No. 2016-69 awarding contract for Well No. 23 Granular Activated Carbon Replacement Project to Calgon Carbon Corporation, of Pittsburgh, Pennsylvania, in the amount of \$87,660.

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-9 Adopt Resolution Awarding Contract for 2016 Extruded Traffic Stripes, Various City Streets, to Centerline Striping Company, Inc., of Elk Grove (\$52,625) (PW)

Adopted Resolution No. 2016-55 awarding the contract for 2016 Extruded Traffic Stripes, Various City Streets, to Centerline Striping Company, Inc., of Elk Grove, in the amount of \$52,625.

C-10 Adopt Resolution Awarding Contract for Lodi Bus Wash Improvements Project to Diede Construction, Inc., of Woodbridge (\$425,569) (PW)

Adopted Resolution No. 2016-56 awarding the contract for Lodi Bus Wash Improvements Project to Diede Construction, Inc., of Woodbridge, in the amount of \$425,569.

C-11 Accept Improvements Under Contract for Water Meter Program Phase 5 and Adopt Resolution Appropriating Funds (\$213,548) (PW)

Accepted the improvements under the contract for Water Meter Program Phase 5 and adopted Resolution No. 2016-57 appropriating funds in the amount of \$213,548.

C-12 Accept Improvements Under Contract for Lodi Transit Station Restroom/Vault Improvement Project (PW)

Accepted the improvements under the contract for Lodi Transit Station Restroom/Vault Improvement Project.

C-13 Accept Improvements Under Contract for Fire Station No. 2 Replacement Project (PW)

Accepted the improvements under the contract for Fire Station No. 2 Replacement Project.

C-14 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with WGR Southwest, Inc., of Lodi, for Storm Water Compliance Services for White Slough Water Pollution Control Facility (\$55,736) (PW)

Adopted Resolution No. 2016-58 authorizing the City Manager to execute a Professional Services Agreement with WGR Southwest, Inc., of Lodi, for storm water compliance services for White Slough Water Pollution Control Facility in the amount of \$55,736.

C-15 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement for a Database Conversion with MilSoft Utility Solutions, of Abilene, Texas (\$45,000) (EU)

Adopted Resolution No. 2016-59 authorizing the City Manager to execute a Professional Services Agreement for a database conversion with MilSoft Utility Solutions, of Abilene, Texas, in the amount of \$45,000.

C-16 Adopt Resolution Authorizing City Manager to Apply for San Joaquin Valley Air Pollution Control District Alternative Fuel Vehicle Grant (\$33,922) (PD)

Adopted Resolution No. 2016-60 authorizing the City Manager to apply for San Joaquin Valley Air Pollution Control District Alternative Fuel Vehicle Grant in the amount of \$33,922.

C-17 Adopt Resolution Authorizing City Manager to Apply for Funding Allocation Administered by California Office of Emergency Services for CAD Console Workstations, a 911 System Upgrade, and a 911 Logging System Upgrade (\$364,000) (PD)

Adopted Resolution No. 2016-61 authorizing the City Manager to apply for funding allocation administered by California Office of Emergency Services for CAD console workstations, a 911 system upgrade, and a 911 logging system upgrade in the amount of \$364,000.

C-18 Adopt Resolution Implementing Portal-to-Portal Reimbursement for Office of Emergency Services Mutual Aid (FD)

Adopted Resolution No. 2016-62 implementing portal-to-portal reimbursement for Office of Emergency Services mutual aid.

C-19 Adopt Resolution Approving the Naming of Salas Park Southeast Baseball Diamond "David Akin Field" (PRCS)

Adopted Resolution No. 2016-63 approving the naming of the Salas Park southeast baseball diamond "David Akin Field."

