

**LODI CITY COUNCIL  
REGULAR CITY COUNCIL MEETING  
CARNEGIE FORUM, 305 WEST PINE STREET  
WEDNESDAY, JUNE 1, 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 June 1, 2016, was called to order by Mayor Pro Tempore Kuehne at 7:00 p.m.

Present: Council Member Johnson, Council Member Mounce, Council Member Nakanishi, and Mayor Pro Tempore Kuehne  
Absent: Mayor Chandler  
Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

B. Presentations

B-1 Proclamation for 2016 National Dump the Pump Day (PW)

Mayor Pro Tempore Kuehne presented a proclamation to Transportation Planner Julia Tyack and MV General Manager Jeff Kohlhepp proclaiming June 16, 2016, as "2016 National Dump the Pump Day" in Lodi. Ms. Tyack announced that GrapeLine will offer free rides on June 16. Mr. Kohlhepp announced that MV Transportation donated ten fixed-route passes, good for ten rides each, as raffle prizes. Anyone interested in participating can submit their name and phone number at the Bus Depot/Train Station, Lodi Public Library, City Hall, Lodi Finance Department, or at the Parks and Recreation office. The June 16 free-ride day takes place during the Farmers' Market, and buses will run until 8:30 p.m. For further information, those interested were encouraged to visit the website at [www.lodi.gov/transit](http://www.lodi.gov/transit).

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

Council Member Mounce thanked Public Works Director Charlie Swimley for including photographs of the Public Works projects on the Consent Calendar, stating it was helpful to have a visual of what Council is approving. Mayor Pro Tempore Kuehne echoed the appreciation.

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, and Mayor Pro Tempore Kuehne

Noes: None

Absent: Mayor Chandler

C-1 Receive Register of Claims in the Amount of \$2,809,652.10 (FIN)

Claims were approved in the amount of \$2,809,652.10.

C-2 Approve Minutes (CLK)

The minutes of May 10, 2016 (Shirtsleeve Session), May 17, 2016 (Shirtsleeve Session), and May 18, 2016 (Regular Meeting) were approved as written.

C-3 Report of Sale of Surplus Equipment (PW)

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

Council Member Johnson expressed concern that some of the surplus vehicles were sold with very low mileage and requested a Council discussion regarding the vehicle maintenance policy. He understood that some vehicles may lose their effectiveness, but with such low mileage, perhaps another department could utilize the vehicle at a lower level of demand. He stated that some years ago he learned City staff was changing the oil in vehicles every 3,000 miles versus the recommended 7,000 miles. Council Member Johnson believed that Lodi was behind the curve on vehicle maintenance and replacement. He requested that, when this item comes before Council, staff include how other communities, as well as private enterprise, handle their vehicle replacements.

In response to Mayor Pro Tempore Kuehne, Public Works Director Charlie Swimley confirmed that the price listed in the report is the auction price and explained that the City currently has a vehicle replacement policy that has been in place for quite some time that includes guidelines on when vehicles are to be replaced, which is generally over 100,000 miles and ten years. The Fleet Superintendent tracks the costs of repair and maintenance and evaluates if it is more expensive to keep a City vehicle before recommending it for disposition and sale through an auctioneer.

Council Member Johnson requested that staff do more than a simple presentation and that Council be given the opportunity to study the policy to determine its effectiveness. He pointed out that Council previously received reports on each vehicle being replaced with the maintenance history. Council Member Johnson stated that, if a vehicle is operating properly and requires only general maintenance, it should be maintained for a longer period. It may be unsuitable for a certain purpose, but another department could receive a few more years of life from a vehicle, rather than selling it at auction for a small amount.

Mayor Pro Tempore Kuehne concurred with the suggestion to review the current policy.

Council Member Mounce agreed, adding that the policy should match the City's code of ethics and values by ensuring the Council is fiscally responsible and progressive with its policies and recommendations.

Council Member Johnson made a motion, second by Council Member Nakanishi, to approve the report of sale of surplus equipment.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Chandler

C-4 Approve Specifications and Authorize Advertisement for Bids for 2016-2018 Tree Maintenance Project (PW)

Approved the specifications and authorized advertisement for bids for the 2016-2018 Tree Maintenance Project.

C-5 Approve Specifications and Authorize Advertisement for Bids for 2016 Cherokee Lane Accessibility Improvement Project (PW)

Approved the specifications and authorized advertisement for bids for the 2016 Cherokee Lane Accessibility Improvement Project.

