

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, JULY 15, 2015**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of July 15, 2015, was called to order by Mayor Johnson at 6:30 p.m.

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

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Council Member Mounce participated via teleconference.

C-2 Announcement of Closed Session

- a) Conference with Adele Post, Human Resources Manager, and Jordan Ayers, Deputy City Manager (Labor Negotiators), Regarding Lodi Police Officers Association and Lodi Professional Firefighters Pursuant to Government Code §54957.6 (CM)
- b) Actual Litigation: Government Code §54956.9(a); One Case; People of the State of California and the City of Lodi, California v. M & P Investments, et al.; United States District Court, Eastern District of California; Case No. CIV-S-00-2441 FCD JFM (CA)
- c) Conference with Legal Counsel - Anticipated Litigation - Significant Exposure to Litigation Pursuant to Government Code §§54956.9(d)(2) and 54956.9(e)(1); One Case; Shall Not Be Disclosed, Due to Facts and Circumstances Not Yet Known to Potential Plaintiffs (CA)

C-3 Adjourn to Closed Session

At 6:30 p.m., Mayor Johnson adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 7:05 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:10 p.m., Mayor Johnson reconvened the City Council meeting, and City Attorney Magdich disclosed the following actions.

Item C-2 (a) was discussion only with no reportable action.

Item C-2 (b) was discussion and direction with no reportable action.

Item C-2 (c) was not discussed and continued at the request of staff.

A. Call to Order / Roll Call

The Regular City Council meeting of July 15, 2015, was called to order by Mayor Johnson at 7:10 p.m.

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

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Council Member Mounce participated via teleconference.

B. Presentations

B-1 Presentation of Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting (CM)

Mayor Johnson presented the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting to Deputy City Manager Jordan Ayers. Mr. Ayers expressed appreciation for Financial Services Manager Ruby Paiste for her hard work and effort in preparing the Comprehensive Annual Financial Report each year, adding this is the 22nd consecutive year that Lodi has received this award.

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

Council Member Kuehne made a motion, second by Council Member Nakanishi, 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 Kuehne, Council Member Mounce, Council Member Nakanishi, Mayor Pro Tempore Chandler, and Mayor Johnson

Noes: None

Absent: None

C-1 Receive Register of Claims in the Amount of \$4,036,663.15 (FIN)

This item was removed from the Consent Calendar by Mayor Pro Tempore Chandler for discussion purposes.

In response to Mayor Pro Tempore Chandler, City Manager Schwabauer explained that the expenses listed for veterinary services is likely associated with the care and treatment of animals at the Lodi Animal Shelter; however, it could also be veterinary invoices for the care of Police canines.

Mayor Pro Tempore Chandler made a motion, second by Mayor Johnson, to receive Register of Claims in the amount of \$4,036,663.15.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-2 Approve Minutes (CLK)

Approved minutes of June 9, 2015 (Shirtsleeve Session), June 10, 2015 (Special Meeting), June 16, 2015 (Shirtsleeve Session), June 17, 2015 (Regular Meeting), June 23, 2015 (Shirtsleeve Session), June 23, 2015 (Special Meeting), June 30, 2015 (Shirtsleeve Session), and July 1, 2015 (Regular Meeting).

C-3 Approve Plans and Specifications and Authorize Advertisement for Bids for Ham Lane Signal Modification Improvements 2015 - Vine, Tokay, and Lockeford Streets (PW)

Approved plans and specifications and authorized advertisement for bids for the Ham Lane Signal Modification Improvements 2015 - Vine, Tokay, and Lockeford Streets.

C-4 Approve Plans and Specifications and Authorize Advertisement for Bids for Harney Lane Grade Separation Project (PW)

Approved plans and specifications and authorized advertisement for bids for the Harney Lane Grade Separation Project.

C-5 Approve Plans and Specifications and Authorize Advertisement for Bids for Lodi Lake Park - Boat Launch Facility Improvements (PW)

This item was removed from the Consent Calendar by Council Member Nakanishi for discussion purposes.

In response to Council Member Nakanishi, Public Works Director Wally Sandelin stated that the boat ramp is being funded by the State Department of Boating and Waterways in the amount of \$700,000 and the work is scheduled to commence in February while the lake is drained. In addition to the ramp, the project will include parking lot improvements around the ramp facilities.