C-20 Adopt the Following Resolutions Pertaining to the November 8, 2016, General Municipal Election: a) Resolution Calling and Giving Notice of the General Municipal Election; b) Resolution Requesting the San Joaquin County Board of Supervisors to Render Specified Services for the Conduct of a General Municipal Election; c) Resolution Setting Forth the Council's Policy Regarding Impartial Analyses, Arguments, and Rebuttal Arguments for Any Measure(s) That May Qualify to be Placed on the Ballot; and d) Resolution Adopting Regulations for Candidates for Elective Office Pertaining to Candidates' Statements Submitted to the Voters at the General Municipal Election (CLK)

Adopted the following resolutions pertaining to the November 8, 2016, general municipal election: a) Resolution No. 2016-64 calling and giving notice of the general municipal election; b) Resolution No. 2016-65 requesting the San Joaquin County Board of Supervisors to render specified services for the conduct of a general municipal election; c) Resolution No. 2016-66 setting forth the Council's policy regarding impartial analyses, arguments, and rebuttal arguments for any measure(s) that may qualify to be placed on the ballot; and d) Resolution No. 2016-67 adopting regulations for candidates for elective office pertaining to candidates' statements submitted to the voters at the general municipal election.

C-21 Set Public Hearing for May 18, 2016, to Consider Adopting Ordinance to Modify the Zoning Code to Require Design Review for Multi-Family Structures in Medium Density Residential and High Density Residential Zoning Designations (CD)

Set public hearing for May 18, 2016, to consider adopting ordinance to modify the zoning code to require design review for multi-family structures in Medium Density Residential and High Density Residential Zoning designations.

C-22 Set Public Hearing for June 1, 2016, to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Wastewater Rates for Residential, Commercial, and Industrial Customers (PW)

Set public hearing for June 1, 2016, to consider adopting resolution setting pre-approved Engineering News Record adjustment index for wastewater rates for residential, commercial, and industrial customers.

C-23 Set Public Hearing for June 1, 2016, to Consider Adopting Resolution Adopting 2015 Urban Water Management Plan Update (PW)

Set public hearing for June 1, 2016, to consider adopting resolution adopting 2015 Urban Water Management Plan update.

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.

Lyndsey Grant with Community Partnership for Families, along with several members of the youth group, The Breakers, provided a brief presentation to Council regarding some of the group's upcoming events. Theresa Juarez stated that The Breakers was created to prevent gang violence and, in partnership with many great organizations, has created a place that creates resources and mentors. Christian Perez invited the public to attend its first event, which is a handball tournament on May 7, 2016, at 12 p.m. at Twin Arbors Athletic Club. Martha Saragoza invited the public to attend its Art in the Park event on Wednesday, May 25, 2016, at Lodi Lake, at which a community canvass will be created on youth violence and will be presented at the first annual walk on June 5, 2016.

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

Council Member Nakanishi encouraged the public to attend the San Joaquin County Board of Supervisors meeting along with him on May 12, 2016, at 5:30 p.m. at the Board's Chambers on San Joaquin Street in Stockton. The subject of the meeting is water and will focus on areas such as Delta issues and California WaterFix; the Sustainable Groundwater Management Act; flood control; and water management plan.

Council Member Johnson complimented the Public Works Department, Transit staff, and the Police Department for the successful meeting today at the transit station for public input on issues and concerns relating to the transit system. He wished more people had attended, but those who participated were very informative and expressed concerns about security at the station and surrounding area and the homeless infiltration into the area, as well as a disturbing situation with a particular bus rider, which is being addressed by the Police Department. The suggestion of improved lighting at the back of the old tire shop where buses are stored over night was brought up, and Council Member Johnson asked staff to get back to him on the status of his previous request that staff look into requiring business and property owners to install security lighting in the alleys.

Council Member Mounce reported on her attendance at the League of California Cities Legislative Action Days, at which council members from across the state met with legislators to discuss items of importance to cities and to educate them on the harmful affects certain legislation has on cities. She thanked Mayor Chandler and Mayor Pro Tempore Kuehne for attending and reported that efforts are still underway to create a transportation bill, which will likely not progress until after the election, and legislation that would address affordable housing and homelessness. Another issue on the forefront is a California Environmental Quality Act reform, some of which the League supports; however, a portion of the mandate will take away local control, and the League is working hard to protect cities in that regard. Council Member Mounce also attended the League Board meeting, which she conducted on behalf of the Board President in her capacity as First Vice President. She further expressed disappointment that the article in the Lodi News-Sentinel this morning did not accurately reflect the discussion at the Shirtsleeve Session regarding a potential sales tax measure because it gave the impression that she favored one department over another. She explained that it takes all City departments to make this a great community and that this Council would not impose the tax; it is up to the voters to determine if they want to tax themselves and how to spend the money. The measure would require a supermajority vote and would include a sunset clause and an oversight committee. Council Member Mounce stated she is still anxious to review a draft tree ordinance to ensure that what happened at Lodi Lake when trees were removed without Council knowledge does not happen again and she hopes the matter will be on a Council agenda in the very near future. Finally, Council Member Mounce stated she received a complaint from a Heritage School teacher regarding water quality and requested Public Works perform water testing in the area, preferably by an outside firm so there is no question about the results. Public Works Director Charlie Swimley stated that staff routinely contracts out the lab work and he would be happy to take a sample for testing.