C-6 Adopt Resolution Awarding Bid for Purchase of One Oil Handling Trailer, Model No. I0S2OX-2, from Intertech Filtration System, of Bixby, Oklahoma (\$70,802.64) (EU)

Adopted Resolution No. 2016-81 awarding bid for purchase of one oil handling trailer, Model No. I0S2OX-2, from Intertech Filtration System, of Bixby, Oklahoma, in the amount of \$70,802.64.

C-7 Adopt Resolution Awarding Contract for Alley Improvement Project - Phase 5 to A. M. Stephens Construction Company, Inc., of Lodi (\$129,787) (PW)

Adopted Resolution No. 2016-82 awarding contract for Alley Improvement Project - Phase 5 to A. M. Stephens Construction Company, Inc., of Lodi, in the amount of \$129,787.

C-8 Accept Improvements Under Contract for Animal Shelter Interior Improvements (PW)

Accepted the improvements under contract for Animal Shelter Interior Improvements.

C-9 Accept Improvements Under Contract for 2016 Pavement Crack Sealing (PW)

Accepted improvements under contract for 2016 Pavement Crack Sealing.

C-10 Accept Improvements Under Contract for Shady Acres Pump Station Trash Handling Project (PW)

Accepted improvements under contract for Shady Acres Pump Station Trash Handling Project.

C-11 Adopt Resolution Authorizing City Manager to Execute Amendment No. 1 to Professional Services Agreement with Garland/DBS, Inc., of Cleveland, Ohio, for Hutchins Street Square Roof Repair Project Phase 2 (\$1,738) (PW)

Adopted Resolution No. 2016-83 authorizing the City Manager to execute Amendment No. 1 to Professional Services Agreement with Garland/DBS, Inc., of Cleveland, Ohio, for Hutchins Street Square Roof Repair Project Phase 2 in the amount of \$1,738.

C-12 Adopt Resolution Authorizing City Manager to Execute Amendment No. 4 to Professional Services Agreement with Stantec Consulting Services, Inc., of Rancho Cordova, for Groundwater Sampling, Reporting, and On-Call Out-of-Scope Services and Appropriating Funds (\$20,495) (PW)

Adopted Resolution No. 2016-84 authorizing the City Manager to execute Amendment No. 4 to Professional Services Agreement with Stantec Consulting Services, Inc., of Rancho Cordova, for groundwater sampling, reporting, and on-call out-of-scope services and appropriating funds in the amount of \$20,495.

C-13 Adopt Resolution Awarding Three-Year Professional Services Agreement for Electronic Content Management System, Software Support, and Implementation Services Using Laserfiche Software to Complete Paperless Solutions, of Anaheim (\$30,114 / Annual Maintenance of \$4,560), Authorizing the City Clerk to Execute Two One-Year Extensions, and Appropriating Funds (\$30,114) (CLK)

Adopted Resolution No. 2016-85 awarding a three-year Professional Services Agreement for electronic content management system, software support, and implementation services using Laserfiche Software to Complete Paperless Solutions, of Anaheim, in the amount of \$30,114 for

implementation and with annual maintenance cost of \$4,560; authorizing the City Clerk to execute two one-year extensions; and appropriating funds in the amount of \$30,114.

- C-14 Adopt Resolution Approving Activity Guide Printing Agreement with Casey Printing, Inc., of King City, for Fiscal Year 2016/17 (\$21,700.89) and Authorizing Staff to Execute Two One-Year Extensions (PRCS)

Adopted Resolution No. 2016-86 approving Activity Guide Printing Agreement with Casey Printing, Inc., of King City, for Fiscal Year 2016/17 in the amount of \$21,700.89 and authorizing staff to execute two one-year extensions.

- C-15 Adopt Resolution Authorizing City Manager to Accept Grant Administered by the Department of Alcoholic Beverage Control (\$42,186) (PD)

Adopted Resolution No. 2016-87 authorizing the City Manager to accept grant administered by the Department of Alcoholic Beverage Control in the amount of \$42,186.

- C-16 Adopt Resolution Approving Encroachment Permit Application from Just Dawgs, LLC, to Operate Hot Dog Cart in the Post Office Plaza Located at the Southeast Corner of School Street and Oak Street (PW)

Adopted Resolution No. 2016-88 approving the encroachment permit application from Just Dawgs, LLC, to operate a hot dog cart in the Post Office Plaza located at the southeast corner of School Street and Oak Street.

