

**LODI CITY COUNCIL  
REGULAR CITY COUNCIL MEETING  
CARNEGIE FORUM, 305 WEST PINE STREET  
WEDNESDAY, MAY 17, 2023**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of May 17, 2023, was called to order by Mayor Hothi at 6:15 p.m.

Present: Council Member Bregman, Council Member Yopez, Mayor Pro Tempore Craig, and Mayor Hothi

Absent: Council Member Nakanishi

Also Present: City Manager Schwabauer, City Attorney Magdich, and Assistant City Clerk Farris

NOTE: Council Member Nakanishi joined the Closed Session meeting at 6:17 p.m.

C-2 Announcement of Closed Session

a) Threatened Litigation: Government Code §54956.9(b); One Case; Conference with Legal Counsel Regarding Potential Suit by Aline Galeno, Reyna Galeno, Anna Marques, and Birgilio Galeno Based on the Death of their Dog known as Enzo (CA)

b) Actual Litigation: Government Code Section 54956.9; Three Applicants; Joseph Hughes v. City of Lodi, Workers' Compensation, WCAB Case Nos. ADJ14332960 (5/24/19), ADJ14332961 (11/19/2020), ADJ14332964 (11/19/2020); Vito Cipponeri v. City of Lodi, Workers' Compensation, WCAB Case Nos. ADJ11370138 (3/13/2018), ADJ12510805 (12/01/2018 CT); and Gregory Hayden v. City of Lodi, Workers' Compensation, WCAB Case No. ADJ165576 (11/21/97) (CA)

c) Threatened Litigation: Government Code Section 54956.9; Vito Cipponeri v. City of Lodi, Workers' Compensation, Claim No. CLMV-548481 (6/24/21) (CA)

C-3 Adjourn to Closed Session

At 6:15 p.m., Mayor Hothi adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:53 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:00 p.m., Mayor Hothi reconvened the City Council meeting, and City Attorney Magdich disclosed the following actions.

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

Item C-2b) was discussion and direction, with no further reportable action.

Item C-2c) was discussion and direction, with no further reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of May 17, 2023, was called to order by Mayor Hothi at 7:00 p.m.

Present: Council Member Bregman, Council Member Nakanishi, Council Member Yopez, Mayor Pro Tempore Craig, and Mayor Hothi

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and Assistant City Clerk Farris

B. Presentations

B-1 Mental Health Awareness Month Proclamation (CLK)

Mayor Hothi presented a proclamation to Michael Fields and Kelsey Dillard, of Lodi Wellness Center / Peer Recovery Services, declaring May 2023 as Mental Health Awareness Month in the City of Lodi.

- C. Consent Calendar (Reading; Comments by the Public; Council Action) All matters listed on the consent calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion of these items. If a member of the public would like a consent calendar item pulled and discussed separately, refer to the Notice at the beginning of this agenda.

Mayor Pro Tempore Craig made a motion, second by Council Member Bregman, 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 Bregman, Council Member Nakanishi, Council Member Yopez, Mayor Pro Tempore Craig, and Mayor Hothi

Noes: None

Absent: None

- C-1 Receive Register of Claims for April 14, 2023 through April 27, 2023 in the Total Amount of \$6,027,748.72 (FIN)

Claims were approved in the amount of \$6,027,748.72.

- C-2 Approve Minutes (CLK)

The minutes of May 28, 2023 (Shirtsleeve Session) were approved as written.

- C-3 Accept Quarterly Investment Report as Required by the City of Lodi Investment Policy (FIN)

Accepted the Quarterly Investment Report as required by the City of Lodi Investment Policy.

- C-4 Accept Quarterly Report of Purchases between \$30,000 and \$60,000 (FIN)

Accepted the Quarterly Report of Purchases between \$30,000 and \$60,000.

- C-5 Approve Plans and Specifications and Authorize Advertisement for Bids for Stormwater Trash Collection Project – Phase 4 (2023) and Adopt Resolution Authorizing City Manager to Award Contract to Lowest Responsive Bidder (\$500,000), and Execute Change Orders (\$50,000) (PW)

Approved the plans and specifications and authorized advertisement for bids for Stormwater Trash Collection Project - Phase 4 (2023) and adopt Resolution No. 2023-89 authorizing the City Manager to award a contract to the lowest responsive bidder, in an amount not to exceed \$500,000, and to execute change orders in an amount not to exceed \$50,000.