Mayor Chandler thanked Council Member Mounce for her representation and leadership on the League of California Cities, stating she works hard to protect local cities.

Mayor Pro Tempore Kuehne agreed, stating that he had an opportunity to observe Council Member Mounce at Legislative Action Days and at meetings with Senator Galgiani and Assemblymember Cooper. He stated Council Member Mounce was direct and concise with her comments and thoroughly explained the League's stance and proposed direction. Mayor Pro Tempore Kuehne reported on his attendance at the San Joaquin Council of Governments (SJCOG) OneVoice trip to Washington D.C., at which he participated in over 52 meetings in four days with congress members, senators, and their representatives. During OneVoice, he received a call from the Lodi News-Sentinel reporter asking about the meetings and he expressed appreciation for the newspaper's interest and efforts to report on the activities. In addition to OneVoice, he also participated in meetings and subcommittee meetings for SJCOG, Local Agency Formation Commission, and budget meetings, as well as attending the Visit Lodi! tourism luncheon.

Mayor Chandler reported on the Visit Lodi! tourism luncheon at Wine and Roses, which celebrated the many strides made in tourism over the last year, including the Amgen Tour, which will be returning on May 18; recognition of Robin Knowlton and her work with the Lodi Bicycle Coalition; recognition of David and Michael Phillips for their wine publicity and awards; and recognition of the Lodi Winegrape Commission for encouraging visitors to come to Lodi.

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

City Manager Schwabauer responded to an earlier comment by Council Member Mounce regarding a tree ordinance, stating that he directed staff to prepare a policy for Council adoption that would address City trees that are to be removed in the course of a City project to be clearly illustrated by size and location in the staff report. In addition, he requested that the Public Works Department locate an appropriate tree to replace the one removed from Lodi Lake, as brought up by Donna Phillips at previous meetings; however, it will be impractical to replace a tree that had an 18-inch trunk with another one of the same size because it would likely not survive and would be expensive to plant because of the cost to rent a crane. He assured Council that staff will do its best to accommodate Ms. Phillips.

G. Public Hearings

G-1 Public Hearing to Consider Adopting Resolution Approving 2016/17 Annual Action Plan for the Community Development Block Grant Program (CD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Chandler called for the public hearing to consider adopting resolution approving 2016/17 Annual Action Plan for the Community Development Block Grant (CDBG) Program.

Neighborhood Services Manager Joseph Wood provided a PowerPoint presentation regarding the 2016/17 CDBG Annual Action Plan. Specific topics of discussion included 2016/17 Annual Action Plan process and outreach, 2014-2018 Consolidated Plan, 2016/17 allocations for Community-Based Organizations (CBO), 2016/17 allocations for City projects and activities, public service cap, CDBG process, and Neighborhood Revitalization Strategy Area.

Council Member Mounce expressed appreciation to the community for being involved on a level that was scarce in the past and for verbalizing what is important to them because that is the only way the City will know what needs to be done. She further complimented staff for reaching out to the community and utilizing social media, such as Nextdoor.

Council Member Mounce stated she was anxious to learn the specifics about the neighborhood strategy areas, but she is cautious of it because of redevelopment. She questioned where the funds would come from, to which Mr. Wood stated that CDBG funds would provide administrative relief in those areas and the Plan would identify the target area. There is already a target area of the low-income census tracts, but this would narrow the focus to where the greatest concentration of poverty exists, while still following State Department of Housing and Urban Development (HUD) guidelines. When this program is brought back to Council, it will include a more robust explanation and strategy area.

Council Member Mounce stated she was inclined to support the action, subject to public comments; however, her greatest concern is the alley improvement project and the change in how they are being handled, stating she will not lose site of this program and will continue to ensure the alleys are improved. Mr. Wood assured her that the members of the Lodi Improvement Committee feel the same and are monitoring to ensure the alleys are taken care of as well.

