

**LODI CITY COUNCIL  
SHIRTSLEEVE SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, AUGUST 21, 2012**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, August 21, 2012, commencing at 7:05 a.m.

Present: Council Member Hansen, Council Member Johnson, Council Member Katzakian, and Mayor Mounce

Absent: Mayor Pro Tempore Nakanishi

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

B. Topic(s)

B-1 Receive Utility Financial Reports for the Fourth Quarter of Fiscal Year 2011/12 Ending June 30, 2012 (CM)

City Manager Bartlam provided a brief introduction to the subject matter of the fourth quarter utility financial reports.

Deputy Public Works Director Larry Parlin provided a PowerPoint presentation regarding the water and wastewater quarterly update. Specific topics of discussion included water and wastewater cash flow summary, operating results, cash balances, bad debt write off, and operational and regulatory accomplishments.

In response to Council Member Hansen, Mr. Parlin stated the current cash on hand amount is 302 days and the policy requires 90 days cash on hand. City Manager Bartlam stated there will be an action coming before the City Council in the future to eliminate the 2003 wastewater debt with the excess of these funds.

In response to Mayor Mounce, Mr. Bartlam stated an excess of cash on hand does not indicate an overcharge as it was intended to be built up and delay future rate increases.

In response to Council Member Katzakian, Mr. Bartlam stated staff is monitoring the usage of the new water meters and to date as anticipated there is only a redistribution and no change in revenue for water usage.

In response to Council Member Hansen, Mr. Parlin stated the flow capacity remains sufficient due to less building and construction and the type of growth that has occurred.

In response to Council Member Johnson, Mr. Parlin stated the ultra violet process is expensive and the employees have captured savings by extending the life of the bulbs, enhancing the cleaning process, and eliminating the costs of treating wastewater that goes to farmland.

Council Member Hansen and Mayor Mounce suggested publicly thanking the employees at a future City Council meeting.

In response to Myrna Wetzel, Mr. Parlin explained the difference between the water that is distributed to farmland from wastewater versus the Lodi Energy Center.

Electric Utility Director Elizabeth Kirkley provided a PowerPoint presentation regarding the electric

utility quarterly update. Specific topics of discussion included cash flow summary, operating results, cash balances, power supply costs, power sales, energy cost adjustment revenue, billing statistics, bad debt write off, general operating reserve (GOR), open position, and quarterly accomplishments.

In response to Mayor Mounce, Ms. Kirkley stated the other revenue line item includes work performed for others including new businesses such as Home Depot.

In response to Council Member Johnson, Customer Services Manager Rob Lechner stated interest in public benefit fund programs has remained steady with respect to residential and commercial interest and it really depends on the desire to expend money up front to receive a refund later.

Council Member Hansen suggested a future Shirtsleeve Session to discuss the status of AB 32 requirements and the City's portfolio options regarding the same.

In response to Council Member Katzakian, Mr. Bartlam stated the GOR reserve is sufficient and can be kept at either Northern California Power Agency or internally because the interest amount is relatively the same.

In response to Mayor Mounce, Electric Operations Superintendent Kevin Riedinger stated the grid work is being performed east of Ham Lane, down by Harney Lane and over to Hutchins Street.

In response to Council Member Johnson, Mr. Riedinger stated staff has addressed the copper theft concerns by placing the copper in rigid conduit and encasing it in a hard seal.

In response to Myrna Wetzel, Ms. Kirkley stated the meter reading program for residential is fully implemented.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:52 a.m.

ATTEST:

Randi Johl  
City Clerk