City Manager Schwabauer commended Parks, Recreation, and Cultural Services Director Jeff Hood for his efforts in securing the grant funding.

Council Member Nakanishi made a motion, second by Mayor Pro Tempore Chandler, to approve the plans and specifications and authorize advertisement for bids for the Lodi Lake Park - Boat Launch Facility Improvements.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-6 Accept Donation of Tree Planting Funds from Tree Lodi (\$7,000) (PRCS)

Accepted a donation of tree planting funds from Tree Lodi, in the amount of \$7,000.

C-7 Adopt Resolution Authorizing Purchase of ProTech Molle Tac Vests from LC Action, of San Jose, and Appropriating Funds (\$20,738) (PD)

Adopted Resolution No. 2015-104 authorizing the purchase of ProTech Molle Tac Vests from LC Action, of San Jose, and appropriating funds in the amount of \$20,738.

C-8 Adopt Resolution Awarding Contract for Shady Acres Pump Station Trash Handling Project to Diede Construction, Inc., of Woodbridge (\$302,670) and Authorizing City Manager to Execute Contract (PW)

Adopted Resolution No. 2015-105 awarding the contract for the Shady Acres Pump Station Trash Handling Project to Diede Construction, Inc., of Woodbridge, in the amount of \$302,670, and authorizing the City Manager to execute the contract.

C-9 Accept Improvements Under Contract for 2015 GrapeLine Bus Stop Accessibility and Shelter Improvements (PW)

Accepted the improvements under the contract for the 2015 GrapeLine Bus Stop Accessibility and Shelter Improvements.

C-10 Accept Improvements Under Contract for the Fire Station No. 3 Building Repairs (PW)

Accepted the improvements under the contract for the Fire Station No. 3 Building Repairs.

C-11 Adopt Resolution Accepting Reynolds Ranch Phase 3A Public Improvements (PW)

Adopted Resolution No. 2015-106 accepting the Reynolds Ranch Phase 3A Public Improvements.

C-12 Adopt Resolution Authorizing Mayor to Execute San Joaquin County Regional Transportation Impact Fee Program Operating Agreement (PW)

Adopted Resolution No. 2015-107 authorizing the Mayor to execute the San Joaquin County Regional Transportation Impact Fee Program Operating Agreement.

C-13 Adopt Resolution Authorizing City Manager to Execute a Two-Year Professional Services Agreement with Atlas Copco USA Holdings, Inc., for Monthly Preventative Maintenance and On-Call Repairs to Compressed Natural Gas Fueling Station and Authorizing Public Works Director to Execute a One-Year Extension (\$75,000) (PW)

Adopted Resolution No. 2015-108 authorizing the City Manager to execute a two-year Professional Services Agreement with Atlas Copco USA Holdings, Inc., for monthly preventative maintenance and on-call repairs to the compressed natural gas fueling station and authorizing the Public Works Director to execute a one-year extension, in the amount of \$75,000.

C-14 Adopt Resolution Approving Renewal of Dental Claims Administration Agreement with Stanislaus Foundation for Medical Care and Further Authorizing the City Manager to Execute Agreement (CM)

Adopted Resolution No. 2015-109 approving the renewal of the Dental Claims Administration Agreement with Stanislaus Foundation for Medical Care and further authorizing the City Manager to execute the agreement.

C-15 Adopt Resolution Authorizing City Manager to Execute Pacific Gas and Electric Company Interconnection Agreement (EU)

Adopted Resolution No. 2015-110 authorizing the City Manager to execute the Pacific Gas and Electric Company Interconnection Agreement.

C-16 Adopt Resolution Authorizing City Manager to Execute Joint Exercise of Power Agreement between City of Lodi, Lathrop-Manteca Fire District, City of Manteca, and City of Stockton Creating the San Joaquin County Regional Fire Dispatch Authority (FD)

This item was removed from the Consent Calendar by Mayor Johnson for discussion purposes.

Mayor Johnson stated he was supportive of the joint powers agreement (JPA), but he had concerns regarding on-going costs, whether the incoming Stockton fire chief will move in the same direction, and how the smaller agencies will fit in with the JPA, assuming they can afford to join. Fire Chief Larry Rooney responded that the action before Council is to approve the establishment of the JPA, adding that all of the listed cities have committed, with the exception of Tracy, which is anticipating joining in January or July of next year, following its internal reorganization. The action before Council does not include dispatching; only the authority to join the JPA. In further response, Chief Rooney stated that the cost for the agreement is included in this budget year at a per-call basis, which is \$45.74 per call. He stated that, if Tracy joins the JPA, the cost would decrease; however, if Tracy opts not to participate in the JPA, the cost would increase, but it would still be less than if Lodi operated its own dispatch service.

City Manager Schwabauer explained that, in order to have a JPA to negotiate a dispatch agreement, the JPA must first be in place. This action is to create the JPA in order to negotiate with Stockton, and the negotiating parties would include those cities listed on the JPA, each of which has one vote. If the JPA is unsuccessful, Lodi would be in the same position it is in today, which is to continue having Stockton dispatch fire responses. He explained that the expectation is

that the price would remain as it is, plus or minus a small amount, depending on how many others join.

In response to Mayor Pro Tempore Chandler, Chief Rooney stated that the budget includes \$245,000 for dispatching, which is less than previous years, and that JPAs typically have a higher success rate when seeking state and federal funding for communication and apparatus costs because the funding would be spread over a greater area.

Council Member Kuehne agreed that the JPA would be beneficial to the City with no net loss to the City if the JPA is unsuccessful.

Mr. Schwabauer clarified there is no cost associated with forming the JPA; only opportunity costs associated with councils, fire chiefs, and staff of the various agencies in evaluating this endeavor. City Attorney Magdich confirmed that she did not use outside counsel on this agreement, and she worked closely with Stockton's fire chief and counsel. Ms. Magdich pointed out that there will be operating agreements and bylaws associated with the JPA that are currently in the process of being drafted.

Mayor Johnson made a motion, second by Mayor Pro Tempore Chandler, to adopt Resolution No. 2015-115 authorizing the City Manager to execute the Joint Exercise of Power Agreement between City of Lodi, Lathrop-Manteca Fire District, City of Manteca, and City of Stockton creating the San Joaquin County Regional Fire Dispatch Authority.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-17 Adopt Resolution Authorizing the City of Lodi to Join the California Statewide Communities Development Authority Open Property Assessed Clean Energy Program (EU)

Adopted Resolution No. 2015-111 authorizing the City of Lodi to join the California Statewide Communities Development Authority Open Property Assessed Clean Energy (PACE) Program.

C-18 Receive Update on Emergency Condition at White Slough Water Pollution Control Facility Digesters No. 1 and No. 2 (PW)

Received the update on the emergency condition at White Slough Water Pollution Control Facility Digesters No. 1 and No. 2.

C-19 Receive Report on Drought Emergency, Compliance Progress with State Drought Regulations, and Water Conservation Outreach and Approve Expansion of Rebate Program (PW)

Received the report on the drought emergency, compliance progress with State drought regulations, and Water Conservation outreach and approved the expansion of the rebate program.

C-20 Adopt Resolution Approving a \$5,000 Increase to the City's Budgeted Fiscal Year 2015/16 Commitment (\$29,290) to the San Joaquin Partnership (CM)

Adopted Resolution No. 2015-112 approving a \$5,000 increase to the City's budgeted Fiscal Year 2015/16 commitment of \$29,290 to the San Joaquin Partnership.

C-21 Adopt Resolution Appropriating Additional Funds for Professional Services to Accommodate the Need for Building Inspector Services (\$160,000) (CD)

Adopted Resolution No. 2015-113 appropriating additional funds in the amount of \$160,000 for professional services to accommodate the need for Building Inspector services.

C-22 Receive Report Regarding Communication Pertaining to Senate Bill 493 (Cannella) Regarding City Council Elections (CLK)

Council Member Mounce expressed appreciation to Mayor Johnson for signing this support letter.

Received the report regarding communication pertaining to Senate Bill 493 (Cannella) regarding City Council elections.

C-23 Adopt Resolution Amending Traffic Resolution No. 97-148 by Approving a 50 Miles-Per-Hour Speed Limit on Lodi Avenue from West City Limits to Rose Gate Drive (PW)

Adopted Resolution No. 2015-114 amending Traffic Resolution No. 97-148 by approving a 50 miles-per-hour speed limit on Lodi Avenue from west City limits to Rose Gate Drive.

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.