In response to Council Member Johnson, Mr. Wood stated that, if approved this evening, the Action Plan will be submitted to HUD; staff will compile the guidelines of the housing rehabilitation and down payment assistance programs in June or July; and bring those guidelines to Council for approval in August. Mr. Wood estimated that, with the funding amount of \$125,000, it is probable that five loans in the amount of \$20,000 to \$25,000 could be given out as part of the down payment assistance program; perhaps a sixth one if the loan amounts were smaller. In further response, Mr. Wood confirmed that any unused funds can be carried over to future years. He stated the 30-year loans are deferred because staff does not have the capacity to take on loan servicing, which is typical among most jurisdictions.

Council Member Nakanishi stated that the neighborhood revitalization strategy area appears to require a significant amount of work, i.e. studies, asset-based community development methodology, and surveys, for only a small amount of funding and questioned how much money from other areas would be put toward it. Mr. Wood stated that information will be borne out of the next cycle of funding, which will identify the community-based organizations, what they are trying to accomplish, and how their applications can meet those needs. Council Member Nakanishi stated that it seems to be a cumbersome task.

Mayor Chandler opened the public hearing for public comment.

In response to Maria Rosado with California Human Development, Council Member Nakanishi clarified that his point is that it would be easier to reallocate the money without all of the meetings. Ms. Rosado opined that the result of the surveys and getting the community involved through meetings was more valuable than the money and time spent because it allows the community's voice to be heard. She stated it was a difficult process to develop a survey with questions the community could easily understand, while encouraging people to respond, but she was grateful for the opportunity. She thanked Mr. Wood and his staff for all of their hard work and efforts.

Council Member Nakanishi stated he realizes now how important and worthwhile this effort is despite the small amount of money.

There being no further public comments, Mayor Chandler closed the public hearing.

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, to adopt Resolution No. 2016-70 approving 2016/17 Annual Action Plan for the Community Development Block Grant Program.

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

H. Communications

H-1 Appointment to the Lodi Improvement Committee (CLK)

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

Lodi Improvement Committee

Sunil Yadav, term to expire March 1, 2019

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 Consider Authorizing Harney Lane Road Closure Between Hutchins Street and Stockton Street for the Construction of Harney Lane Grade Separation Project (PW)

This item was pulled from the agenda.

I-2 Adopt Resolution Approving the Reclassification of One Senior Administrative Clerk to the Position of Administrative Secretary (CM)

Human Resources Manager Adele Post provided a presentation regarding the reclassification of one Senior Administrative Clerk to the position of Administrative Secretary. Specific topics of discussion included classification study and confirmation that duties conducted by the incumbent were consistent with the higher position; duties include serving as secretary to the Department Head and Library Board and serving as the office manager; recommendation; and concurrence by the bargaining unit, AFSCME - General Services.

Council Member Johnson made a motion, second by Council Member Mounce, to adopt Resolution No. 2016-71 approving the reclassification of one Senior Administrative Clerk to the position of Administrative Secretary.

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-3 Adopt Resolutions Approving Side Letter Agreements Amending the Memorandums of Understanding or Statement of Benefits Between the City of Lodi and a) its Various Bargaining Groups and Confidential Employees and b) Executive Management Regarding a One-Time, Non-PERSable Payment to Partially Off-Set Increased Medical Premiums for Employees Who Are Currently Enrolled in One of the City's Medical Plans and Appropriating Funds (\$50,850) (CM)

NOTE: Due to a conflict as members of the listed groups, Deputy City Manager Jordan Ayers, Deputy City Attorney John Fukasawa, and Human Resources Manager Adele Post left the Chambers and returned at the conclusion of the item.

City Manager Schwabauer provided a presentation regarding the one-time non-PERSable payment to partially off-set increased medical premiums for employees who are currently enrolled in the City's medical plans. Specific topics of discussion included rapidly increasing health care costs; the various levels of coverage and their increases this year - i.e. employee \$712, employee plus one \$1,420, and family \$1,852; recommendation to provide a partial payment to address the increase of roughly 20 percent, with the employee covering 80 percent of the increase; reimbursement amounts of \$150 for employee, \$300 for employee plus one, and \$400 for family; and cost to the City of \$92,000, which is \$50,850 from the general fund and the remainder from the utility accounts.