- C-6 Adopt Resolution Ratifying Expenses and Authorizing City Manager to Execute Change Orders to Alley Improvement Project – Phase 9 (\$1,004.54) and Accept Improvements Under Contract for Alley Improvement Project – Phase 9 (PW)

Adopted Resolution No. 2023-90 ratifying expenses and authorizing the City Manager to execute change orders to Alley Improvement Project - Phase 9 in the amount of \$1,004.54 and accept the improvements under the contract for Alley Improvement Project - Phase 9.

- C-7 Accept Improvements Under Contract for Wastewater Main Rehabilitation Program (Project No. 9) (PW)

This item was pulled at the request of Council Member Nakanishi.

Discussion ensued with Council Member Nakanishi and Public Works Director Charlie Swimley regarding the scope and funding of the project.

Council Member Nakanishi made a motion, second by Council Member Bregman, to approve the improvements under the contract for Wastewater Main Rehabilitation Program (Project No. 9).

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Bregman, Council Member Nakanishi, Council Member Yopez, Mayor Pro Tempore Craig, and Mayor Hothi

Noes: None  
Absent: None

C-8 Adopt Resolution Authorizing City Manager to Execute Three-Year Professional Services Agreement with Five Optional One-Year Extensions with A1 Protective Services, LLC, of Rancho Cordova, for Security Services (\$1,599,000).(FIN)

Adopted Resolution No. 2023-91 authorizing the City Manager to execute a three-year Professional Services Agreement with five optional one-year extensions with A1 Protective Services, LLC, of Rancho Cordova, for security services, in the amount of \$1,599,000.

C-9 Adopt Resolution Authorizing City Manager to Execute Amendment No. 3 to Professional Services Agreement with Interwest Consulting Group, Inc., for Contract Planning Services Increasing the Fiscal Year 2022-23 Amount by \$30,000, Appropriate Funds for a Total Amount Not to Exceed of \$886,000 Over Term of Agreement, and Request Unused Funds Roll to Future Budget Years (CD)

Adopted Resolution No. 2023-92 authorizing the City Manager to execute Amendment No. 3 to the Professional Services Agreement with Interwest Consulting Group, Inc., for contract planning services, increasing the Fiscal Year 2022-23 amount by \$30,000, appropriating funds for a total amount not to exceed of \$886,000 over the term of the agreement, and requesting unused funds roll to future budget years.

C-10 Adopt Resolution Authorizing City Manager to Execute Amendment No. 3 to Professional Services Agreement with Power Centric Solutions, LLC, of Gallatin, Tennessee, for Lodi Electric Utility Engineering System Study Services (\$150,000).(EU)

Adopted Resolution No. 2023-93 authorizing the City Manager to execute Amendment No. 3 to the Professional Services Agreement with Power Centric Solutions, LLC, of Gallatin, Tennessee, for Lodi Electric Utility engineering system study services, in the amount of \$150,000.

C-11 Adopt Resolution Authorizing City Manager to Execute Agreement for Workers' Compensation Self-Insurance Third-Party Administrator with Acclamation Insurance Management Services, Inc., of Sacramento, for the Period July 1, 2023, to June 30, 2028 (\$893,000).(CA)

Adopted Resolution No. 2023-94 authorizing the City Manager to execute a Professional Services Agreement for Workers' Compensation self-insurance third-party administration with Acclamation Insurance Management Services, Inc., of Sacramento, for the period July 1, 2023, to June 30, 2028, in the amount of \$893,000.

C-12 Adopt Resolution Authorizing City Manager to Execute Funding Documents with the California Department of Transportation for Allocation of Fiscal Year 2022/23 Low Carbon Transit Operations Program Funds.(PW)

Adopted Resolution No. 2023-95 authorizing the City Manager to execute funding documents with the California Department of Transportation for allocation of Fiscal Year 2022/23 Low Carbon Transit Operations Program funds.

C-13 Adopt Resolution Authorizing City Manager to Execute Amendment No. 1 to Regional Early Action Planning (REAP) Grant (CD)

Adopted Resolution No. 2023-96 authorizing the City Manager to execute Amendment No. 1 to the Regional Early Action Planning (REAP) grant.

C-14 Adopt City of Lodi Fleet Electrification Master Plan (PW)

Adopted the City of Lodi Fleet Electrification Master Plan.

C-15 Adopt Resolution Authorizing City Manager to Implement Citywide Cash Handling Policy.(ISD)

Adopted Resolution No. 2023-97 authorizing the City Manager to implement the Citywide Cash Handling Policy.

C-16 Accept Monthly Protocol Account Report (CLK)

Accepted the Monthly Protocol Account Report.