Maria Rosado with California Human Development - Worknet announced that the organization was successful in obtaining three significant grants for the following programs: 1) a support services program to assist individuals whose jobs are affected by the drought with utility, transportation, and child care costs; 2) a training program for those in the trucking and welding field; and 3) a program to assist individuals whose jobs are affected by the drought by providing employment on a temporary basis, which she hopes may include employment opportunities through City of Lodi departments. Ms. Rosado stated that Lodi Worknet has served 910 households in Lodi with roughly \$406,120 in assistance.

Jane Lea expressed concern about the three-way intersection on Mills Avenue and Lockeford Street, in front of Millswood School, stating that the stop signs have been damaged by vehicles eight times; but City staff continually replaces the signs in the same, or nearby, location despite the fact that the intersection design is inadequate to handle the size and turning radius of large or commercial vehicles. She further stated she was disappointed in staff's response to her complaint, which was to place the responsibility of the design on Council when staff has the professional expertise and licensing to make the recommendation. She urged the City to rectify the situation at this three-way intersection.

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

Council Member Nakanishi reported that the Groundwater Banking Authority (GBA) recently discussed the Sustainable Groundwater Management Act, which mandates that basins in California be monitored by a regional authority or the State in the absence of an authority, and the GBA is considering the feasibility of serving as the regional authority, likely through a joint powers agreement with the various entities.

Council Member Kuehne reported that he and the Mayor recently attended the League of California Cities Mayors and Council Members Forum, at which he participated in a seven-hour training session on finances that focused on performance standards for budgets, mid-year reviews, and the Comprehensive Annual Financial Report. He additionally participated in a session that addressed social media, how to utilize it, and how to handle emergency responses and press in those situations, which he will discuss further with the City Manager. Council

Member Kuehne commended the League for hosting this educational and informative session.

Council Member Mounce expressed gratitude to Council Member Kuehne for the favorable comments regarding the League of California Cities, stating that, as the League Second Vice President, she will report to the board on his rewarding experience and the value cities are receiving in its education and advocacy opportunities. Council Member Mounce reported that she was participating in the meeting via teleconference due to the fact that she was in Southern California for a League meeting.

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

City Manager Schwabauer thanked the Public Works street crews, Police Department staff, Lodi Salvation Army, and the San Joaquin Sheriff's office for its efforts, hard work, compassion, and professionalism in addressing homeless encampments at several locations in Lodi. He participated in the effort and expressed his shock at the unsanitary conditions the group encountered, including needles and human waste strewn throughout the properties.

G. Public Hearings

G-1 Continued Public Hearing to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Wastewater Rates for Residential, Commercial, and Industrial Customers (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 Johnson called for the continued public hearing to consider adopting resolution setting pre-approved Engineering News Record adjustment index for wastewater rates for residential, commercial, and industrial customers.

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding pre-approved wastewater rates. Specific topics of discussion included background, rate adjustments, wastewater comparative rates, and rate comparisons with other agencies.

In response to Council Member Nakanishi, Mr. Sandelin stated that the primary reason for Lodi's higher wastewater rates, as compared to other communities, is that Lodi makes a monthly contribution into the wastewater infrastructure program, which many cities do not do but will need to consider in the future. Mr. Sandelin added that Lodi will complete its replacement infrastructure program in approximately two years.

In response to Mayor Johnson, Mr. Sandelin stated that wastewater service in the City of Sacramento is provided by Sacramento Regional Sanitation, and the treatment plant by Interstate 5 will undergo a \$100 million upgrade in three years to bring it up to the same standards that Lodi has already achieved, which will increase Sacramento's wastewater rate to roughly \$80 a month.

Mayor Johnson opened the public hearing for public comment. There being no public comments, Mayor Johnson closed the public hearing.

In response to Council Member Nakanishi, Mr. Sandelin stated that, historically, water and wastewater usage is similar as they are both tied to the cost of energy, salaries, and increased State oversight and unfunded mandates. With the drought and the 32 percent reduction in water usage, staff estimates a 10 percent reduction in water revenue, which will likely result in a similar reduction on the wastewater side.

Council Member Kuehne made a motion, second by Mayor Pro Tempore Chandler, to adopt Resolution No. 2015-116 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 Kuehne, Council Member Nakanishi, Mayor Pro Tempore Chandler, and

Mayor Johnson
Noes: Council Member Mounce
Absent: None

G-2 Public Hearing to Consider Resolution Adopting Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2015/16, and Ordering the Levy and Collection of Assessments (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 Johnson called for the public hearing to consider resolution adopting the Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2015/16, and ordering the levy and collection of assessments.