Council Member Mounce clarified for the public that the City capped its insurance premium so that future growth is borne by the employees; however, employee groups requested an increase during negotiations to cover the health care costs, but the City was not in the position to do so. Council believes it is necessary to take care of the employees with its small amount of undesignated funds because they worked with the City over the years to balance the budget, for which Council is grateful.

Council Member Johnson stated that the cost is not significant, many private companies do not offer health insurance for their employees, and the health care costs will continue to rise dramatically into the future. He believed, however, there was a finite number of times the City could contribute in this regard, pointing out that only 10 percent of employees moved to a less expensive plan when the premiums increased. He stated he would not support the request.

Council Member Mounce agreed that many private employers do not provide health care or a living wage and, as a result, those individuals receive free health care through the Affordable Care Act, for which Lodi employees are ineligible. She pointed out that many individuals choose a plan based on their family's health needs and what is offered, which may account for some not

moving to a less expensive plan. Council Member Mounce stated that the League of California Cities is developing its own market place health care that would give cities an opportunity to divorce from Cal-PERS and offer a more affordable health care plan.

Council Member Nakanishi stated that health care is important to everyone and the cost is steadily increasing due to passage of the Affordable Care Act. Those who do not have insurance are subsidized by those that do. Over the last recession, employees took pay cuts that saved the City \$7 million, and the City is taking care of its employees by utilizing a small amount of reserves toward the increased health care cost to thank them for their contribution.

Council Member Mounce made a motion, second by Council Member Nakanishi, to adopt the following resolutions approving side-letter agreements amending the Memorandums of Understanding or Statement of Benefits between the City of Lodi and a) its various bargaining groups and Confidential employees (Resolution No. 2016-72) and b) Executive Management (Resolution No. 2016-73) regarding a one-time, non-PERSable payment to partially off-set increased medical premiums for employees who are currently enrolled in one of the City's medical plans and appropriating funds in the amount of \$50,850.

VOTE:

The above motion carried by the following vote:

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

Noes: Council Member Johnson

Absent: None

I-4 Adopt Resolution Amending Statement of Benefits Between the City of Lodi and Council Appointees Regarding a One-Time, Non-PERSable Payment to Partially Off-Set Increased Medical Premiums for Employees Who Are Currently Enrolled in One of the City's Medical Plans (CM)

NOTE: Due to a conflict as a Council Appointee, City Manager Schwabauer left the Chambers and returned at the conclusion of the item. Further, Deputy City Manager Jordan Ayers pointed out that, although City Clerk Ferraiolo is a Council Appointee, she does not have a conflict as she does not take the City's insurance and is, therefore, ineligible to receive the benefit.

Human Resources Manager Adele Post informed Council that the facts on this item are identical to those from Item I-2.

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, to adopt Resolution No. 2016-74 amending Statement of Benefits between the City of Lodi and Council Appointees regarding a one-time, non-PERSable payment to partially off-set increased medical premiums for employees who are currently enrolled in one of the City's medical plans.

VOTE:

The above motion carried by the following vote:

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

Noes: Council Member Johnson

Absent: None

I-5 Adopt Resolution to Grant Designated Period for Two Years Additional Service Credit in Accordance with Government Code Section 20903 (CM)

Human Resources Manager Adele Post provided a presentation regarding the two-year additional service credit. Specific topics of discussion included notification of the buy-out for the Recreation Superintendent at the previous meeting; buy-out is an optional benefit under the Code; estimated employer cost is roughly \$52,000 amortized over five years at roughly \$10,000 each year; estimated cost savings due to the two-year vacancy is \$212,000; recommendation; and time period of no less than 80 days and no more than 180 days from date of resolution to retire, which

is September 1, 2016.

Council Member Mounce expressed support for Recreation Superintendent Mike Reese, stating that the City is losing a great talent, a wealth of historical knowledge, and a hard-working employee, but she would support the request because he wishes to start his retirement.

Mayor Pro Tempore Kuehne made a motion, second by Council Member Mounce, to adopt Resolution No. 2016-75 to grant designated period for two years additional service credit in accordance with Government Code Section 20903.

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

J. Ordinances - None

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:27 p.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk