

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 7, 2008**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of May 7, 2008, was called to order by Mayor Pro Tempore Hansen at 5:48 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

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

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Actual Litigation: Government Code §54956.9; Three Applications; John Walker v. City of Lodi; WCAB Case Numbers STK 0156990 – 4/11/2000; STK 0156991 – 1/31/00; and STK 171305 – 4/11/00
- b) Actual Litigation: Government Code §54956.9(a); One Case; Sciarini v. City of Lodi, et al., San Joaquin County Superior Court, Case No. CV034596
- c) Actual Litigation: Government Code §54956.9; Calvin Wadlow v. City of Lodi; WCAB Case Number STK0189440– 1/30/2003 and 4/18/2003
- d) Prospective Acquisition of Real Property Located at 232 North Washington Street (APN #043-087-17); 242 Rush Street (APN #043-090-13); and 420 E. Lockeford Street (APN #043-202-29), Lodi, California; the Negotiating Parties are City of Lodi and Union Pacific Railroad Company; Government Code §54956.8
- e) Conference with Dean Gualco, Human Resources Manager (Labor Negotiator), Regarding Association of Lodi City Employees Regarding General Services and Maintenance & Operators Pursuant to Government Code §54957.6
- f) Actual Litigation: Government Code §54956.9(a); One Case; People of the State of California; and the City of Lodi, California v. M & P Investments, et al., United States District Court, Eastern District of California, Case No. CIV-S-00-2441 FCD JFM

C-3 ADJOURN TO CLOSED SESSION

At 5:48 p.m., Mayor Pro Tempore Hansen adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:45 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:01 p.m., Mayor Mounce reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

In regard to Items C-2 (a), C-2(b), and C-2(c), settlement direction was given.

In regard to Item C-2 (d), negotiating direction was given.

Item C-2 (e) was not discussed.

In regard to Item C-2 (f), settlements were approved in the amounts of \$15,000 for Connie Dewalt Scott and \$50,000 for Judith and Joseph Newfield/United Dry Cleaners.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of May 7, 2008, was called to order by Mayor Mounce at 7:03 p.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Absent: Council Members – None

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

B. INVOCATION

The invocation was given by Ken Owen, Christian Community Concerns.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Mounce.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 (a) Police Chief David Main announced that Citizen Service Awards and Certificates of Recognition would be presented to the following individuals (who were unable to attend the meeting) in recognition of their heroism for going above and beyond to help someone in need during an incident at a gas station on Cherokee Lane on April 23, 2007:

David Rivas, Ruth Ann Ruiz-Gomez, Lucia Montour

D-2 (a) Mayor Mounce presented a proclamation to Police Chief David Main proclaiming the month of May 2008 as "Peace Officer Memorial Month" in the City of Lodi.

D-2 (b) Mayor Mounce presented a proclamation to Charlie Swimley, Water Services Manager, proclaiming the week of May 18 – 24, 2008, as "National Public Works Week" in the City of Lodi.

D-2 (c) Mayor Mounce presented a proclamation to Nancy Beckman, Executive Director of the Lodi Conference and Visitors Bureau (LCVB), and Dale Gillespie, LCVB Board Chair, proclaiming the week of May 10 – 18, 2008, as "National Tourism Week" in the City of Lodi.

D-2 (d) Mayor Mounce presented a proclamation to Jennifer Perrin, Deputy City Clerk, proclaiming the week of May 4 – 10, 2008, as "National Municipal Clerks Week" in the City of Lodi.

Mayor Mounce further presented a proclamation to Mark Chandler, Executive Director of the Lodi-Woodbridge Winegrape Commission, proclaiming the week of May 16 – 18, 2008, as "Zinfandel Month" in the City of Lodi.

D-3 Presentations – None

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Johnson, Katakian second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

E-1 Claims were approved in the amount of \$6,206,220.35.

E-2 The minutes of April 8, 2008 (Shirtsleeve Session), April 15, 2008 (Shirtsleeve Session), April 22, 2008 (Shirtsleeve Session), and April 29, 2008 (Shirtsleeve Session) were approved as written.

E-3 Approved the specifications and authorized advertisement for bids for a replacement hydraulic underground cable puller.

E-4 Adopted Resolution No. 2008-71 awarding the purchase of a 55' material handling bucket truck to Altec Industries Inc., of Dixon, California, in the amount of \$197,452.95.

E-5 Adopted Resolution No. 2008-72 approving the purchase of bronze "Celebration of the Harvest" sculpture by Rowland Cheney to be located on the corner of School and Oak Streets in Downtown Lodi in the amount of \$153,000.

E-6 Adopted Resolution No. 2008-73 approving the purchase of pergola art piece titled "Better Days" by Jarrod Mays to be located on the corner of Lodi Avenue and Washington Street in the amount of \$86,000.

- E-7 “Adopt Resolution Awarding Contract for Lower Sacramento Road West Frontage Road Wastewater Pipe Improvement (Bayberry Drive to Tejon Street) to Granite Construction Company, of Watsonville (\$83,677), and Appropriating Funds (\$100,400)” was **removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**
- E-8 Accepted the improvements for the “Henry Graves Park and Beckman Park Restroom Replacement, 2206 Oxford Way and 1426 West Century Boulevard” contract.
- E-9 Adopted Resolution No. 2008-74 approving Addendum to Improvement Agreement for Interlake Square, Tract No. 3532, to provide one-year time extension and authorizing the City Manager to execute the agreement on behalf of the City.
- E-10 Approved the installation of winery signs by the Lodi-Woodbridge Winegrape Commission in Downtown on City property.
- E-11 “Adopt Resolution Approving Submittal of Grant Documents to Office of Homeland Security for Proposition 1B Transit Security Funds and Authorizing Transportation Manager to Submit All Necessary Paperwork and Reimbursement Requests” was **removed from Consent Calendar and discussed and acted upon following approval of the Consent Calendar.**
- E-12 Adopted Resolution No. 2008-75 amending the City of Lodi Drug Free Workplace Policy and Procedure and adopted Resolution No. 2008-76 amending the City of Lodi Drug and Alcohol Testing Policy and Procedure in accordance with the Federal Transit Administration Drug and Alcohol Program audit.
- E-13 Adopted Resolution No. 2008-77 approving salary adjustment for the following classifications in the Public Works – Water Services Division:
- Wastewater Plant Operator I 10% (new salary range: \$3493.73 - \$4246.65)
 - Wastewater Plant Operator II 10% (new salary range: \$3843.20 - \$4671.44)
 - Wastewater Plant Operator III 10% (new salary range: \$4227.53 - \$5138.58)
 - Laboratory Services Supervisor 5% (new salary range: \$4863.55 - \$5911.68)
 - Chief Wastewater Plant Operator 5% (new salary range: \$4863.55 - \$5911.68)
- E-14 Authorized the City Attorney to issue “comfort letter” to Bank of the West in connection with the lease of property at 229 South School Street.

ACTION ON ITEMS REMOVED FROM CONSENT CALENDAR

- E-7 “Adopt Resolution Awarding Contract for Lower Sacramento Road West Frontage Road Wastewater Pipe Improvement (Bayberry Drive to Tejon Street) to Granite Construction Company, of Watsonville (\$83,677), and Appropriating Funds (\$100,400)”

NOTE: Due to a potential conflict of interest with respect to her owning stock in the subject company, Mayor Mounce abstained from discussion and voting on this matter.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Katzakian second, adopted Resolution No. 2008-78 awarding contract for Lower Sacramento Road West Frontage Road Wastewater Pipe Improvement (Bayberry Drive to Tejon Street) to Granite Construction Company, of Watsonville, in the amount of \$83,677, and appropriating funds in the amount of \$100,400. The motion carried by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, and Katzakian
Noes: Council Members – None
Absent: Council Members – None
Abstain: Council Members – Mayor Mounce

- E-11 "Adopt Resolution Approving Submittal of Grant Documents to Office of Homeland Security for Proposition 1B Transit Security Funds and Authorizing Transportation Manager to Submit All Necessary Paperwork and Reimbursement Requests"

This item was pulled by Council Member Johnson for further discussion.

Transportation Manager Tiffani Fink stated the primary piece of the grant is procuring a key card access system that is similar to the one utilized by the Police Department. She stated the current door button system is not as secure because the facility is utilized by many agencies and the key card system would allow the City to monitor access to the facility, generally allow for a higher level of security, and continue to allow access for multiple individuals, including the Partners, into specific areas of the facility.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Mounce second, unanimously adopted Resolution No. 2008-79 approving submittal of grant documents to Office of Homeland Security for Proposition 1B transit security funds and authorizing the Transportation Manager to submit all necessary paperwork and reimbursement requests.

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Barbara Parrish spoke in opposition to any increase in Dial-A-Ride rates based on transportation concerns for the elderly and disabled.
- Jan Alexander, representing "Thrive and Financial for Lutherans for San Joaquin County," stated this month is "Join Hands" month and the Lutheran churches in the area are working on "Project Hope" to help youth as they exit foster care programs. She invited the public and City Council to attend a pack and pizza party on May 8, 2008, for the same.
- David Williamson spoke in opposition to any increase in Dial-A-Ride rates based on transportation concerns for the elderly and disabled.

G. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Mayor Pro Tempore Hansen reported on his attendance at the Chamber of Commerce sponsored event pertaining to redevelopment held at Lincoln Technical Academy.
- Mayor Mounce reported on her attendance at the Lodi Youth Commission dance held the weekend prior and commended the organizers for the success of the event.

H. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- City Manager King invited the public to attend the Open House for the General Plan amendment alternatives on May 10, 2008, at Hutchins Street Square. Mr. King also encouraged individuals interested in paratransit services to speak with Transportation Manager Tiffani Fink with respect to routing options.

I. PUBLIC HEARINGS

- I-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Mounce called for the public hearing to consider resolution adopting Engineer's Report, confirming assessments, overruling protests, and declaring assessment ballot results and annexing territory into the Lodi Consolidated Landscape Maintenance Assessment District 2003-1 and forming Luca Place Zone 14, Guild Avenue Industrial Zone 15, and West Kettleman Lane Commercial Zone 16. *NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31.*

City Manager King and Public Works Director Sandelin briefly introduced the subject matter of the proposed assessment for Landscape Maintenance Assessment District 2003-1.

Senior Civil Engineer Sharon Welch provided a brief presentation regarding the history and status of the landscape maintenance district, the proposed annexation, services to be provided and the content of the engineer's report, as outlined in the staff report.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

City Clerk Johl reported that the election results were as follows:

Zone 14

Property owner Costamagna Partners, LP (APN 027-420-09) represents 100% of the total assessment, which equals \$2,936.24. This property owner voted in favor of the assessment.

The assessment for Zone 14 was successful by a 100% majority vote.

Zone 15

Property owner Vernon J. & Jenise M. Vierra, TR (APN 049-340-38) represent 9.08% of the total assessment, which equals \$42.34. This property owner voted in favor of the assessment.

Property owner Gregory H. & Deidra Carpenter (APN 049-330-11) represent 28.27% of the total assessment, which equals \$131.78. This property owner voted in favor of the assessment.

Property owner Richard H. Kulka (APNs 049-330-04 and 049-330-10) represents 62.65% of the total assessment, which equals \$292.10. This property owner voted in favor of the assessment.

The assessment for Zone 15 was successful by a 100% majority vote.