- C-17 Adopt Resolution Amending Traffic Resolution No. 97-148 by Approving a Multi-Way Stop Control at Pleasant Avenue and Walnut Street and No-Parking Zones on Lodi Avenue Between Lower Sacramento Road and the Westerly City Limits (PW)

Adopted Resolution No. 2016-89 amending Traffic Resolution No. 97-148 by approving a multi-way stop control at Pleasant Avenue and Walnut Street and no-parking zones on Lodi Avenue between Lower Sacramento Road and the westerly city limits.

- C-18 Set Public Hearing for June 15, 2016, to Consider Adopting Resolution Approving Amendment No. 3 of the 2015/16 Community Development Block Grant Annual Action Plan (CD)

Set public hearing for June 15, 2016, to consider adopting resolution approving Amendment No. 3 of the 2015/16 Community Development Block Grant Annual Action Plan.

- C-19 Set Public Hearing for June 15, 2016 to Consider 1) Introducing Ordinance Repealing and Re-Enacting Lodi Municipal Code Chapter 17.34 - Signs - in Its Entirety; 2) Introducing Ordinance Repealing Lodi Municipal Code Chapter 9.19 - Political Sign Regulations - in Its Entirety; and 3) Introducing Ordinance Repealing and Re-Enacting Lodi Municipal Code Section 10.44.040, "Parking for Certain Purposes Prohibited - Display of 'For Sale' Signs on Vehicles, Vessels or Trailers - Restrictions," in Its Entirety (CA)

Set public hearing for June 15, 2016 to consider: 1) introducing ordinance repealing and re-enacting Lodi Municipal Code Chapter 17.34 - Signs - in its entirety; 2) introducing ordinance repealing Lodi Municipal Code Chapter 9.19 - Political Sign Regulations - in its entirety; and 3) introducing ordinance repealing and re-enacting Lodi Municipal Code Section 10.44.040, "Parking for Certain Purposes Prohibited - Display of 'For Sale' Signs on Vehicles, Vessels or Trailers - Restrictions," in its entirety.

- 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 Mounce complimented Ebenezer Congregational Church on its recent "Take Back the City" event at the K-Mart parking lot, including its food give-away, which served over 250 people. She appreciated the opportunity to be a part of the event and looks forward to continued future events.

Mayor Pro Tempore Kuehne announced that a Peace Walk, which is an interdenominational city-wide event to stand up against violence, will take place on June 5, leaving from the Veterans Plaza and ending at Blakely Park.

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

City Manager Schwabauer confirmed that three Council Members provided direction to bring back the vehicle replacement policy for review and stated he will include examples and recommendations for changes.

Council Member Johnson added that he would like to see what the private sector does as well, suggesting Clark Pest Control be used as an example.

G. Public Hearings

G-1 Continue Public Hearing to June 15, 2016, to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Wastewater Rates for Residential, Commercial, and Industrial Customers (PW)

Council Member Mounce made a motion, second by Council Member Johnson, to continue the public hearing to June 15, 2016, to consider adopting resolution setting pre-approved Engineering News Record adjustment index for wastewater rates for residential, commercial, and industrial customers.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Chandler

G-2 Public Hearing to Consider Adopting Resolution Adopting 2015 Urban Water Management Plan Update (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Pro Tempore Kuehne called for the public hearing to consider adopting resolution adopting the 2015 Urban Water Management Plan Update.

Leslie Dumas, consultant with RMC Water Environment, provided a PowerPoint presentation regarding the 2015 Urban Water Management Plan Update. Specific topics of discussion included what the Plan is; primary components; population, demand, and supply analysis; gallons per capita per day calculations and SB X7-7 compliance; per capita water use trends; demand management measures; 2015 schedule; and summary.

Council Member Johnson suggested greater clarification on the slide demonstrating the demand

versus supply because the public may not notice the footnote that indicates Lodi had more water available in 2015 but the supply was affected by the state-mandated conservation requirements. Ms. Dumas stated that the published documents went into greater detail and this slide was a condensed version of six to eight tables.

In response to Council Member Nakanishi, Ms. Dumas explained there are two ways to report the per capita water use - residential water only or all water use - and the method depends on which agency is receiving the information. The reason she mentions both methods is because there has been some confusion, and this was a proactive attempt to clarify the matter from the outset. For purposes of this report, the calculation is based on all water use. In further response, Ms. Dumas estimated the first required water plan was in 1995 and that SB X7-7 was passed in 2009 and rolled into the 2010 urban water plans. In response to Council Member Nakanishi, City Manager Schwabauer stated the City is in compliance with the regulations and the report confirms it. Ms. Dumas stated that the cost to prepare the plan is roughly \$70,000 every five years, but the cost does increase incrementally due to added state mandates.

In response to Council Member Nakanishi, Ms. Dumas stated that, because the calculation is based on gallons per capita per day, those communities with high industrial users, such as power plants that utilize water for cooling purposes, may have more difficulties, as would communities with large-sized lots, for which conservation programs such as drip irrigation and drought resistant plants would be useful and use of recycled water for irrigating parks and medians.

Mayor Pro Tempore Kuehne opened the public hearing for public comment.

There being no public comments, Mayor Pro Tempore Kuehne closed the public hearing.

Council Member Johnson made a motion, second by Council Member Nakanishi, to adopt Resolution No. 2016-90 adopting 2015 Urban Water Management Plan Update.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Chandler

H. Communications - None

I. Regular Calendar

I-1 Adopt Resolution Approving the City of Lodi Financial Plan and Budget for the Fiscal Year Beginning July 1, 2016 and Ending June 30, 2017 and Approving the Fiscal Year 2016/17 Appropriation Spending Limit (CM)

Deputy City Manager Jordan Ayers provided a PowerPoint presentation regarding the Fiscal Year 2016/17 budget. Specific topics of discussion included overview, all funds, total revenue, total appropriation, increase in reserves, General Fund, labor, position changes, California Public Employee Retirement System (Cal-PERS) projections, major capital projects, and action requested.

In response to Council Member Johnson, Mr. Ayers stated that the lowest number of funded positions during the recession was 381 employees with the highest number at roughly 460.

Council Member Mounce stated that a portion of the public believes that the addition of new homes and businesses increases sales and property tax and does not understand why the City is considering a sales tax ballot measure. She requested a Shirtsleeve Session to discuss the Cal-PERS obligation, as well as the new growth coming on-line of homes and businesses, the associated projection of sales and property tax, and how much of that will be set aside for Cal-PERS. City Manager Schwabauer provided the example of Rosegate Subdivision that will bring in

230 homes, which will generate \$400 per home in property tax for Lodi's share. Over the next five years, that will equate to \$200,000, but not until all of the homes are built. Staff will prepare a Shirtsleeve presentation with information on the potential property tax for new homes and sales tax projections for Walmart and other new business. He estimated the figure would be less than \$2 million, adding that the Environmental Impact Report projected no sales tax growth from the new Walmart.

Council Member Mounce expressed her appreciation to the City Manager and City Clerk for their time and patience in providing information on the budget and for providing her with the audio recordings of the meetings.

Council Member Nakanishi thanked staff for the budget presentation, stating it is much more efficient than the budget process 15 years ago. He stated that revenues from this budget year are anticipated to be \$203 million and questioned what it was during the recession. Mr. Ayers responded that budget year 2009/10 revenue was \$171 million, which was after the impact of employee concessions and the 2008 recession.

Council Member Mounce made a motion, second by Council Member Nakanishi, to adopt Resolution No. 2016-91 approving the City of Lodi Financial Plan and Budget for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017 and approving the Fiscal Year 2016/17 Appropriation Spending Limit.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Chandler

J. Ordinances

J-1 Ordinance No. 1920 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 17.40 - Permit Approval or Disapproval - by Repealing and Re-Enacting Section 17.40.020 (B) Applicability Table 4-2 for Site Plan and Architectural Approval " (CLK)

Council Member Mounce made a motion, second by Mayor Pro Tempore Kuehne, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1920 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 17.40 - Permit Approval or Disapproval - by Repealing and Re-Enacting Section 17.40.020 (B) Applicability Table 4-2 for Site Plan and Architectural Approval."

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Chandler

J-2 Ordinance No. 1921 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 1.08 - General Penalty - by Repealing and Re-Enacting Section 1.08.010 (A), 'General Penalty'" (CLK)

Council Member Johnson made a motion, second by Council Member Mounce, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1921 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 1.08 - General Penalty - by Repealing and Re-Enacting Section 1.08.010 (A), 'General Penalty.'"

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Mayor Chandler

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 7:58 p.m.

ATTEST:

Jennifer M. Ferraiolo  
City Clerk