

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 12, 2011**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, July 12, 2011, commencing at 7:00 a.m.

Present: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, Mayor Pro Tempore Mounce, and Mayor Johnson

Absent: None

Also Present: City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Development Impact Mitigation Fee Program Update (PW)

City Manager Bartlam provided a brief introduction to the subject matter of the impact mitigation fee update.

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding the impact mitigation fee update. Specific topics of discussion included terms and abbreviations, growth forecast, growth forecast for non-residential, project progress and time line, water demand, water fee assumptions, water fee concept, water impact fee, meter size comparisons for water and wastewater, wastewater generation, wastewater fee assumptions, wastewater fee concept, wastewater impact fee, storm drainage fee concept, police impact fee, police fee assumptions, fire impact fee, and fire fee assumptions.

In response to Council Member Hansen, Mr. Sandelin stated the program is not showing high density because the building industry does not feel there will be a market for high density in Lodi over the next 20 years.

In response to Council Member Hansen, Mr. Sandelin stated the impact fee program does not take into account and is not related to specific types of high-density units, including rental units.

In response to Council Member Nakanishi, Mr. Sandelin stated low-income housing is considered in the housing element of the General Plan and not separately under the impact fee program. Mr. Bartlam provided a brief overview of affordable housing, senior housing, the Eden project, and how the housing is calculated.

In response to Mayor Johnson, Mr. Sandelin stated the 10% difference with conservation and metering for water demand is due to getting the water from the wells and the differential is fairly moderate in comparison to other similar models.

In response to Council Member Hansen, Mr. Sandelin stated the cost for the transmission line was approximately \$8 million.

In response to Mayor Pro Tempore Mounce, Mr. Sandelin stated the map represents the area where the water connection fee could apply eventually, although it is not necessarily so currently. He stated the City Council under its discretion could consider specific connection requests.

In response to Mayor Johnson, Mr. Sandelin stated the calculations are based on the overall

capacity of the surface water treatment plant to serve development.

In response to Mayor Pro Tempore Mounce, Mr. Sandelin stated the City Council has not decided how the financing for the new treatment plant will be assessed to new development and the impact fee program partly addresses that financing.

John Beckman, representing the Building Industry Association (BIA), spoke in regard to the letter submitted by the BIA for the meeting and stated that the aquifer concept for total depletion has yet to be incorporated in the water surface treatment plant discussion. Discussion ensued among Mr. Beckman, Mr. Sandelin, Mr. Bartlam, and Mayor Johnson regarding the analysis required for total depletion calculations, the methodology to be used, and the sufficiency of the existing safe yield formula. In response to Council Member Hansen, Mr. Beckman stated new development should pay its fair share, the BIA does dispute the 2/3 to 1/3 formula, and the City could demonstrate adequate water supply without the surface water treatment plant being built as the groundwater is not sufficiently drawn. A brief discussion ensued between Mr. Beckman and Council Member Nakanishi regarding the reasoning for the construction of the new treatment plant and its relation to new development.

In response to Council Member Hansen, Mr. Sandelin stated the 8.5 mgd for wastewater would take the City well beyond 2035 and into the next General Plan.

In response to Mayor Johnson, Mr. Sandelin stated some of the hard costs associated with new regulations are set and accounted for in the program while others will come back to Council for consideration in the future.

In response to Mayor Pro Tempore Mounce, Mr. Sandelin stated the existing trunk line as shown on the map was only partially lined.

In response to Council Member Hansen, Mr. Sandelin stated that, if the fees in the program go down at some point in the future, staff will need to return to Council for consideration.

In response to Council Member Nakanishi, Mr. Bartlam stated regardless of what the existing fee is the proposed methodology is the appropriate apportioned fee to ensure new development is paying for its share.

In response to Council Member Katzakian, Mr. Bartlam stated a larger meter and pipe will be needed for a structure that serves multiple units.

In response to Myrna Wetzel, Mr. Sandelin stated the standard size pipe for residential is a 3/4 inch.

In response to Council Member Nakanishi, Mr. Sandelin stated other communities are using the same methodology proposed for police and fire impact fees.

In response to Mayor Pro Tempore Mounce, Mr. Bartlam stated that, while the original Fire Station No. 5 is planned for Reynolds Ranch and incorporated in the development agreement, the development agreement may be amended in the future if there is a need for the station elsewhere depending upon development.

In response to Mayor Johnson, Mr. Sandelin stated staff will be bringing back to Council comparisons from five to seven other cities that show the police and fire impact fees and the methodology for the same.

In response to Mayor Johnson and Mayor Pro Tempore Mounce, Mr. Bartlam stated what police

and fire facilities will be necessary in the future is a separate question from how to pay for them and the old method of delivering services may need to be reconsidered in the future.

John Beckman spoke in regard to considering calls for service and traffic calculations when analyzing police and fire impact fees.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:07 a.m.

ATTEST:

Randi Johl
City Clerk