Zone 16

Property owner R. Thomas Development, Inc. et al. (APN 031-330-10) represents 34.73% of the total assessment, which equals \$91.98. This property owner voted in favor of the assessment.

Property owner Eagle Credit Union (APN 049-340-12) represents 65.27% of the total assessment, which equals \$172.86. This property voted in opposition to the assessment.

The assessment for Zone 16 was not carried as it only received a 34.73% majority vote.

MOTION #1 / VOTE:

The City Council, on motion of Council Member Johnson, Hitchcock second, unanimously adopted Resolution No. 2008-81 adopting Engineer's Report, confirming assessments, overruling protests, and declaring assessment ballot results and annexing territory into the Lodi Consolidated Landscape Maintenance Assessment District 2003-1 and forming Luca Place Zone 14 and Guild Avenue Industrial Zone 15.

MOTION #2 / VOTE:

The City Council, on motion of Council Member Hitchcock, Mounce second, unanimously continued the subject public hearing to May 21, 2008, to consider forming West Kettleman Lane Commercial Zone 16.

J. COMMUNICATIONS

J-1 Claims Filed Against the City of Lodi – None

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Mayor Pro Tempore Hansen, Hitchcock second, unanimously made the following appointment:

Lodi Budget/Finance Committee

Keith Vargem Term to expire June 30, 2009

J-3 Miscellaneous – None

K. REGULAR CALENDAR

K-1 “Adopt Resolution Approving the Loan Request of Walker-Roderick Properties LLC, Pat Walker and Jack Roderick, Guarantors, Through the Community Development Block Grant Funded Revolving Loan Fund Program as Recommended by the City Manager”

Community Improvement Manager Joseph Wood provided a PowerPoint presentation regarding the Revolving Loan Fund (RLF) program. Specific topics of discussion included the RLF program development, program elements, review of the process, and the current loan request. Additionally, he discussed Community Development Block Grant (CDBG) funding, loan format, criteria for job creation, loan terms, interest rate, collateral, eligible uses, application review, program operator review, Loan Advisory Committee, City Manager review, loan documents and closing, loan servicing and monitoring, Walker-Roderick Properties, coin-operated laundromat, proposed use of funds, sufficient experience and financial characteristics, and the recommended action regarding the same.

In response to Mayor Pro Tempore Hansen, Mr. Wood stated the purpose of the program is to continue to put funds back into the program to allow for greater assistance, the creation of jobs, and provide benefit to low- and moderate-income residents in the area.

In response to Mayor Pro Tempore Hansen, Mr. Wood stated that, if the conditions of the loan are not met, including specified job creation, the City has the option of calling the loan as due.

In response to Council Member Hitchcock and Mayor Pro Tempore Hansen, Mr. Wood confirmed that the Committee did discuss the applicant's ability to create jobs and made its recommendation on the belief that there would be job creation.

In response to Council Member Hitchcock, Wendell Youngsma, RLF program director for San Joaquin County, stated the \$1,500 amount is for two employees and the \$3,000 amount is for four employees. Jack Roderick, the applicant, stated the numbers are soft projections based on surveys of the community and other laundromats in the area and the proposed business can run four full-time employees.

In response to Council Member Hitchcock, Mr. King stated the applicant can supply new numbers, which can be run through the Committee again or put certain conditions regarding the number of employees on the loan.

In response to Mayor Pro Tempore Hansen, Applicant Pat Walker stated there will be approximately 22 washers and 20 dryers, a full-time attendant will be present in addition to the owners at the start of the business, and there will be additional employees at a later date. There was also a brief discussion regarding self-laundering versus sending laundry out to be cleaned and competition with similar businesses.

In response to Council Member Johnson, Mr. Walker stated all the laundromats surveyed have attendants for maintenance and protection purposes. Mr. King stated the Committee did review the entrepreneurial business sense of the applicants.

In response to Council Member Johnson, Mr. Wood stated security behind the loan, which the program director believes to be reasonable, includes the equipment valued at \$80,000 and a third deed of trust valued at \$60,000.

Council Member Hitchcock stated she cannot support the recommendation of \$140,000 for the addition of two people, but will support half the loan amount at \$70,000, unless the applicant would like to resubmit projections for four employees.

In response to Council Member Katzakian, Mr. Wood confirmed that the loan being requested is \$140,000 of the proposed \$257,000 and the direction is clear with respect to prevailing wages.

In response to Mayor Pro Tempore Hansen, Mr. Wood stated the Committee includes two local banking officials and a business owner. Mr. Wood also stated a Pacific State Bank representative sits on the County Committee and, although he requested additional information, he had no qualms about recommending the loan for the applicants after review of the same.

In response to Mayor Pro Tempore Hansen, Mr. Wood stated the Department of Housing and Urban Development (HUD) allows the City to establish guidelines with respect to the time period for conditions and a 12-month period would be reasonable pursuant to the same.

Discussion ensued between Mayor Pro Tempore Hansen, Mayor Mounce, and Mr. Wood regarding the requirements for minimum wage, the 875 hour requirement for permanent part-time, two full-time employees as equivalent, and 32 hours being considered a full-time employee.

In response to Mayor Pro Tempore Hansen, Mr. Wood confirmed that the Committee was presented with the same information regarding job creation and recommended approval.

In response to Mayor Pro Tempore Hansen, Mr. King stated the City can use either the State CDBG guidelines or the federal HUD guidelines.

In response to Mayor Pro Tempore Hansen, Mr. Youngsma stated the application is as about as good as it gets, the linen workers are both commercial and residential, and the values are covered under additional collateral and personal guaranties of the borrowers if the corporation cannot pay.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Mounce second, adopted Resolution No. 2008-80 approving the loan request of Walker-Roderick Properties LLC, Pat Walker and Jack Roderick, Guarantors, through the Community Development Block Grant funded Revolving Loan Fund Program as recommended by the City Manager. The motion carried by the following vote:

Ayes: Council Members – Hansen, Johnson, Katzakian, and Mayor Mounce

Noes: Council Members – Hitchcock

Absent: Council Members – None

RECESS

At 8:46 p.m., Mayor Mounce called for a recess, and the City Council meeting reconvened at 8:57 p.m.

K. REGULAR CALENDAR (Continued)

K-2 "Approve Business Points for Solid Waste Franchise Renewal"

Public Works Director Sandelin provided a PowerPoint presentation regarding the solid waste franchise renewal business points. Specific topics of discussion included background, negotiation goals, draft business points, solid waste, green waste, recycling, hazardous waste, billing service, street cleaning, trash collection and leaf pick-up service, annual collection rate adjustments, renewal terms, technical ordinance revisions, compactor rates, level of service, annual financial impact and savings, rate impacts, and summary of business points.

In response to Council Member Hitchcock, Mr. Sandelin confirmed that a meeting with the employees generated the awareness that employees did not want a change in service and they wanted to keep providing the service for a variety of reasons.

In response to Mayor Pro Tempore Hansen, Mr. Sandelin stated that some of the difference in service in the downtown area and cans at the bus stops may have been due to the \$500,000 reduction in the streets budget a few years ago. Mr. King stated the net result increase of \$500,000 in the franchise fee may be used for clean-up efforts in the downtown area and may be directed to fund positions in the street division, which may allow for greater service to the downtown as well. A brief discussion ensued between Mayor Pro Tempore Hansen and Mr. Sandelin regarding a previous waste services subcontract for the downtown.

In response to Mayor Pro Tempore Hansen, Mr. King and Mr. Sandelin confirmed that approximately \$70,000 will go to the parks side.

In response to Council Member Hitchcock, Mr. Sandelin confirmed that the current franchise fee of 4.8% is changing to 10.8%. Mr. King stated staff is recommending approval of the general business points and specific fees and rates are yet to be negotiated. Discussion ensued between Council Member Hitchcock and Mr. Sandelin regarding how the franchise fee compares to other communities, how such fees are calculated, and the fees in Stockton, Tracy, Galt, Davis, Modesto, and Manteca.

In response to Mayor Pro Tempore Hansen, Mr. King stated the proposed agreement will allow for safeguards for the franchise fee such as extra costs associated with fuel. He stated they are not giving up a year of the agreement because the term of the next proposed agreement would be eight years.

Mark Ruggiero spoke in favor of the proposed business points and staff recommendation, stating the employees support the same.

Thom Sanchez spoke in favor of the proposed business points and staff recommendation, stating he supported a long-term agreement, franchise fees generally average between eight and ten percent, and the City would receive a payment minus the franchise fee, which is how the amounts are kept separated.

Discussion ensued between Council Member Hitchcock and Thom Sanchez regarding service for the city of Stockton, 4.8% as being all inclusive, comparisons in rate increases in the City and other communities, differences in service, and an overview of rates and fees in other cities serviced by Waste Management.

In response to Council Member Hitchcock, Mr. Sandelin confirmed that staff researched and studied information from other communities on its own in addition to looking at the information supplied by Waste Management.

Mr. King clarified that the franchise fee is not a part of the rate increase.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Mounce second, unanimously approved the following Business Points for solid waste franchise renewal:

1. Street sweeping – Central Valley Waste Services (CVWS) will pay to the City \$470,000 annually as reimbursement of costs associated with street sweeping, leaf pickup, downtown cleaning and bus stop trash collection. The amount of the payment will annually increase by 80 percent of the change in the Consumer Price Index (CPI). CVWS will waive the tipping fees charged for dumping the street cleanings and fall leaves, a value of approximately \$50,000.
2. Parks trash collection – CVWS will pay to the City \$71,500 annually as reimbursement of costs associated with trash collection at City parks. The amount of the reimbursement will annually increase by 80 percent of the change in the CPI.
3. City service – CVWS will service the trash containers/bins at City facilities, including parks, at no charge to the City, a value of approximately \$70,000.
4. Billing service – CVWS will continue to reimburse the City for a share of billing expenses, and the amount will annually increase by 80 percent of the change in the annual CPI. For the past several years, the amount has been fixed.
5. Hazardous waste – CVWS will host quarterly electronic/universal waste and annual household hazardous waste collection events at its Turner Road facility or other Lodi location.
6. Annual rate adjustments – will be 80 percent of the change in the annual CPI.
7. Renewal term – is another eight years with one CVWS option to renew for an additional seven years. Staff recommends that the new term start January 1, 2009.
8. Technical ordinance revisions – CVWS has asked for clarification of some definitions of service classes.
9. Compactor rates – CVWS has asked for a new rate for servicing certain types of large trash compactors that are labor intensive.

K-3 “City Council Participation in Review of Applicants for Community Development Director”

MOTION / VOTE:

The City Council, on motion of Mayor Mounce, Hansen second, unanimously selected Council Members Johnson and Hitchcock to participate in the review of applicants for Community Development Director.

RECESS

At 9:37 p.m., Mayor Mounce called for a recess, and the City Council meeting reconvened at 9:43 p.m.

K. REGULAR CALENDAR (Continued)

K-4 “Review of the 2008-09 Draft Budget”

City Manager King provided a PowerPoint presentation regarding the Fiscal Year 2008-09 proposed budget. Specific topics of discussion included important considerations for the General Fund, Triple Flip and sales tax revenues, and a review of individual departmental budget presentations, as set forth in the presentation documentation, including the summary sheet, current year accomplishments, and future year goals.

In response to Council Member Hitchcock, Mr. Krueger stated the 9.8 figure includes both in-lieu sales tax and general sales and use tax and there is a projection of a \$250,000 increase in overall sales tax.

In response to Mayor Mounce, Mr. Wood stated the provisions for code enforcement were adopted and enacted, including the provisions with respect to administration of citation and non-compliance fees. Mayor Mounce requested additional information regarding revenues for code enforcement fees.

In response to Council Member Hitchcock, Mr. King stated an agreement has not yet been reached with respect to the Lodi Unified School District and the after school program. Interim Parks and Recreation Director Steve Dutra stated technically there are two programs for the ACES/Bridges program. Discussion ensued regarding the possible reduction of the City staff and increase of the school district staff. Mr. Krueger stated the estimate for the after school programs is on page 51; although, there is no agreement as of the current date.

Fire Department

In response to Council Member Hitchcock, Fire Chief Pretz stated the \$49,000 line item on page 26 refers to plan check and related fees, which were since transferred to Community Development.

In response to Council Member Hitchcock, Mr. Krueger confirmed that some fees for some projects were reduced throughout the year and the \$380,000 amount on page 27 refers to larger project fees such as Delta College and possible reimbursement fees.

In response to Council Member Hitchcock, Chief Pretz and Mr. Krueger stated the outside services line item on page 27 includes properties services provided outside of the City limits and includes the Flag City signing bonus.

In response to Council Member Hitchcock, Mr. Krueger confirmed the PL/PD line item reduction refers to the self-insurance.

Discussion ensued between Council Member Hitchcock and Chief Pretz regarding approximately \$261,000 in overtime savings, \$80,000 reduction in training, the remainder based on unanticipated leaves including sick leave and injury leave, average of one firefighter per year on injury leave, the effect of sick leave on the overtime budget, issue regarding the lack of full staffing, the loss of firefighter applicants in the academy, division chief position being left open and the reasonableness of the proposed savings.

In response to Mayor Pro Tempore Hansen, Chief Pretz stated there are 64 positions authorized, 8 candidates were sent to the academy, 1 candidate has dropped out leaving 7, and assuming there are no more drop outs the 7 will complete the academy in approximately seven weeks. He stated the entire training process including the academy takes approximately 12 months.

In response to Mayor Pro Tempore Hansen, Chief Pretz stated new hires should have an impact on the overtime in the mid-year budget.

In response to Council Member Johnson, Chief Pretz stated generally the new hires are rookies or have some training that is not complete. A brief discussion ensued regarding lateral transfers and the cost of the academy. Mr. King confirmed that the overall Fire Department is increasing.

In response to Council Member Hitchcock, Mr. Krueger stated staff will provide the information pertaining to how the Memorandum of Understanding increases affect the budget as requested.

Mr. King reviewed the employment position changes in the various departments as listed on page 7, including those associated with the Community Center, Community Development, Electric Utility, Finance, Police, Fire, Code Enforcement, Public Works, Library, Parks and Recreation, and the Streets Division.

In response to Mayor Mounce, Mr. Krueger confirmed that the transit fund budget already incorporated the transfer of the Transit Planner position.

In response to Council Member Hitchcock, Human Resources Manager Dean Gualco stated that, with respect to the transferring of positions and how it is connected to the bargaining groups, the City has certain management rights to get tasks completed and also has meet and confer obligations in some cases to discussion items such as wages, salary, and working conditions. Mr. Gualco also discussed assessing the effect of any transfer versus whether it can be done, the need to report and recruit in some cases but not all, and the application of the personnel rules regarding the same.

In response to Mayor Mounce, Mr. Gualco stated a lot of time is being invested with employees and the bargaining groups and staff is both optimistic and realistic with respect to the same.

In response to Council Member Hitchcock, Mr. King stated frozen positions for the 2006 budget were eliminated and the 2007 budget reflects the new frozen positions. He stated the direction was interpreted as a one-year piece rather than policy because of the number of positions that were in question. Mr. King stated on page 373 the non-departmental personnel services line item reduction of \$739,000 is representative of employee turnover, which accounts for employees who leave the organization for a variety of reasons, and this factor is averaged based on previous year turnovers.

In response to Council Member Hitchcock, Mr. King confirmed that the reduction is shown as non-departmental. Mr. Krueger stated the projection is based on statistics from previous years.

Council Member Hitchcock requested quarterly updates on the budget since the budget itself is so tight.

In response to Mayor Pro Tempore Hansen, Mr. King stated the mid-year budget review will be important to audit to ensure the budget with respect to personnel savings is on track.

Police Department

Police Chief Main provided an overview of the budget summary for the Police Department, the 2007-08 year accomplishments, and 2008-09 goals. Chief Main clarified that the dispatcher/jailer position that is left open is for future crime analysis purposes. He stated all dispatch positions for fire services will be covered.

In response to Council Member Johnson, Chief Main stated three dispatchers will work in crime prevention, court services, and communications. Discussion ensued between Council Member Johnson, Chief Main, and Mr. Krueger regarding the need for additional dispatchers to handle calls and a figure of \$60,000.

Discussion ensued between Council Member Hitchcock, Chief Main, and Mr. Krueger regarding the line 7302 reduction on page 55 for the lease program that was less expensive, the change on page 55 regarding the sublet service contract increase due to 911 data contract increases, the change on page 56 for special payments regarding debt service allocation for \$759,000, the change on page 58 for insurance refund from dual coverage, the change on page 65 regarding a regular employee salary increase, and the reduction associated with the code enforcement contract employee position.

Discussion ensued between Mayor Pro Tempore Hansen, Mayor Mounce, Chief Main, and Mr. King regarding pursuing an aggressive spay and neuter program, the application of Community Development Block Grant (CDBG) funding for the same, recommendations from the Task Force for a spay and neuter program, possible adjustments between \$10,000 and \$13,000 from CDBG funding, mid-year budget application, and earmarking undesignated funds.

City Attorney Schwabauer confirmed that the Council provided general direction with respect to animal shelter improvements in relation to CDBG funding options.

MOTION / VOTE:

There was no Council action taken on this matter.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Council Member Hitchcock, Katzakian second, unanimously voted to continue with the remainder of the meeting following the 11:00 p.m. hour.

K. REGULAR CALENDAR (Continued)

K-5 "Approve Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation (\$114,453.58)"

MOTION / VOTE:

The City Council, on motion of Council Member Hansen, Mounce second, unanimously approved the expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program Litigation in the amount of \$114,453.58, as detailed below:

Folger Levin & Kahn - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Water Acct. Amount
8002	107776	Feb-08	City v. M&P Investments	\$ 11,073.69
	133694	Mar-08	Hemming Morse, Inc.	\$ 4,656.00
8003	107919	Mar-08	Hartford v. City of Lodi	\$ 454.23
8008	107775	Mar-08	City of Lodi v. Envision	\$ 95,981.43
Total				\$112,165.35

MISCELLANEOUS

Invoice No.	Date	Description	Water Acct. Amount
885901	3/8/2008	Harry A. Cannon, Inc. re: City v. Donovan	\$ 2,288.23
Total			\$ 2,288.23

L. ORDINANCES

L-1 Following reading of the title of Ordinance No. 1811 entitled, "An Uncodified Ordinance of the City Council of the City of Lodi Repealing and Reenacting Ordinance 964 in its Entirety Setting Forth a Specific Plan for South Hutchins Street between West Kettleman Lane and West Harney Lane," having been introduced at a regular meeting of the Lodi City Council held April 16, 2008, the City Council, on motion of Mayor Mounce, Hansen second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:

Ayes: Council Members – Hansen, Hitchcock, Johnson, Katzakian, and Mayor Mounce

Noes: Council Members – None

Absent: Council Members – None

Abstain: Council Members – None

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:26 p.m.

ATTEST:

Randi Johl
City Clerk