Public Works Director Wally Sandelin provided a PowerPoint presentation on Landscape Maintenance Assessment District No. 2003-1. Specific topics of discussion included Fiscal Year 2015/16 budget and comparison of assessments. Mr. Sandelin pointed out that the formula for calculating the assessment was amended last year in order to provide equal service to all zones in the district and, after collapsing the zones, staff realized there was a reserve; therefore, the assessment amount will remain the same as last year's.

In response to Council Member Kuehne, Mr. Sandelin stated that the zones are scattered throughout the City, explaining that the District was created in 2003; each subdivision that had public landscaping improvements were added to the District, as required, at the time of final map; and there are zones on both the east and west sides of the city. In further response, Mr. Sandelin confirmed that the median on Highway 12 near Guild Avenue and the area on Kettleman Lane, in between Mills Avenue and Lower Sacramento Road, are for future improvements and are not yet assessed. Once the Community Facilities District (CFD) was established in 2007, the City discontinued annexing residential properties into the landscaping district and instead annexed property into the CFD for public services, not landscaping.

In response to Council Member Nakanishi, Mr. Sandelin stated that the reserve amount is approximately \$200,000 and staff believes the assessment can be at this fixed level for several years.

Council Member Kuehne requested future discussion about reducing the assessment in light of the reserve level. Mayor Johnson suggested Council Member Kuehne meet with the City Manager to discuss the matter and bring it back to Council for discussion.

Mayor Johnson opened the public hearing for public comment.

In response to Maria Rosado, Mr. Sandelin stated there is no portion on Cherokee Lane included in the landscaping district. Ms. Rosado questioned how the trees and shrubs are handled and if there is an assessment on residents and business owners, to which Mr. Schwabauer explained that those properties located outside of the landscaping district or CFD do not pay anything for those services over and above the normal taxes and fees they already pay for City services.

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

Mayor Pro Tempore Chandler made a motion, second by Council Member Kuehne, to adopt Resolution No. 2015-117 adopting the Final Engineer's Annual Levy Report for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1, Fiscal Year 2015/16, and ordering the levy and collection of assessments.

VOTE:

The above motion carried by the following vote:

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

Noes: None
Absent: None

H. Communications

H-1 Appointments to the Greater Lodi Area Youth Commission (Student Appointees), Library Board of Trustees, and Lodi Arts Commission; Re-Post for Remaining Vacancy on Lodi Arts Commission; and Post for Vacancy on Recreation Commission (CLK)

Council Member Kuehne made a motion, second by Mayor Pro Tempore Chandler, to make the following appointments and postings:

Appointments:

Greater Lodi Area Youth Commission (Student Appointees)

Christopher Anaforian, term to expire May 31, 2017
Karli Baumbach, term to expire May 31, 2017
Dominic Duran, term to expire May 31, 2017
Hope Lorentzen, term to expire May 31, 2017
Sanjay Shukla, term to expire May 31, 2016
Tasha Shukla, term to expire May 31, 2016

Library Board of Trustees

Caitlin Casey, term to expire June 30, 2018
Frankie Kooger, term to expire June 30, 2018

Lodi Arts Commission

Ben Burgess, term to expire July 1, 2018
Nancy Ahlberg Mellor, term to expire July 1, 2018
Sandi Walker-Tansley, term to expire July 1, 2018

Postings:

Lodi Arts Commission

One Vacancy, term to expire July 1, 2018

Recreation Commission

One Vacancy, term to expire December 31, 2016

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

H-2 Monthly Protocol Account Report (CLK)

Council Member Nakanishi made a motion, second by Council Member Kuehne, to approve the monthly Protocol Account Report through June 30, 2015.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I. Regular Calendar

I-1 Adopt Resolution Approving Memorandum of Understanding between the City of Lodi and the Police Officers Association of Lodi for the Period January 1, 2015 through December 31, 2017 and Appropriating Funds (\$426,611) (CM)

Deputy City Manager Jordan Ayers provided a presentation regarding the Memorandum of Understanding (MOU) with the Police Officers Association of Lodi and outlined the specifics of the agreement: three-year agreement through December 31, 2017; 3 percent cost of living adjustment (COLA) in year one retroactive to January 5, 2015, 2 percent COLA in year two, and 2 percent COLA in year three; Master Officer incentive pay of 3 percent; increase in Explosive Ordinance Detail incentive to 4.5 percent; increase in canine incentive to \$152.25 per pay period; amending motors incentive from 1.2 hours of overtime per week to 4.5 percent; and officers assigned as School Resource Officers to receive holiday bank of 135 hours consistent with all other officers. Total cost of the MOU is \$1.2 million, with a necessary appropriation of \$426,000 for the 2014/15 and 2015/16 budget years. Mr. Ayers stated that funding comes from the reserve amount over the target reserve.

