

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, DECEMBER 3, 2014**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of December 3, 2014, was called to order by Mayor Katzakian at 6:45 p.m.

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

Absent: None

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

C-2 Announcement of Closed Session

- a) Conference with Adele Post, Human Resources Manager, and Jordan Ayers, Deputy City Manager (Labor Negotiators), Regarding Unrepresented Executive Management, Unrepresented Confidential Employees, Lodi City Mid-Management Association, AFSCME General Services and Maintenance & Operators, Police Mid-Managers, Lodi Police Officers Association, Lodi Police Dispatchers Association, Fire Mid-Managers, and Lodi Professional Firefighters; and Conference with Mayor Phil Katzakian and Jordan Ayers, Deputy City Manager (Labor Negotiators), Regarding Council Appointees Pursuant to Government Code §54957.6

C-3 Adjourn to Closed Session

At 6:45 p.m., Mayor Katzakian 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 Katzakian reconvened the City Council meeting, and City Attorney Magdich disclosed the following action.

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

A. Call to Order / Roll Call

The Regular City Council meeting of December 3, 2014, was called to order by Mayor Katzakian at 7:00 p.m.

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

Absent: None

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

B. Presentations

- B-1 Presentation to Retiring Members of Boards, Committees, Commissions and Task Forces (CLK)

Mayor Katzakian presented certificates of recognition to the following retiring members of boards, committees, commissions, and task forces:

Greater Lodi Area Youth Commission

Student Appointees:

Chrissy Dodd
Miranda O'Mahony
Emily Yamane

Adult Advisors:

John Chapman
Jaime Watts

Lodi Animal Advisory Commission

Linda Castelanelli
Hy Cohen
Phillip Laughlin
John Primasing

Lodi Improvement Committee

Timothy Litton
Robert Takeuchi

Planning Commission

Nick Jones

Senior Citizens Commission

Sandy Beglau

B-2 Presentation of Mayor's Community Service Award (CLK)

Mayor Katzakian presented the Mayor's Community Service Award to Corene Phillips and Kevin and Lori Phillips, representing the Michael-David Family Foundation; Dennis Sattler, President of the Lodi Public Library Foundation; and Sharon Seegmiller, President of the Friends of the Lodi Public Library.

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

Council Member Johnson made a motion, second by Council Member Mounce, to approve the following items hereinafter set forth in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

C-1 Approve Minutes (CLK)

The minutes of November 18, 2014 (Shirtsleeve Session) and November 19, 2014 (Regular Meeting) were approved as written.

C-2 Accept Improvements Under Contract for 2014 Crack Sealing, Various City Streets (PW)

Accepted improvements under contract for 2014 Crack Sealing, Various City Streets.

C-3 Adopt Resolution Authorizing City Manager to Execute Meter Maintenance Program Agreement with Northern California Power Agency (EU)

Adopted Resolution No. 2014-216 authorizing the City Manager to execute a Meter Maintenance Program Agreement with Northern California Power Agency.

- C-4 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement with Siemens Industry, Inc., c/o George E. Honn Company, Inc., of Vacaville, for Power Circuit Breaker Repairs (\$45,015) (EU)

Adopted Resolution No. 2014-217 authorizing the City Manager to execute a Professional Services Agreement with Siemens Industry, Inc., c/o George E. Honn Company, Inc., of Vacaville, for power circuit breaker repairs, in the amount of \$45,015.

- C-5 Approve Responses to the 2013-2014 Grand Jury Report Regarding Case No. 1613 (CM)

Approved responses to the 2013-2014 Grand Jury Report regarding Case No. 1613.

- C-6 Receive Update on Emergency Condition at White Slough Water Pollution Control Facility Digesters No. 1 and No. 2 (PW)

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

- 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.

John Slaughterback expressed concern with the high dollar amount in bad debt write-offs, suggesting that the City emulate other communities that do not have this issue, such as Galt. He believed this loss is passed onto residents and that the Council should find a viable solution to address the matter.

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

Council Member Nakanishi agreed that bad debt write-off is an issue but pointed out that the City took action years ago that has since decreased the level of the write-off. He further stated that the cost to sue delinquent customers would supersede the bad debt. At the request of Council Member Nakanishi, Deputy City Manager Jordan Ayers reported that Council took action in 2012 to conform the utility ordinance to billing practices by shortening the timeframe before utilities are shut off so that bills did not become too significant. In addition, the City enforced the deposit policy, which helped to offset a portion of those bills.