C-17 Receive Report Regarding Communication Requesting State of California Legislature Action on Fentanyl and Substance Use-Related Legislation (CLK)

Items C-17 and C-18 were pulled at the request of Mayor Pro Tempore Craig. Mayor Pro Tempore Craig pointed out the importance of legislation addressing the fentanyl crisis and the TradePort California Project which addresses inland ports and improved transportation.

Mayor Pro Tempore Craig made a motion, second by Council Member Bregman, to receive a report regarding the communication requesting State of California Legislature action on fentanyl and substance use-related legislation.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Bregman, Council Member Nakanishi, Council Member Yepez, Mayor Pro Tempore Craig, and Mayor Hothi

Noes: None

Absent: None

NOTE: Comments for Items C-17 and C-18 were addressed together and both items were voted on following comments.

C-18 Receive Report Regarding Communication Supporting TradePort California Project (CLK)

Items C-17 and C-18 were pulled at the request of Mayor Pro Tempore Craig. Mayor Pro Tempore Craig pointed out the importance of legislation addressing the fentanyl crisis and the TradePort California Project which addresses inland ports and improved transportation.

Mayor Pro Tempore Craig made a motion, second by Council Member Bregman, to receive a report regarding the communication supporting the TradePort California Project.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Bregman, Council Member Nakanishi, Council Member Yepez, Mayor Pro Tempore Craig, and Mayor Hothi

Noes: None

Absent: None

NOTE: Comments for Items C-17 and C-18 were addressed together and both items were voted on following comments.

C-19 Set Public Hearing for June 21, 2023, to Consider Adopting Resolution Setting Pre-Approved Engineering News Record Adjustment Index for Wastewater Rates for Residential, Commercial, and Industrial Customers (PW)

Set a public hearing for June 21, 2023, to consider adopting a resolution setting pre-approved Engineering News Record adjustment index for wastewater rates for residential, commercial, and industrial customers.

D. Comments by the Public on Non-Agenda Items

Chelsea Taylor, a member of the public, spoke on the skate park.

Alex Aliferis, a member of the public, spoke on animal control, mail not being delivered to his block due to a vicious dog running loose, and the moral decay in society.

Patrick Byron, a member of the public, spoke on the skate park.

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

Council Member Nakanishi spoke about the poor road conditions on Lodi Avenue, from Cherokee Lane to Church Street. Public Works Director Swimley responded with information regarding the timing of repairs. Mayor Pro Tempore Craig spoke about the recent One Voice trip and the budget considerations of the backlog of maintenance and projects that have been deferred.

Council Member Bregman asked for a Shirtsleeve Session to discuss options for the skate park.

Council Member Yepez asked for clarification on how to report loose animals.

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

City Manager Schwabauer clarified that Item H-1 on the agenda will discuss Council's strategic plan and will not include a discussion regarding the use of surplus funds.

G. Public Hearings

G-1 Public Hearing to Consider Approving Use of Equipment Identified as Military Equipment in Accordance with AB 481 (PD)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Hothi called for the public hearing to consider approving the use of equipment identified as military equipment in accordance with AB 481.

Police Chief Sierra Brucia provided a presentation regarding the use of equipment identified as military equipment. Specific topics of discussion included background of AB 481, posting of equipment inventory, and required collection of complaints and concerns, of which there were none.

In response to Council Member Nakanishi, Police Chief Brucia clarified that no equipment in use by the Department is supplied by the military; rather, the equipment falls under the State definition of military equipment.

Discussion ensued with Council Member Yopez regarding the complaint process.

Mayor Hothi opened the public hearing for public comment.

There being no public comments, Mayor Hothi closed the public hearing.

Mayor Pro Tempore Craig made a motion, second by Council Member Yopez, to approve the use of equipment identified as military equipment in accordance with AB 481.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Bregman, Council Member Nakanishi, Council Member Yopez, Mayor Pro Tempore Craig, and Mayor Hothi

Noes: None

Absent: None

G-2 Public Hearing to Consider Introducing an Ordinance Amending Lodi Municipal Code Chapter 13.20, "Electrical Service," by Repealing and Reenacting Article III, "Rates," in its Entirety (EU)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Hothi called for the public hearing to consider introducing an ordinance amending Lodi Municipal Code Chapter 13.20, "Electrical Service," by repealing and reenacting Article III, "Rates," in its entirety.

