

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, SEPTEMBER 24, 2013**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, September 24, 2013, commencing at 7:00 a.m.

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

Absent: None

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

B. Topic(s)

B-1 Receive Utility Financial Reports for the Fourth Quarter of Fiscal Year 2012/13 Ending June 30, 2013 (CM)

City Manager Rad Bartlam briefly introduced the subject matter of the fourth quarter utility financial reports.

Deputy Public Works Director Larry Parlin provided a PowerPoint presentation regarding the Public Works quarterly update ending June 30, 2013. Specific topics of discussion included water and wastewater cash flow summary, operating results, cash balances, bad debt write off, operational activities, and regulatory activities.

In response to Council Member Johnson, Mr. Parlin stated there was a capital cost savings because projects for main lining and at White Slough did not need to be completed immediately.

In response to Mayor Pro Tempore Katzakian, Mr. Bartlam stated the City Council will be receiving a PCE/TCE status update next week.

In response to Council Member Johnson, Mr. Parlin stated the leaks associated with the water meter project are stable although Teichert will have to do some follow-up repair work at its own expense.

In response to Council Member Johnson, Mr. Parlin stated approximately \$20,000 to \$30,000 is spent on public education and outreach efforts and staff will continue to participate at the Farmers Market and similar events to bring water conservation awareness.

In response to Council Member Hansen, Mr. Parlin confirmed that the permit is issued by the State Water Resources Control Board and it is an unfunded mandate.

In response to Council Member Johnson, Mr. Parlin stated the permit process involves data collection by the State, analyzing the data, and a decision as to whether or not the outreach efforts are sufficient or more needs to be done.

In response to Council Member Hansen, Mr. Parlin stated the permit is administratively issued and is good for five years.

In response to Council Member Johnson, Mr. Parlin stated there are no problems with Flag City.

In response to Council Member Hansen, Mr. Parlin provided an overview of the system at the treatment plant by way of controls, security, and alarm systems for operations that are fully technical and electronic-based versus manual.

In response to Council Member Hansen, Mr. Parlin stated one full-time contracted temporary position will be eliminated in the near future based on the original plan.

In response to Council Member Mounce, Mr. Parlin stated the call-in procedure for the new plant is similar to other existing facilities and overtime may or may not be included based on the employee that responds. Council Member Mounce asked that additional information be provided in the next quarterly update regarding the details of the cash on hand numbers.

In response to Mayor Nakanishi, Mr. Parlin stated the City's cash on hand amount is better than most and he will supply the access information about the new treatment plant to the City Council through the City Manager.

In response to Council Member Hansen, Mr. Parlin stated the water meters should be fully automated by the end of next year.

Electric Utility Director Elizabeth Kirkley provided a PowerPoint presentation regarding the Electric Utility quarterly update ending June 30, 2013. Specific topics of discussion included cash flow summary, reserve policy, cash balances, power sales, Energy Cost Adjustment (ECA) revenue, operating results, power supply costs, billing statistics, bad debt write off, open position, and activities.

In response to Council Member Johnson, Mr. Bartlam stated almost every dollar of the public benefit program is planned for and will be spent on projects including capital infrastructure, street light retrofitting, and work at Hutchins Street Square.

In response to Council Member Hansen, Mr. Bartlam and Ms. Kirkley stated energy efficiency improvements require both tenant and landlord consent even if they are being paid for by the tenant.

In response to Mayor Nakanishi, Ms. Kirkley stated she will forward the Northern California Power Agency annual report card, which sets forth the financial health of its member cities as requested.

In response to Council Member Hansen, Ms. Kirkley stated the City Council will receive an update next week regarding the City's current 20% amount for greenhouse emissions and its ongoing effort to achieve the 33% by 2020 as required by law.

In response to Council Member Hansen, Ms. Kirkley stated May 2017 is the target in-service date for the 230 kV interconnection project.

In response to Council Member Hansen, City Attorney Schwabauer provided a brief overview of the process related to the grievance filed in response to an Electric Utility recruitment of certain positions with reclassified salaries.

In response to Mayor Nakanishi, Ms. Kirkley confirmed that the ECA was implemented in 2007, is the most efficient alternative to monthly rate adjustments, and results in a more favorable view from the rating agencies.

In response to Council Member Mounce, Mr. Bartlam stated the Lakewood resident matter will be discussed at the October 29 Shirtsleeve Session and the City received a health and wellness grant for \$5,000 from the Healthy Eating Active Living Campaign related to the League of

California Cities.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:55 a.m.

ATTEST:

Randi Johl-Olson
City Clerk