Council Member Mounce agreed with Mr. Slaughterback that Council should review the matter once again, stating that the previous policy revisions cut the City's losses in half and that a new review may result in additional reductions. Council Member Mounce further commented on a citizen complaint she received regarding individuals who sort through recycling cans, to which City Manager Schwabauer responded that the Lodi Municipal Code prohibits individuals from doing so. Ms. Mounce suggested that residents call the Lodi Police Department if they see this happening. Further, Ms. Mounce reported that the League of California Cities Board unanimously voted to appoint her as the 2nd Vice President of the League, adding that she would serve as president in 2016.

Council Member Johnson responded to Mr. Slaughterback, stating that Galt does not have its own electric utility and, therefore, likely has a small amount of bad debt for utilities unrelated to electricity. He announced that Dr. Ken Mullen is retiring after 40 years of service to Lodi and commended him for his many contributions to this community.

Council Member Nakanishi recognized Council Members Katzakian and Hansen for their years of service to this community, congratulated Council Members-Elect Mark Chandler and Doug Kuehne, and wished everyone a Merry Christmas and Happy New Year.

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

City Manager Schwabauer provided a recap of the City Council's accomplishments through its leadership, staff, and boards and commissions. Highlights included:

- . Economic development efforts (increase in new subdivisions, Super Wal-Mart)
- . Repayment of \$900,000 deficit in the Parks, Recreation, and Cultural Services Department
- . State of California Renewable Energy Mandate level reached before the deadline
- . Water Treatment Plant fully operational
- . Library renovation and improvements
- . Began construction of Fire Station No. 2
- . Replaced aging fire truck
- . Reopening of San Joaquin Superior Court in Lodi
- . Recruitment of new City Manager, City Attorney, and City Clerk
- . New financial system software

G. Public Hearings - None

H. Communications

H-1 Appointments to the San Joaquin Council of Governments Citizens' Advisory Committee and Site Plan and Architectural Review Committee and Re-post for the Remaining Vacancies on Various Boards and Commissions (CLK)

Council Member Mounce made a motion, second by Council Member Johnson, to approve the following appointments and re-post for the following vacancies for a 15-day period:

Appointments:

San Joaquin Council of Governments Citizens' Advisory Committee
Richard Blackston, term to expire January 1, 2019

Site Plan and Architectural Review Committee
Crystal Kirst, term to expire January 1, 2019

Postings:

Lodi Senior Citizen Commission
One Vacancy, term to expire December 31, 2018

Personnel Board of Review
Two Vacancies, terms to expire January 1, 2018

Recreation Commission
Three Vacancies, terms to expire December 31, 2018

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I. Regular Calendar

- I-1 Take the Following Actions: a) Adopt Resolution Approving Statement of Benefits with Lodi Fire Mid-Management for 2015 through 2017 and Appropriating Funds (\$6,110); b) Adopt Resolution Approving Revisions to Contracts for Lodi Executive Management (Excluding Council Appointees) for 2015 through 2017 and Appropriating Funds (\$8,660); c) Adopt Resolution Approving Revisions to Compensation for Confidential Employees for 2015 through 2017 and Appropriating Funds (\$8,930); and d) Adopt Resolution Approving Revisions to Contracts for Lodi Council Appointees for 2015 through 2017 and Appropriating Funds (\$3,980) (CM)

Deputy City Manager Jordan Ayers provided a report on the labor items pertaining to Lodi Fire Mid-Management, Confidential Employees, and Council Appointees, as detailed in the staff reports. The key elements include three-year agreements through 2017, a 1.5 percent cost of living adjustment (COLA) effective January 1, and language regarding potential salary increases in years two and three if audited general fund reserves exceed Council's target reserve level.

In response to Council Member Mounce, Mr. Ayers agreed that the COLA is more appropriately a return of employee concessions, adding that during the concession period, employees took hits aggregating \$10 to \$12 million, and this is a small return to them.

Council Member Nakanishi clarified that the City has excess money in reserves and the salary increases would not jeopardize the City financially.

City Manager Schwabauer provided a report on the labor item pertaining to Executive Management, stating that the proposal is identical to the other three groups. Mr. Schwabauer explained that the City reached its 16 percent reserve goal, the excess reserve above that percentage would be used to pay for this proposal, and he believed that the reserve will carry over for the life of the contract.

In response to Mayor Katakian, Mr. Schwabauer stated that the reserve target grows each year because it is based on a percentage of the budget.

