

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, AUGUST 1, 2012**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of August 1, 2012, was called to order by Mayor Mounce at 6:40 p.m.

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

Absent: None

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

C-2 Announcement of Closed Session

- a) Prospective Acquisition of Real Property Located at 16 and 40 South Cherokee Lane, Lodi, California (APN #043-230-13 and #043-230-12, Respectively); the Negotiating Parties are City of Lodi and Geweke Land Development and Marketing, L.P.; Government Code §54956.8

C-3 Adjourn to Closed Session

At 6:40 p.m., Mayor Mounce adjourned the meeting to a Closed Session to discuss the above matter. The Closed Session adjourned at 6:55 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Mayor Mounce reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following action.

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

A. Call to Order / Roll Call

The Regular City Council meeting of August 1, 2012, was called to order by Mayor Mounce at 7:00 p.m.

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

Absent: None

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

B. Presentations

B-1 National Night Out Proclamation (PD)

Mayor Mounce presented a proclamation to Police Chief Mark Helms proclaiming Tuesday, August 7, 2012, as "National Night Out" in the City of Lodi.

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

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

Noes: None

Absent: None

C-1 Receive Register of Claims in the Amount of \$19,648,786.57 (FIN)

Claims were approved in the amount of \$19,648,786.57.

C-2 Approve Minutes (CLK)

The minutes of June 12, 2012 (Shirtsleeve Session), June 19, 2012 (Special Shirtsleeve Session), June 20, 2012 (Regular Meeting), June 26, 2012 (Shirtsleeve Session), July 3, 2012 (Shirtsleeve Session), July 4, 2012 (Regular Meeting), July 10, 2012 (Shirtsleeve Session), July 10, 2012 (Special Meeting), July 17, 2012 (Shirtsleeve Session), July 17, 2012 (Special Meeting), July 18, 2012 (Regular Meeting), and July 24, 2012 (Shirtsleeve Session) were approved as written.

C-3 Approve Plans and Specifications and Authorize Advertisement for Bids for Phase 3 Grape Bowl Improvement Project (PW)

Council Member Johnson pulled this item to report that Jack Fiori stated that the final installment of the \$150,000 anonymous donation for the Grape Bowl had been received.

Council Member Johnson made a motion, second by Council Member Hansen, to approve the plans and specifications and authorize advertisement for bids for Phase 3 Grape Bowl Improvement Project.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-4 Adopt Resolution Authorizing the City Manager to Execute Contract for Security Services at Hutchins Street Square Community Center with Lyons Security Service, Inc., of Orange (\$40,000) (PRCS)

This item was pulled for further discussion by Mayor Mounce.

In response to Mayor Mounce, Interim Parks, Recreation, and Cultural Services Director Jeff Hood stated the proposed contract for security services, unlike the previous contract, was competitively bid and the current service provider was not the low bidder.

Mayor Mounce made a motion, second by Council Member Johnson, to adopt Resolution No. 2012-122 authorizing the City Manager to execute contract for security services at Hutchins Street Square Community Center with Lyons Security Service, Inc., of Orange, in the amount of \$40,000.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

- C-5 Adopt Resolution Authorizing the City Manager to Execute Agreements with San Joaquin County for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 (PW)

Adopted Resolution No. 2012-114 authorizing the City Manager to execute agreements with San Joaquin County for Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1.

- C-6 Adopt Resolution Authorizing the City Manager to Execute Task Order No. 33 with West Yost Associates for Fiscal Year 2012/13 to Provide Regulatory Assistance and Prepare Various Studies Required by the City's Wastewater Discharge Permit (\$199,900) (PW)

Adopted Resolution No. 2012-115 authorizing the City Manager to execute Task Order No. 33 with West Yost Associates for fiscal year 2012/13 to provide regulatory assistance and prepare various studies required by the City's wastewater discharge permit in the amount of \$199,900.

- C-7 Adopt Resolution Authorizing the City Manager to Execute Task Order No. 24 with Treadwell & Rollo, of Oakland (\$37,780), and Professional Services Agreement with EcoGreen Hydro Solutions, of Sunnyvale (\$45,340), for Citywide Groundwater Modeling and Analysis and Appropriating Funds (\$100,000) (PW)

Adopted Resolution No. 2012-116 authorizing the City Manager to execute Task Order No. 24 with Treadwell & Rollo, of Oakland, in the amount of \$37,780, and Professional Services Agreement with EcoGreen Hydro Solutions, of Sunnyvale, in the amount of \$45,340, for Citywide groundwater modeling and analysis and appropriating funds in the amount of \$100,000.

- C-8 Adopt Resolution Authorizing the City Manager to Execute Amendment No. 1 to Task Order No. 4 of Master Professional Services Agreement (\$163,712) for RMC Water and Environment, of Walnut Creek, for Water Meter Program Phase 2 Construction Administration and Appropriating Funds (\$164,000) (PW)

Adopted Resolution No. 2012-117 authorizing the City Manager to execute Amendment No. 1 to Task Order No. 4 of Master Professional Services Agreement in the amount of \$163,712 for RMC Water and Environment, of Walnut Creek, for Water Meter Program Phase 2 Construction Administration and appropriating funds in the amount of \$164,000.

- C-9 Adopt Resolution Authorizing the City Manager to Execute Change Order with West Coast Arborists, Inc., of Anaheim, for Tree Survey Services (\$7,000) and Appropriating Funds (\$7,000) (PW)

Adopted Resolution No. 2012-118 authorizing the City Manager to execute change order with West Coast Arborists, Inc., of Anaheim, for tree survey services in the amount of \$7,000 and appropriating funds in the amount of \$7,000.

- C-10 Adopt Resolution Approving the Amended and Restated Northern California Power Agency Market Purchase Program Agreement and Authorizing Execution by the City

Manager (EUD)

This item was pulled for further discussion by Mayor Pro Tempore Nakanishi.

In response to Mayor Pro Tempore Nakanishi, Electric Utility Director Elizabeth Kirkley stated it is advantageous to make purchases through the Market Purchase Agreement, as the City has done since 2007, because the City is able to secure better rates than it would be able to do by purchasing directly.

Mayor Pro Tempore Nakanishi requested rating information for the other participants of the Northern California Power Agency (NCPA).

In response to Mayor Mounce, Ms. Kirkley stated the general operating reserve (GOR) amount for each NCPA participant varies and is based on the largest three months of purchases. Mayor Mounce requested information regarding the GOR amounts of other NCPA participating members.

Mayor Pro Tempore Nakanishi made a motion, second by Mayor Mounce, to adopt Resolution No. 2012-123 approving the Amended and Restated Northern California Power Agency Market Purchase Program Agreement and authorizing execution by the City Manager.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-11 Adopt Resolution Establishing Guidelines for a First-Time Home Buyer Program and Authorizing an Application to the State Department of Housing and Community Development for \$500,000 of HOME Funding (CD)

Adopted Resolution No. 2012-119 establishing guidelines for a First-Time Home Buyer Program and authorizing an application to the State Department of Housing and Community Development for \$500,000 of HOME funding.

C-12 Adopt Resolution Authorizing the City Manager to Submit an Application with Eden Housing Inc. to the State of California Department of Housing and Community Development for HOME Investment Partnerships Program Funding; and if Selected, the Execution of a Standard Agreement, any Amendments Thereto, and any Related Documents Necessary to Participate in the HOME Investment Partnerships Program (CD)

Adopted Resolution No. 2012-120 authorizing the City Manager to submit an application with Eden Housing Inc. to the State of California Department of Housing and Community Development for HOME Investment Partnerships Program funding; and if selected, the execution of a Standard Agreement, any amendments thereto, and any related documents necessary to participate in the HOME Investment Partnerships Program.

C-13 Adopt Resolution Approving the Side Letter Amending the 2012/13 Memorandum of Understanding Between the City of Lodi and the Maintenance and Operators Bargaining Unit (CM)

Adopted Resolution No. 2012-121 approving the Side Letter amending the 2012/13 Memorandum of Understanding between the City of Lodi and the Maintenance and Operators

bargaining unit.

C-14 Adopt Resolution Approving Art Advisory Board Recommendation for Bicycle Rack Placement and Appropriate Art in Public Places Funds (\$11,550) (PRCS)

Council Member Johnson pulled this item to suggest that in the future transit funds be considered for bicycle-related projects.

Council Member Johnson made a motion, second by Council Member Katzakian, to adopt Resolution No. 2012-124 approving Art Advisory Board recommendation for bicycle rack placement and appropriate Art in Public Places funds in the amount of \$11,550.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-15 Approve Arts Grants for Fiscal Year 2012/13 (\$34,000) (PRCS)

Approved Arts Grants for fiscal year 2012/13 in the amount of \$34,000.

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. The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted. Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Paul Bonell, the new CEO of the Lodi Boys and Girls Club, briefly introduced himself and provided a status report regarding the recent happenings at the Boys and Girls Club.

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

Mayor Pro Tempore Nakanishi commended the staff and employees on a balanced budget and successful close of labor negotiations.

Council Member Hansen reported on his attendance at the meetings of the Northern California Power Agency (NCPA) and San Joaquin Council of Governments and specifically discussed the NCPA portfolio review, various construction projects, and the Flag City energy project.

Council Member Johnson stated he received inquiries regarding the financial status of the City and would like to reassure the community that the City of Lodi is fiscally sound and will not be filing for bankruptcy.

Mayor Mounce reported on her attendance at the League of California Cities Board meeting, stating that the League Board unanimously adopted a resolution commending local government on their continued efforts to comply with the Brown Act despite the State suspension of the mandate. She asked that the City adopt a similar resolution.

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

None.

G. Public Hearings

- G-1 Continue Public Hearing to August 15, 2012, to Consider the Following Actions: a) Adopt Resolution Certifying the Negative Declaration as Adequate Environmental Documentation for the Master Plans for the Water, Wastewater, Storm Drainage, and Bicycle; and b) Adopt Resolution Approving Master Plans for Water, Wastewater, Storm Drainage, and Bicycle; Approving Impact Mitigation Fee Program Report and Schedule of Fees; and Approving Impact Mitigation Fee Program Schedule of Reduced Fees (PW)

Council Member Hansen made a motion, second by Council Member Katzakian, to continue the public hearing to August 15, 2012, to consider the following actions: a) Adopt resolution certifying the Negative Declaration as adequate environmental documentation for the Master Plans for the Water, Wastewater, Storm Drainage, and Bicycle; and b) Adopt resolution approving Master Plans for Water, Wastewater, Storm Drainage, and Bicycle; approving Impact Mitigation Fee Program Report and schedule of fees; and approving Impact Mitigation Fee Program schedule of reduced fees.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

- G-2 Continue Public Hearing to August 15, 2012, Regarding Termination of Southwest Gateway and Westside Project Development Agreements with Frontier Community Builders, Inc. (CM)

Council Member Hansen made a motion, second by Council Member Johnson, to continue public hearing to August 15, 2012, regarding termination of Southwest Gateway and Westside Project Development Agreements with Frontier Community Builders, Inc.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

H. Communications

- H-1 Appointments to the Greater Lodi Area Youth Commission, Library Board of Trustees, Lodi Animal Advisory Commission, Lodi Arts Commission, Planning Commission, and the San Joaquin County Commission on Aging and Re-Post for the Remaining Vacancies on the Lodi Arts Commission (CLK)

Council Member Hansen made a motion, second by Council Member Katzakian, to make the following appointments and direct the City Clerk to re-post for the remaining vacancies on the Lodi Arts Commission:

Appointments:

Greater Lodi Area Youth Commission

Adult Advisors:

John Chapman, Term to expire May 31, 2015
Elizabeth Mazzeo, Term to expire May 31, 2015
Cynthia Rodriguez, Term to expire May 31, 2015

Student Appointees:

Emma Brink, Term to expire May 31, 2013
Michael Kinane, Term to expire May 31, 2013
Jessinia Ahrens, Term to expire May 31, 2014
Madison Litton, Term to expire May 31, 2014
Manjot Sidhu, Term to expire May 31, 2014
Anthony Sorbera, Term to expire May 31, 2014
Emily Yamane, Term to expire May 31, 2014

Library Board of Trustees

Caitlin Casey, Term to expire June 30, 2015
Frankie Paul Kooger, Term to expire June 30, 2015

Lodi Animal Advisory Commission

Linda Castelanelli, Term to expire December 31, 2013

Lodi Arts Commission

Ben Burgess, Term to expire July 1, 2015
Nancy Carey, Term to expire July 1, 2015
Sandi Walker-Tansley Term to expire July 1, 2015

Planning Commission

Wendel Kiser, Term to expire June 30, 2016
Randall Heinitz, Term to expire June 30, 2016

San Joaquin County Commission on Aging

Terri Whitmire, Term to expire June 30, 2015

Posting:

Lodi Arts Commission

One Vacancy (Turrentine), Term to expire July 1, 2013
One Vacancy (Flores-Alcaraz), Term to expire July 1, 2015

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I. Regular Calendar

I-1 Designate the Overhead Grade Separation and Embankment Design as the Exclusive Alternative for the Harney Lane Grade Separation Project (PW)

Public Works Director Wally Sandelin briefly introduced the subject matter of the Harney Lane/Union Pacific Railroad (UPRR) grade separation project.

Rob Himes of the Mark Thomas Company provided a PowerPoint presentation regarding the Harney Lane/UPRR grade separation project. Specific topics of discussion included the project development process, existing conditions, proposed project, project constraints, grade separations generally, overhead and underpass alternatives, expert opinion, noise impacts, visual impacts, project costs for each alternative, and the remaining project schedule.

In response to Mayor Mounce, Mr. Himes stated an additional sound wall costs approximately \$180 to \$200 per foot for a total estimated cost of \$200,000 to \$250,000.

Council Member Hansen, Mayor Pro Tempore Nakanishi, and Mayor Mounce expressed their desire to have aesthetically-pleasing, maintenance-friendly, and vermin-free landscaping. Mayor Mounce also expressed her preference for a sound wall on the south side to be built now in lieu of with future development.

In response to Council Member Johnson, Mr. Himes stated sound wall concerns are mitigated in this situation because there is no oppressed section with noise bouncing back and forth.

In response to Council Member Hansen, Mr. Himes stated the embankment currently ends next to a fence and adjacent to City-owned property. Council Member Hansen suggested fencing off an area for pedestrian traffic due to train interaction concerns.

In response to Council Member Katzakian, Mr. Himes stated the railroad does not favor four-lane roads over crossings and the Harney Lane project is ranked number 10 out of the State by the railroad for grade separation needs.

Greg Costa spoke in favor of the proposed recommendation and suggested staff also consider rodent-free landscaping and ways to prevent unauthorized entry and congregation under and near the pass.

Council Member Hansen made a motion, second by Mayor Mounce, to designate the overhead grade separation and embankment design as the exclusive alternative for the Harney Lane Grade Separation Project and further approving the inclusion of a second sound wall if it can be constructed within the current project budget.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

- I-2 Adopt Resolutions and Approve Documents and Actions Regarding Refinancing 2002 Certificates of Participation (COPS) and 2004 COPS: a) Adopt Resolution of the City Council Approving Documents and Actions Related to the Refinancing of 2002 COPS and the City's Related General Fund Lease Obligation; b) Adopt Resolution of the Lodi Public Financing Authority Authorizing the Issuance and Sale of 2012 Refunding Lease Revenue Bonds to Refinance Outstanding 2002 COPS and the City's Related General Fund Lease Obligation and Approving Related Documents and Official Actions; c) Adopt Resolution of the City Council Approving Documents and Actions Related to the Refinancing of 2004 Wastewater COPS and the City's Related Wastewater Revenue Installment Payment Obligation; and d) Adopt Resolution of the Lodi Public Financing Authority Authorizing the

Issuance and Sale of 2012 Refunding Wastewater Revenue Bonds to Refinance the 2004 Wastewater COPS and the City's Related Wastewater Revenue Installment Payment Obligation and Approving Related Documents and Official Actions (CM)

NOTE: Joint action of the Lodi City Council and Lodi Public Financing Authority

Deputy City Manager Jordan Ayers provided a brief PowerPoint presentation regarding the refinancing opportunities. Specific topics of discussion included the previous Shirtsleeve Session presentation, existing Certificates of Participation (COPS) for the General Fund and Wastewater Fund, estimated refinance savings, and recommended action.

In response to Council Member Hansen, Mr. Ayers confirmed that the approximate \$2 million remaining in the Wastewater Fund that is not refunded will continue to earn a healthy market rate interest.

In response to Mayor Pro Tempore Nakanishi, Mr. Ayers stated the refinance is being done now versus a year ago at an approximate rate of 1% to 5% because the options have been thoroughly reviewed and the bonds can be refinanced at one time.

In response to Council Member Katzakian, Mr. Bartlam stated the COP for Wastewater is related to the permit-related improvements at the White Slough Water Pollution Control Facility.

Mayor Mounce requested detailed information regarding the total debt of the City including outstanding bonds.

In response to Council Member Katzakian, Mr. Bartlam stated the recommendation is to take cash out of the General Fund debt refinancing for acceleration of the needed Fire Station No. 2 capital project.

In response to Council Member Hansen, Mr. Bartlam stated if the City does not obtain the funds for Fire Station No. 2 through the proposed refinancing it would need to obtain a small loan in the private market at higher interest rates for a 20 to 30 year repayment term.

In response to Mayor Pro Tempore Nakanishi, Mr. Bartlam and Mr. Ayers confirmed that the smallest bond issues in the private market would run in the \$3 million to \$5 million range.

In response to Mayor Mounce, Mr. Ayers stated the funding for Fire Station No. 2 would be placed in a restricted interest bearing account to be used for said purpose only.

In response to Mayor Mounce, Mr. Ayers and Mr. Bartlam confirmed that the City will be receiving rating information next week, be in the bond market in two weeks with a closing in September, with the hope that the entire refinancing is complete within a month.

In response to Mayor Pro Tempore Nakanishi, Alex Pop-Lazic stated cities that have the ability to refinance based on their financial status and debt portfolio are doing so.

In response to Council Member Johnson, Mr. Pop-Lazic stated the City has a good chance of getting traction on the market with the proposed bond refinancing as it is a perfect opportunity for two- to four-year bond callings.

Roy Bitz spoke in support of the proposed refinancing and suggested that the City take the opportunity to audit the overall Fire function to assess its needs.

Council Member Hansen made a motion, second by Council Member Katzakian, to adopt the following resolutions and approving documents and actions regarding refinancing 2002

Certificates of Participation (COPS) and 2004 COPS: a) Resolution No. 2012-125 approving documents and actions related to the refinancing of 2002 COPS and the City's related General Fund lease obligation; b) Resolution No. LPFA2012-01 authorizing the issuance and sale of 2012 Refunding Lease Revenue Bonds to refinance outstanding 2002 COPS and the City's related General Fund lease obligation and approving related documents and official actions; c) Resolution No. 2012-126 approving documents and actions related to the refinancing of 2004 Wastewater COPS and the City's related wastewater revenue installment payment obligation; and d) Resolution No. LPFA2012-02 authorizing the issuance and sale of 2012 Refunding Wastewater Revenue Bonds to refinance the 2004 Wastewater COPS and the City's related wastewater revenue installment payment obligation and approving related documents and official actions.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

J. Ordinances

J-1 Adopt Ordinance No. 1860 Entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Chapter 12.12 - Parks - by Repealing and Reenacting Article V, 'Skate Parks,' in Its Entirety" (CLK)

Council Member Hansen made a motion, second by Council Member Johnson, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1860 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Chapter 12.12 - Parks - by Repealing and Reenacting Article V, 'Skate Parks,' in Its Entirety," which was introduced at a regular meeting of the Lodi City Council held June 20, 2012.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

K. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:40 p.m., in memory of Jonathan Alan Nakanishi, son of Mayor Pro Tempore Nakanishi, who passed away on June 21, 2012.

ATTEST:

Randi Johl
City Clerk