Council Member Mounce made a motion, second by Mayor Pro Tempore Chandler, to adopt Resolution No. 2015-118 approving the Memorandum of Understanding between the City of Lodi and the Police Officers Association of Lodi for the period January 1, 2015 through December 31, 2017 and appropriating funds in the amount of \$426,611.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I-2 Adopt Resolution Approving Memorandum of Understanding between the City of Lodi and the Lodi Professional Firefighters for the Period January 1, 2015 through December 31, 2017 and Appropriating Funds (\$359,319) (CM)

Deputy City Manager Jordan Ayers provided a presentation regarding the Memorandum of Understanding (MOU) with the Lodi Professional Firefighters and outlined the specifics of the agreement: three-year agreement through December 31, 2017; 3 percent cost of living adjustment (COLA) retroactive to January 5, 2015, 2 percent COLA in year two, and 2 percent COLA in year three; provide a bank of holiday hours for non-shift employees rather than following the City's fixed holiday; increase in Specialized Team incentive to 3.0 percent; change in the conversion formula from an hourly basis to a dollar value when converting leave accruals for employees who change from a 40-hour work week to a 56-hour work week; addition of a vacation accrual table for employees on a 40-hour schedule; elimination of past side-letter agreement and agreement to provide the same amounts as all other City employees who waive the City's health insurance; and agreement to re-open negotiations in the event that the premium for the lowest cost HMO increases 10 percent or more in calendar year 2016 or 2017.

Council Member Kuehne expressed appreciation to staff for their tremendous effort in negotiating employment contracts that are fair and reasonable.

Council Member Nakanishi made a motion, second by Council Member Mounce, to adopt Resolution No. 2015-119 approving the Memorandum of Understanding between the City of Lodi and the Lodi Professional Firefighters for the period January 1, 2015 through December 31, 2017 and appropriating funds in the amount of \$359,319.

VOTE:

The above motion carried by the following vote:

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

Noes: None
Absent: None

I-3 Introduce Ordinance Amending Lodi Municipal Code Title 15 - Buildings and Construction - by Repealing and Re-Enacting Chapter 15.65, "San Joaquin County Regional Transportation Impact Fee," in its Entirety (PW)

Public Works Director Wally Sandelin stated this action follows Council's earlier action on C-12 relating to the San Joaquin County Regional Transportation Impact Fee Program Operating Agreement by bringing the Lodi Municipal Code in sync with the new agreement.

Council Member Kuehne made a motion, second by Mayor Pro Tempore Chandler, to introduce Ordinance No. 1907 amending Lodi Municipal Code Title 15 - Buildings and Construction - by repealing and re-enacting Chapter 15.65, "San Joaquin County Regional Transportation Impact Fee," in its entirety.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I-4 Adopt Resolution of Intention to Establish the Lodi Tourism Business Improvement District and Setting Public Meeting for August 5, 2015, and Public Hearing for September 2, 2015: and Resolution Requesting Consent of the County of San Joaquin to Create the Lodi Tourism Business Improvement District (CM)

City Manager Schwabauer introduced the item pertaining to the Lodi Tourism Business Improvement District (LTBID), explaining that the LTBID currently exists under the Streets and Highways Code; the district will reform under a new set of codes; and the assessment amount will increase for those staying at area hotels from 3 percent to 4.5 percent.

Business Development Manager Adam Brucker provided a PowerPoint presentation on the LTBID. Specific topics of discussion included the recommended action, background on the LTBID, proposed changes, Parking and Business Improvement Area Law of 1989, Property and Business Improvement District Law of 1994, next steps, and boundary map.