Mayor Pro Tempore Hansen made a motion, second by Council Member Mounce, to take the following actions: a) adopt Resolution No. 2014-218 approving Statement of Benefits with Lodi Fire Mid-Management for 2015 through 2017 and appropriating funds in the amount of \$6,110; b) adopt Resolution No. 2014-219 approving revisions to contracts for Lodi Executive Management (excluding Council appointees) for 2015 through 2017 and appropriating funds in the amount of \$8,660; c) adopt Resolution No. 2014-220 approving revisions to compensation for Confidential Employees for 2015 through 2017 and appropriating funds in the amount of \$8,930; and d) adopt Resolution No. 2014-221 approving revisions to contracts for Lodi Council appointees for 2015 through 2017 and appropriating funds in the amount of \$3,980.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

- I-2 Adopt Resolution Approving the Deletion of One Senior Police Administrative Clerk and the Addition of One Senior Administrative Clerk Within the Police Department (CM)

Deputy City Manager Ayers provided a report regarding the deletion of one Senior Police Administrative Clerk and addition of one Senior Administrative Clerk, stating that this review of positions was brought forward after the resignation of an incumbent position and it was determined the duties would best be handled by a Senior Administrative Clerk.

Mayor Pro Tempore Hansen made a motion, second by Council Member Mounce, to adopt Resolution No. 2014-222 approving the deletion of one Senior Police Administrative Clerk and the addition of one Senior Administrative Clerk within the Police Department.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

I-3 Appoint New Alternate to Mayor Katakian's Seat as Lodi's Alternate LAFCO Member (CM)

City Manager Schwabauer provided a report on the request to appoint a new alternate to Mayor Katakian's seat on the Local Agency Formation Commission (LAFCO), stating that this matter is urgent due to the death of the LAFCO representative from Ripon and the vacancy of Lodi's alternate member due to Mayor Katakian's end of term on the City Council. There is a critical LAFCO meeting on December 10, and it is recommended that Council appoint a new alternate to LAFCO to replace Mayor Katakian.

Council Member Mounce expressed an interest in filling this position.

Council Member Johnson made a motion, second by Mayor Pro Tempore Hansen, to appoint Council Member Mounce as the new alternate to Mayor Katakian's seat as Lodi's Alternate Local Agency Formation Commission Member.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

J. Ordinances

J-1 Adopt Ordinance No. 1901 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by Repealing and Reenacting Sections 13.20.190, 'Schedule EA (Residential Service),' 13.20.210, 'Schedule EM (Mobilehome Park Service),' 13.20.230, 'Schedule EL (Outdoor Dusk-to-Dawn Lighting),' 13.20.235, 'Schedule ES (City Facilities Service),' 13.20.240, 'Schedule G1 (General Service - Group 1 Commercial/ Industrial),' 13.20.250, 'Schedule G2 (General Service - Group 2 Commercial/Industrial),' 13.20.260, 'Schedule G-3 (General Service - Group 3 Commercial/Industrial),' 13.20.270, 'Schedule G4 (General Service - Group 4 Commercial/Industrial),' 13.20.280, 'Schedule G5 (General Service - Group 5 Commercial/Industrial),' 13.20.310, 'Schedule I1 (General Service - Group 5 Commercial/Industrial - Optional),' 13.20.325, 'Schedule EV (Electric Vehicle Pilot Charging Rate),' and 13.20.330, 'Schedule IE (Industrial Equipment Charging Service),' in Their Entirety" (CLK)

Council Member Nakanishi expressed his opinion that this matter could be delayed until a later time and that he would not support the motion.

Mayor Pro Tempore 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. 1901 entitled, ""An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20 - Electrical Service - by Repealing and Reenacting Sections 13.20.190, 'Schedule EA (Residential Service),' 13.20.210, 'Schedule EM (Mobilehome Park Service),' 13.20.230, 'Schedule EL (Outdoor Dusk-to-Dawn Lighting),' 13.20.235, 'Schedule ES (City Facilities Service),' 13.20.240, 'Schedule G1 (General Service - Group 1 Commercial/Industrial),' 13.20.250, 'Schedule G2 (General Service - Group 2 Commercial/Industrial),' 13.20.260, 'Schedule G-3 (General Service - Group 3 Commercial/Industrial),' 13.20.270, 'Schedule G4

(General Service - Group 4 Commercial/Industrial),' 13.20.280, 'Schedule G5 (General Service - Group 5 Commercial/Industrial),' 13.20.310, 'Schedule I1 (General Service - Group 5 Commercial/Industrial - Optional),' 13.20.325, 'Schedule EV (Electric Vehicle Pilot Charging Rate),' and 13.20.330, 'Schedule IE (Industrial Equipment Charging Service),' in Their Entirety," which was introduced at a regular meeting of the Lodi City Council held November 19, 2014.