Electric Utility Director Jeff Berkheimer, Russ Schneider, Senior Project Manager with EES Consulting, and Rates and Resources Manager Melissa Price provided a PowerPoint presentation regarding Lodi Electric Utility rate adjustment. Specific topics of discussion included overview of Lodi Electric Utility (LEU); costs and charges; financial challenges - declining reserves, inflation in electric sector, cost escalation, and cost pressures; rate history; rate setting principles; methodology and proposed rates; average bill impacts; customer charge comparison; rate actions of other utilities; mobile home parks; financial forecast without rate adjustments; financial forecast with two-year rate adjustment; cost mitigation; financial risks without rate increase; and recommendation.

Discussion ensued with Mayor Pro Tempore Craig, Rates and Resources Manager Price, and Deputy City Manager Andrew Keys regarding industry standards for reserves and relations to bond ratings, designation of different types of commercial customers, and the City not purchasing power from PG&E.

Council Member Bregman stated he felt that with the cost of transformers and lines, the City's Electric Utility is operating extremely efficiently.

Mayor Hothi opened the public hearing for public comment.

Alex Aliferis, a member of the public, spoke about the wasteful State green energy mandates, inflation, and his opposition due to the economic struggles of the citizens of Lodi.

J.P. Ducette, of the Lodi Chamber of Commerce, stated that he felt the increase was fair. Discussion ensued with Mr. Ducette, Rates and Resources Manager Price, and Electric Utility Director Berkheimer regarding the inflation numbers used for the forecast, power generation, reserves, and State mandates.

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

Council Member Nakanishi made a motion, second by Council Member Bregman, to introduce Ordinance No. 2015 amending Lodi Municipal Code Chapter 13.20, "Electrical Service," by repealing and reenacting Article III, "Rates," in its entirety.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Bregman, Council Member Nakanishi, Council Member Yepez, Mayor Pro Tempore Craig, and Mayor Hothi

Noes: None

Absent: None

H. Regular Calendar

H-1 Adopt Resolution Adopting the City Council Strategic Vision (CM)

Deputy City Manager Andrew Keys provided a PowerPoint presentation regarding the City Council Strategic Vision. Specific topics of discussion included background, process, how to read the Strategic Vision, Strategic Imperatives (SI), SI1 - Downtown, SI2 - Economic Development, SI2 - Economic Development Alternative, SI3 - Fiscal Health, SI4 - Housing, SI5 - Infrastructure, SI6 - Parks, SI6 - Parks Alternatives, SI7 - Public Safety, SI7 - Public Safety Alternatives, SI8 - Public Well-Being, next steps, and recommendation.

Discussion ensued with Mayor Pro Tempore Craig, Deputy City Manager Keys, and Electric Utility Director Jeff Berkheim regarding the Hydrogen Hub Project and its role in economic development.

City Manager Schwabauer stated that Mayor Pro Tempore Craig had submitted stylistic changes to the document and requested the passive voice of the document be changed to active voice.

Patrick Byron, a member of the public, spoke about the need for a skate park, his disappointment that it is not included specifically in the Strategic Vision, and his perception that the Strategic Vision was created without public input.

Mayor Hothi clarified that the Strategic Vision workshop was open to the public.

J.P. Ducette, of the Lodi Chamber of Commerce, spoke about the Chamber's willingness to help stop unfunded State mandates, budgetary constraints and creative solutions to parks maintenance, and his opinion that public safety training and revenue generation are not mutually exclusive. Discussion ensued with Mr. Ducette and City Manager Schwabauer regarding where information on the Strategic Plan will be posted.

Mayor Pro Tempore Craig commended staff for their efforts, noted that this is a 10 to 15 year plan, and stressed that this is a big picture plan for parks for all sports and recreation facilities, which could include a skate park.

Council Member Nakanishi spoke in response to Mr. Byron's earlier comments, noting that while Lodi Unified School District does have gyms, the City has no authority to use them, and Council Members spent two days working on the Strategic Vision.

Mayor Pro Tempore Craig made a motion, second by Council Member Bregman, to adopt Resolution No. 2023-98 adopting the City Council Strategic Vision, as amended in the staff report for Strategic Initiatives 2 (Economic Development) and 7 (Public Safety), and choosing Alternative 2 for Strategic Initiative 6 (Parks), and incorporating stylistic changes noted by Mayor Pro Tempore Craig as to Strategic Initiatives 3 (Fiscal Health), 4 (Housing), and 5 (Infrastructure).

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Bregman, Council Member Nakanishi, Council Member Yepez, Mayor Pro Tempore Craig, and Mayor Hothi

Noes: None

Absent: None

I. Ordinances – None

J. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 9:12 p.m. in memory of former Police Chief Floyd Williams. Police Chief Sierra Brucia provided a brief statement regarding Chief Williams.

ATTEST:

Pamela M. Farris  
Assistant City Clerk