In response to Mayor Pro Tempore Chandler, Mr. Brucker confirmed that the assessment to hotels would apply to the Lodi city limits and the San Joaquin County area specific to Flag City, but not to hotels and bed-and-breakfast establishments elsewhere in the County. In further response, Mr. Schwabauer explained that Flag City is a unique situation in which the County requested Lodi handle the treatment of wastewater at Flag City and the City agreed under the condition that Flag City be included in the LTBID because Visit Lodi!'s marketing efforts benefitted those hotels. Mayor Pro Tempore Chandler stated he would like to see Lodi capture the fee from lodgings within the unincorporated areas due to the benefits they receive from Visit Lodi! and the wine industry. Mr. Schwabauer stated he would look further into the matter.

In response to Mayor Pro Tempore Chandler, Deputy City Manager Jordan Ayers stated that the Finance Department issues transient occupancy tax (TOT) certificates and identifies potential customers who should be assessed the fee, including those who list rentals on websites, such as VRBO and Air B&B.

In response to Council Member Nakanishi, Mr. Brucker stated that the TOT would remain at 6 percent and the LTBID assessment is passed onto the hotel owners to pay for marketing efforts. The hotel visitor pays the LTBID assessment; however, it is the hotel owner's responsibility to pass the fee onto the customer. Mr. Schwabauer further explained that a hotel visitor would pay the advertised hotel rate in addition to the 6 percent TOT to the City and the additional 3 percent LTBID assessment, or 4.5 percent if this item passes, to Visit Lodi!. No

amount goes to the County.

In response to Council Member Kuehne, Mayor Pro Tempore Chandler explained that this item is voted on by the hotel property owners, who are the ones being assessed.

In response to Council Member Kuehne, Mr. Schwabauer stated that Visit Lodi! has two primary funding sources: the 3 percent LTBD fee and 19 percent of Lodi's 6 percent TOT funds. It has been his intention that the City no longer fund Visit Lodi!. Under this new structure, Lodi would retain the 19 percent of TOT for use at Council's discretion, and Visit Lodi! would have its own independent funding source. Council Member Kuehne requested an ordinance or resolution be adopted to earmark the 19 percent for beautifying Lodi, to which Mr. Schwabauer responded that the matter can be brought back to Council.

Council Member Mounce expressed appreciation to the City Manager for creating a method for Visit Lodi! to fund itself without relying on taxpayers, and she was hopeful to see what solutions the City Manager returns with regarding use of the money. She stressed the importance of investing in economic development and stated she was uncertain if beautification was the most appropriate use of the funds.

Mamie Starr, Chairperson of the Board for Visit Lodi!, expressed support for the formation of the LTBD and urged Council to adopt the resolution of intention in order to begin the process, which has multiple steps to reach completion.

In response to Council Member Nakanishi, Nichole Farley, Project Manager with Civitas, explained this is a self-assessment that businesses propose to fund a specific benefit, which is the continuation of promoting Lodi as a travel destination. The extra 4.5 percent on a room charge goes toward attracting more visitors to Lodi. Mr. Schwabauer added that the payment of this fee by hotels on a voluntary basis is not feasible because those who opt not to join would be receiving the benefits at no cost.

Mayor Pro Tempore Chandler made a motion, second by Council Member Kuehne, to adopt Resolution No. 2015-120 declaring intention to establish the Lodi Tourism Business Improvement District and setting a public meeting for August 5, 2015, and a public hearing for September 2, 2015; and Resolution No. 2015-121 requesting the consent of the County of San Joaquin to create the Lodi Tourism Business Improvement District.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

J. Ordinances

J-1 Ordinance No. 1906 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by Repealing and Re-Enacting Section 13.20.315(C), 'Schedule EDR - Economic Development Rate,' to Re-Enact the Utility Rate Discount from September 1, 2015 to June 30, 2018" (CLK)

Council Member Nakanishi made a motion, second by Council Member Kuehne, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1906 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by Repealing and Re-Enacting Section 13.20.315(C), 'Schedule EDR - Economic Development Rate,' to Re-Enact the Utility Rate Discount from September 1, 2015 to June 30, 2018," which was introduced at a special meeting of the Lodi City Council held June 17, 2015.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:46 p.m. in memory of Rowland Cheney, who passed away on June 25, 2015; David Akin, who passed away on June 27, 2015; and Bobby Renschler, who passed away on July 4, 2015.

ATTEST:

Jennifer M. Ferraiolo
City Clerk