VOTE:

The above motion carried by the following vote:

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

Noes: Council Member Mounce, and Council Member Nakanishi

Absent: None

K. Reorganization of the City Council

K-1 Resolution Certifying the Election Results of the November 4, 2014, General Municipal Election

City Clerk Robison presented the election results, stating that 32,430 total votes were cast in the election with the top three seats going to Alan Nakanishi, Mark Chandler, and Doug Kuehne, as further detailed in the San Joaquin Registrar of Voters Certificate of Election and Statement of Votes that was provided to Council as a Blue Sheet item.

Council Member Mounce made a motion, second by Council Member Johnson, to adopt Resolution No. 2014-223 certifying the election results of the November 4, 2014, General Municipal Election.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

K-2 Presentations to Outgoing Mayor and Council Members

City Manager Schwabauer made presentations to outgoing Mayor Katzakian and Mayor Pro Tempore Hansen, after which each thanked their families, friends, staff, supporters, and community. Mayor Pro Tempore Hansen paid special tribute to his parents, Henry Lawrence Hansen and Amy Valerie Celine.

K-3 City Clerk to Administer the Oath of Office to Lodi City Council Members Elect and Present Certificates of Election

City Clerk Robison administered the Oath of Office to Lodi City Council Members-Elect Alan Nakanishi, Mark Chandler, and Doug Kuehne and presented Certificates of Election.

K-4 Reorganization of the Lodi City Council: a) Election of Mayor; and b) Election of Mayor Pro Tempore

NOMINATION(S) FOR MAYOR:

Council Member Mounce made a motion, second by Council Member Kuehne, to nominate Council Member Johnson to the office of Mayor. There being no further nominations for the office of Mayor, the nominations were closed.

VOTE:

In regard to the nomination of Council Member Johnson to the office of Mayor, the motion carried by the following vote, thereby adopting Resolution No. 2014-224.

Ayes: Council Member Chandler, Council Member Johnson, Council Member Kuehne, Council

Member Mounce, and Council Member Nakanishi
Noes: None
Absent: None

NOMINATION(S) FOR MAYOR PRO TEMPORE:

1) Council Member Kuehne made a motion, second by Mayor Johnson, to nominate Council Member Chandler to the office of Mayor Pro Tempore.

2) Council Member Nakanishi made a motion, second by Council Member Mounce, to nominate Council Member Mounce to the office of Mayor Pro Tempore.

There being no further nominations for the office of Mayor Pro Tempore, the nominations were closed.

VOTE:

In regard to the nomination of Council Member Chandler to the office of Mayor Pro Tempore, the motion carried by the following vote, thereby adopting Resolution No. 2014-225.

Ayes: Council Member Chandler, Council Member Kuehne, and Mayor Johnson
Noes: Council Member Mounce and Council Member Nakanishi
Absent: None

Due to the fact that the vote is taken in the order the nominations were made, with the first individual receiving a majority vote being elected to the office of mayor pro tempore, it was unnecessary to call for the vote on the second nomination.

Council Member Kuehne thanked his wife for seeing him through two election runs, especially during this difficult time with the loss of their son; committee finance chair Steven Crivelli; and former Mayor John Beckman for appointing him years ago to the Planning Commission.

Mayor Pro Tempore Chandler thanked his wife, who also served as his campaign treasurer; the Burlington family; Dave Kirsten for being his campaign manager; and Pat Patrick with the Lodi District Chamber of Commerce and its Vision 2020 Plan. Mayor Pro Tempore Chandler expressed his appreciation to City staff, fellow Council Members, and the Lodi voters. He stated that he ran on the platform of fiscal responsibility, enhancement of the quality of life, and the General Mills closure, and he believed his background has prepared him to meet these responsibilities.

Council Member Nakanishi congratulated Mayor Johnson and Mayor Pro Tempore Chandler and stated he was looking forward to a good year ahead.

Mayor Johnson set forth his top three goals for the upcoming year: 1) re-tenanting of the General Mills facility and replacement of the 400 lost jobs; 2) commitment to locate a Delta College satellite campus in Lodi, which he hoped would be decided upon by the middle of summer; and 3) making Lodi more competitive to the business community by having available land for commercial and industrial buildings, making an investment on infrastructure, and actively attracting businesses. Mayor Johnson wished everyone a happy holiday season.

L. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:25 p.m.

ATTEST:

Jennifer M. Robison
City Clerk