

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, MAY 18, 2010**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, May 18, 2010, commencing at 7:03 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 and Review the Draft Fiscal Year 2010/11 Financial Plan and Budget (CM)

Interim City Manager Rad Bartlam and Deputy City Manager Jordan Ayers provided a brief introduction to the Fiscal Year 2010/11 budget department presentations.

Parks and Recreation / Community Center

Interim Parks and Recreation Director/Community Center Director Jim Rodems provided a presentation regarding the Parks and Recreation and Community Center budgets. Specific topics of discussion included an overview of the current and upcoming year departmental budget, changes in the budget, General Fund ratio, funded and unfunded positions, service adjustments, accomplishments, and emphasis for next fiscal year.

In response to Council Member Hansen, Mr. Rodems stated the department is cutting back on frequency and a service that was provided three days a week may now only be provided two days a week.

In response to Council Member Hansen, Mr. Rodems stated staff is continuing to empty trash in the parks regularly and the cut backs may be on how often staff cuts and edges the lawn.

In response to Council Member Johnson, Mr. Rodems stated the City was partnering with the Lodi Unified School District for breakfasts provided at Lodi school sites.

In response to Council Member Hansen, Mr. Rodems stated the proposed roadway and curb project at Lodi Lake is consistent with boat house improvements that were recently completed. Mr. Rodems stated staff is looking to review the improvements that are needed at Lodi Lake, the costs associated with such improvements, and possible funding mechanisms for the same.

In response to Mayor Pro Tempore Hitchcock, Mr. Rodems confirmed that, while staff may be looking at warehouses and other facilities for recreational use in the future, they are only doing so preliminarily to review options associated with additional space and control of usage.

In response to Council Member Hansen, Mr. Rodems stated the Parks and Recreation and Community Center divisions have gone as far as possible with respect to providing joint advertising and registration.

In response to Mayor Pro Tempore Hitchcock, Mr. Rodems confirmed some costs for the

Community Center such as the pool have been shifted over to recreation. Mr. Rodems stated he expects that the revenues for the divisions will be in line with the reduced expenditures, although the Community Center is operating at base minimum without cutting programs at this time.

Community Development

Interim City Manager Bartlam provided a presentation regarding the Community Development budget. Specific topics of discussion included an overview of the current and upcoming year departmental budget, fund balance history, changes in the budget, General Fund ratio, funded and unfunded positions, service adjustments, accomplishments, and emphasis for next fiscal year. Mr. Bartlam also discussed the Community Development Block Grant fund.

In response to Council Member Johnson, Mr. Bartlam stated Community Development previously did a wholesale revision of the departmental fee schedule and staff reductions.

In response to Mayor Pro Tempore Hitchcock, Mr. Bartlam stated he is intending to do both the Interim City Manager and Interim Community Development Director positions currently and will come back to Council if that arrangement is not working.

In response to Council Member Hansen, Mr. Bartlam stated currently six houses are in plan check, four are grant or non-profit homes, two are at market, and all six houses will receive permits this fiscal year.

In response to Mayor Pro Tempore Hitchcock, Mr. Bartlam stated some of the numbers from Costco and Home Depot have been plugged into the revenues but there is some difficulty in predicting when those businesses will come on line.

In response to Council Member Hansen, Mr. Bartlam stated there are 13 positions total in the department, of which three are unfunded and will not be filled.

In response to Council Member Johnson, Mr. Bartlam stated the Fire plan process is going well, the development community appreciates dealing with the same faces throughout the process, and increased training for field officers will improve as the City moves forward.

In response to Council Member Johnson, Mr. Bartlam stated the code update classes are beneficial for the Building Industry Association (BIA) based on the importance of the issue. He stated last year's issue was window retrofitting and the current year issue is Americans with Disabilities Act improvements for smaller businesses.

In response to Council Member Johnson, Mr. Bartlam confirmed that the BIA classes were last on the priority list for the department given the limited resources.

In response to Mayor Pro Tempore Hitchcock, Mr. Bartlam stated the Development Code is an important task to initiate and complete as it now has to be brought in line with the newly adopted General Plan.

Library

Library Services Director Nancy Martinez provided a presentation regarding the Library budget. Specific topics of discussion included an overview of the current and upcoming year departmental budget, fund balance history, changes in the budget, General Fund ratio, funded and unfunded positions, service adjustments, accomplishments, and emphasis for next fiscal year.

In response to Council Member Hansen, Ms. Martinez stated the heating, ventilation, and air conditioning (HVAC) system is fully installed and functioning but not yet fully working as there is an issue with air flow.

In response to Council Member Johnson, Mr. Bartlam and Public Works Director Wally Sandelin stated they will provide the City Council with a status report on the HVAC system as requested.

In response to Mayor Pro Tempore Hitchcock, Ms. Martinez stated she is not familiar with the specific air quality requirements for the HVAC system, only that there is a concern with the air flow.

In response to Council Member Johnson, Ms. Martinez stated the Library is closed on Fridays, Thursday evenings, and an hour on Saturdays. Ms. Martinez stated it will take some time for the public to become accustomed to the new schedule.

In response to Council Member Hansen, Ms. Martinez stated the Library is closed every Friday because that is the slowest day based on calculations for circulation.

In response to Council Member Hansen, Ms. Martinez stated the newer generation embraces technology and downloads electronic materials, staff is looking at electronic options for selections although it is a financially difficult time to expand those selections, and the Library will always be needed for information or as a meeting place.

In response to Council Member Johnson, Ms. Martinez stated computer usage has grown and staff is assisting more patrons with workforce development.

Mayor Pro Tempore Hitchcock requested a list of book circulations and checkout information for the past few years.

In response to Council Member Hansen, Ms. Martinez stated Phase Two is the adult area of the Library and is projected to cost approximately \$600,000 to \$800,000.

In response to Council Member Johnson, Ms. Martinez stated the Library Foundation has approximately \$500,000 in reserves at this time.

Electric Utility

Interim Electric Utility Director Ken Weisel provided a presentation regarding the Electric Utility budget. Specific topics of discussion included an overview of the current and upcoming year departmental budget, fund balance history, changes in the budget, General Fund ratio, funded and unfunded positions, service adjustments, accomplishments, and emphasis for next fiscal year.

In response to Mayor Pro Tempore Hitchcock, Mr. Weisel and Mr. Bartlam stated the deficit amount will be made up in enhanced reserves and the Lodi Energy Center (LEC) reimbursement will be converted to cash as well.

In response to Council Member Hansen, Mr. Weisel stated the distribution system needs to be upgraded.

In response to Council Member Johnson, Mr. Ayers stated staff is reviewing the process of obtaining a stand-alone rating from Moodys, although they cannot drop Fitch.

In response to Council Member Johnson, Mr. Weisel stated the fuel acquisition for LEC means

purchasing gas, under the current agreements the Northern California Power Agency (NCPA) is not responsible for buying forward gas, and that may change with a later agreement with NCPA.

In response to Council Member Hansen, Mr. Weisel stated NCPA probably will coordinate the gas purchase in the future, although some members do not want to have NCPA purchase the gas because the State program may be more cost effective with lower overhead.

In response to Mayor Katzakian, Mr. Weisel stated the rate for power in the future could be different if the gas price is different.

In response to Mayor Pro Tempore Hitchcock, Mr. Weisel stated the lineman dedicated to the substation passed away, Council approved a superintendent position for substations, and the lineman position will remain open.

In response to Mayor Pro Tempore Hitchcock, Mr. Weisel stated compliance will be an ongoing challenge for many years to come and that challenge can be addressed with in-house or contractor positions.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:59 a.m.

ATTEST:

Randi Johl
City Clerk