

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, DECEMBER 16, 2015**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of December 16, 2015, was called to order by Mayor Chandler at 6:30 p.m.

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

Absent: Council Member Mounce

Also Present: City Manager Schwabauer, Deputy City Attorney Fukasawa, and City Clerk Ferraiolo

C-2 Announcement of Closed Session

a) Actual Litigation: Government Code §54956.9; One Application; Virginia Elder v. City of Lodi; WCAB Case No. ADJ9165299 - 10/1/2013 (CM)

b) Actual Litigation: Government Code §54956.9. One Application; Kevin Brown v. City of Lodi; WCAB Case No. ADJ9388591 - 06/3/13 (CM)

C-3 Adjourn to Closed Session

At 6:30 p.m., Mayor Chandler adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:51 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Mayor Chandler reconvened the City Council meeting, and Deputy City Attorney Fukasawa disclosed the following actions.

Items C-2a and C-2b were discussion and direction only with no reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of December 16, 2015, was called to order by Mayor Chandler at 7:00 p.m.

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

Absent: Council Member Mounce

Also Present: City Manager Schwabauer, Deputy City Attorney Fukasawa, and City Clerk Ferraiolo

B. Presentations

B-1 Parks, Recreation, and Cultural Services 75th Anniversary (PRCS)

Management Analyst Anne-Marie Poggio presented information regarding the Parks, Recreation, and Cultural Services Department's 75th anniversary and highlighted the many activities and events planned for the year. There will be opportunities and prizes for corporate and individual sponsors, including priority seating at the Lodi Lake fireworks event. The celebration will kick off in January with a treasure hunt for two prizes, one of which is a kayak donated by Headwaters.

Anyone with questions about the events or those interested in being a sponsor were urged to contact the Parks, Recreation, and Cultural Services Department.

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

Mayor Pro Tempore Kuehne 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 Johnson, Council Member Nakanishi, Mayor Pro Tempore Kuehne, and Mayor Chandler

Noes: None

Absent: Council Member Mounce

C-1 Receive Register of Claims in the Amount of \$1,644,124.52 (FIN)

Claims were approved in the amount of \$1,644,124.52.

C-2 Approve Minutes (CLK)

The minutes of November 18, 2015 (Regular Meeting), November 24, 2015 (Shirtsleeve Session), and December 8, 2015 (Shirtsleeve Session) were approved as written.

C-3 Approve Plans and Specifications and Authorize Advertisement for Bids for Central Plume - Mid Plume PCE/TCE Groundwater Treatment Project (PW)

Approved the plans and specifications and authorized advertisement for bids for the Central Plume - Mid Plume PCE/TCE Groundwater Treatment Project.

C-4 Approve Plans and Specifications and Authorize Advertisement for Bids for Water Meter Program Phase 6 (PW)

Approved the plans and specifications and authorized advertisement for bids for the Water Meter Program Phase 6.

C-5 Adopt Resolution Authorizing City Manager to Procure LED Luminaires for Post Top Decorative Street Lights (\$500,000) (EU)

In response to Mayor Pro Tempore Kuehne, Engineering and Operations Manager Jay Marchesseault stated the decorative street light locations are scattered throughout town, mainly in residential areas and mostly on the east side of town. City Manager Schwabauer explained these particular decorative street lights are largely in the older, historic portions of Lodi. In further response, Mr. Marchesseault stated the light emitting diode (LED) lights cost half as much as the standard lights; the post top decorative lights tend to be located close together because they are only 12 feet high; and there are roughly 1,800 lights scheduled to be replaced.

In response to Council Member Johnson, Mr. Marchesseault stated there are only a few locations in the city that have a mix of the post top lights and the Cobra lights and staff will remove the Cobra lights in those areas where they coexist once the decorative lights are retrofitted.

In response to Mayor Pro Tempore Kuehne, Mr. Marchesseault stated the new LED lights will cast a bright, white light, similar to the Cobra head lights that were recently retrofitted, versus the yellow lights on some of the older post top lights.

Adopted Resolution No. 2015-218 authorizing the City Manager to procure LED luminaires for post top decorative street lights, in the amount of \$500,000.

- C-6 Adopt Resolution Awarding Bids for Purchase of Padmount and Polemount Transformers from HEES Enterprises, of Astoria, Oregon (\$327,500) and Pacific Utilities, of Concord (\$25,500) (EU)

Adopted Resolution No. 2015-219 awarding bids for the purchase of padmount and polemount transformers from HEES Enterprises, of Astoria, Oregon, in the amount of \$327,500, and Pacific Utilities, of Concord, in the amount of \$25,500.

- C-7 Adopt Resolution Authorizing Purchase of TASER Body Cameras for Lodi Police Department, Approving Execution of TASER Assurance Program Service Agreement, and Appropriating Funds (\$20,233) (PD)

Adopted Resolution No. 2015-220 authorizing the purchase of TASER body cameras for Lodi Police Department, approving execution of TASER Assurance Program Service Agreement, and appropriating funds in the amount of \$20,233.

- C-8 Adopt Resolution Awarding Contract for Animal Shelter Interior Improvements to BRM Construction, of Hollister (\$56,150) and Appropriating Funds (\$10,000) (PW)

Adopted Resolution No. 2015-221 awarding the contract for Animal Shelter Interior Improvements to BRM Construction, of Hollister, in the amount of \$56,150, and appropriating funds in the amount of \$10,000.

- C-9 Adopt Resolution Awarding Contract for Water Well Abandonment Project to Hedman Drilling, Inc., of Sacramento (\$80,000) and Appropriating Funds (\$48,000) (PW)

Adopted Resolution No. 2015-222 awarding the contract for the Water Well Abandonment Project to Hedman Drilling, Inc., of Sacramento, in the amount of \$80,000, and appropriating funds in the amount of \$48,000.

- C-10 Adopt Resolution Awarding Contract for Well 10C Rehabilitation Project to Zim Industries, Inc., of Fresno (\$110,385) (PW)

Adopted Resolution No. 2015-223 awarding the contract for the Well 10C Rehabilitation Project to Zim Industries, Inc., of Fresno, in the amount of \$110,385.

- C-11 Adopt Resolution Authorizing City Manager to Execute Professional Services Agreement for Lodi Electric Utility Strategic Planning Consulting and Facilitation with Hometown Connections International, LLC, of Lakewood, Colorado (\$104,000) (EU)

Adopted Resolution No. 2015-224 authorizing the City Manager to execute a Professional Services Agreement for Lodi Electric Utility strategic planning consulting and facilitation with Hometown Connections International, LLC, of Lakewood, Colorado, in the amount of \$104,000.

- C-12 Accept Improvements Under Contract for 2015 Pavement Surface Treatment Project (PW)

Accepted improvements under the contract for the 2015 Pavement Surface Treatment Project.

- C-13 Adopt Resolution Authorizing City Manager to Execute Amendment No. 1 to Task Order No. 3 with The Reed Group, Inc., of Sacramento, for Water Utility Financial Planning and Rate Setting Assistance (\$20,000) (PW)

Adopted Resolution No. 2015-225 authorizing the City Manager to execute Amendment No. 1 to Task Order No. 3 with The Reed Group, Inc., of Sacramento, for water utility financial planning and rate setting assistance, in the amount of \$20,000.

- C-14 Adopt Resolution Authorizing City Manager to Execute Amendment to Professional Services Agreement with Neil O. Anderson and Associates, of Lodi, for Additional

Construction Testing and Inspection Services for Water Meter Program Phase 5 and Appropriating Funds (\$100,000) (PW)

Adopted Resolution No. 2015-226 authorizing the City Manager to execute an amendment to the Professional Services Agreement with Neil O. Anderson and Associates, of Lodi, for additional construction testing and inspection services for Water Meter Program Phase 5 and appropriating funds in the amount of \$100,000.

C-15 Adopt Resolution Appropriating Funds for Lodi Lake Park - Boat Launch Facility Improvements (\$200,000) and Receive Update on Bid Results (PW)

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

In response to Council Member Nakanishi, Interim Public Works Director Charlie Swimley stated this project includes reconstruction of the existing boat ramp from wood to concrete, improvement of the ramp and dock, parking improvements, and stormwater improvements required to meet current construction standards. Mr. Swimley confirmed the Japanese garden is not scheduled for removal.

In response to Council Member Nakanishi, City Manager Schwabauer stated the long-term plan is to pave the park between the Japanese garden and the entrance to the back side of the lake, which was originally going to be funded with the purchase money from the water treatment plant. Unfortunately, this project is over bid and will utilize a portion of that funding; therefore, the paving project will be dependent upon the outcome of this project. Parks, Recreation, and Cultural Services Director Jeff Hood added there was a significant amount of money for capital improvements, but there was a high number of repairs that tapped into the funding source. He estimated the paving project is another two to three years out, but staff discussed this with Public Works to see if interim repairs can be done in the meantime. The cost of the boat launch project is more than anticipated, but it includes additional work outside the scope of the grant because the opportunity exists to also take care of some Americans with Disabilities Act improvements and necessary paving. In further response, Mr. Hood stated staff requested an extension with the State on the project completion date and, because of the number of changes within this State organization, he believed the State will likely grant the request because the delay was beyond the City's control.

In response to Council Member Johnson, Mr. Hood stated the extension is solely to request a continuation of the project completion date and staff will not be requesting additional funding. He stated he anticipates the project will begin in mid-January, the below-waterline work should be completed in February, and the remainder of the project should be completed in March or April.

Council Member Johnson made a motion, second by Council Member Nakanishi, to adopt Resolution No. 2015-228 appropriating funds for Lodi Lake Park - Boat Launch Facility Improvements in the amount of \$200,000 and received update on the bid results.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Mounce

C-16 Adopt Resolution Approving Submittal of Grant Documents to California Governor's Office of Emergency Services and Authorizing Transportation Manager to Submit All Necessary Paperwork and Reimbursement Requests (PW)

Adopted Resolution No. 2015-227 approving the submittal of grant documents to the California Governor's Office of Emergency Services and authorizing the Transportation Manager to submit all necessary paperwork and reimbursement requests.

C-17 Set Public Hearing for January 6, 2016, to Consider Adopting Resolution Declaring Formation of a Groundwater Sustainability Agency Within Lodi City Limits (PW)

Set a public hearing for January 6, 2016, to consider adopting a resolution declaring the formation of a Groundwater Sustainability Agency within Lodi city limits.

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.

Susie Rabusin, representing the Citizens Against Lodi Electric Utility Rates and Charges FaceBook group, questioned if any further progress has been made on the citizens' concerns regarding utility rates and costs. She expressed that some movement has been made, but there is still much that has not been addressed. Ms. Rabusin believed there was a better way to supplement the general fund than with utility dollars and urged the City to pay the utility fund first and to make rates more affordable.

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

Council Member Nakanishi wished everyone a Merry Christmas and Happy New Year.

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

None.

G. Public Hearings

G-1 Public Hearing to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Usage-Based and Flat Water 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 Chandler called for the public hearing to consider adopting a resolution setting pre-approved Engineering News Record Adjustment Index for usage-based and flat water rates for residential, commercial, and industrial customers.

Interim Public Works Director Charlie Swimley provided a PowerPoint presentation regarding water rates. Specific topics of discussion included water rate setting, recommendation, seven-year summary, recommended water flat rates, residential metered water rates, metered residential rate change, local rate comparisons, and regional rate comparisons.

In response to Council Member Nakanishi, Mr. Swimley stated roughly two-thirds of the residents are on the metered rate.

In response to Mayor Pro Tempore Kuehne, Mr. Swimley stated most residents, approximately 70 percent, are in the Tier 2 metered rate structure. Mr. Swimley explained the Tier 1 structure are those who utilize water for basic living purposes with minimal, to no, irrigation. In further response, Mr. Swimley confirmed that, for this last year of the rate structure, the rate decreased for those on meters. City Manager Schwabauer added that, some time ago, a program was implemented to increase certain classes to make the rates more equitable for residential classes.

Mr. Swimley clarified a discrepancy in the staff report that erroneously reported the new metered

rate as \$2.42; the correct rate is \$2.11, which for the average user will result in a decrease.

In response to Mayor Chandler, Mr. Swimley stated he could not estimate the reason behind the wide range in water rates among the various communities, but explained there are costs associated with pumping water from the ground and purchasing water and each agency has varying portfolios. Mr. Schwabauer stated agencies who operate 100 percent from groundwater have lower rates because they are not purchasing or treating water. Some agencies have treatment costs or debt repayment for treatment plants that are calculated into the rate, thereby making it higher, and those who do not have a reliable water supply or have not yet worked toward meters and the mandate to reduce water will ultimately be forced to raise rates to address those issues.

In response to Council Member Nakanishi, Mr. Swimley stated Stockton has metered water rates.

Mayor Chandler opened the public hearing for public comment.

In response to Susie Rabusin, Mr. Swimley stated there are 7.48 gallons in a cubic foot.

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

Council Member Johnson made a motion, second by Mayor Pro Tempore Kuehne, to adopt Resolution No. 2015-229 setting pre-approved Engineering News Record Adjustment Index for usage-based and flat water rates for residential, commercial, and industrial customers.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Mounce

H. Communications

H-1 Post for Two Vacancies on the Site Plan and Architectural Review Committee (CLK)

Council Member Johnson made a motion, second by Council Member Nakanishi, to direct the City Clerk to post for the following vacancies:

Site Plan and Architectural Review Committee

Tim Litton, term to expire January 1, 2016

Roger Stafford, term to expire January 1, 2016

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Mounce

H-2 Monthly Protocol Account Report (CLK)

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

VOTE:

The above motion carried by the following vote:

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

Noes: None
Absent: Council Member Mounce

- I. Regular Calendar - None
- J. Ordinances - None
- K. Reorganization of the Following Agency Meetings: 1) Lodi Public Improvement Corporation; 2) Industrial Development Authority; 3) Lodi Financing Corporation; and 4) Lodi Public Financing Authority

Council Member Johnson made a motion, second by Mayor Pro Tempore Kuehne, to adopt the following resolutions: Resolution No. LPIC2015-01 reorganizing the Lodi Public Improvement Corporation; Resolution No. IDA-38 reorganizing the Industrial Development Authority; Resolution No. LFC-25 reorganizing the Lodi Financing Corporation; and Resolution No. LPFA2015-01 reorganizing the Lodi Public Financing Authority.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: Council Member Mounce

- L. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 7:38 p.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk