

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 21, 2008**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of May 21, 2008, was called to order by Mayor Mounce at 6:00 p.m.

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

Absent: Council Members – Hitchcock

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

C-2 ANNOUNCEMENT OF CLOSED SESSION

a) 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

b) 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 6:00 p.m., Mayor Mounce adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:55 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:03 p.m., Mayor Mounce reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

Item C-2 (a) was discussion only.

Item C-2 (b) was not discussed.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of May 21, 2008, was called to order by Mayor Mounce at 7:03 p.m.

Present: Council Members – Hansen, Hitchcock (arrived at 8:32 p.m.) 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 Pastor Mark Price, St. Paul Lutheran Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Mounce.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 Proclamations – None

D-3 (a) Joe Price and Lisa Vanderheiden, members of the Greater Lodi Area Youth Commission, gave a presentation to the Council regarding the accomplishments of the Commission.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Katzakian, Hansen second, approved the following items hereinafter set forth by the vote shown below:

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

Noes: Council Members – None

Absent: Council Members – Hitchcock

- E-1 Claims were approved in the amount of \$3,951,054.21.
- E-2 The minutes of April 30, 2008 (Special Meeting), May 6, 2008 (Shirtsleeve Session), May 6, 2008 (Public Forum hosted by Lodi District Chamber of Commerce), May 10, 2008 (Open House), May 13, 2008 (Shirtsleeve Session), May 13, 2008 (Special Meeting), and May 13, 2008 (Special Joint Meeting w/Lodi Arts Commission) were approved as written.
- E-3 Approved the plans and specifications and authorized notice for bids for Asphalt Rubber Cape Seal, Various Streets 2008 Project.
- E-4 Adopted Resolution No. 2008-82 authorizing the City Manager to proceed with installation of security improvements at Municipal Service Center, 1331 South Ham Lane, in the amount of \$83,990 and appropriating additional funds in the amount of \$21,000.
- E-5 Adopted Resolution No. 2008-83 authorizing the City Manager to approve repair of granulated activated carbon treatment vessels for DBCP treatment at Well No. 4R by Gold Star Painting, of Turlock, in the amount of \$22,170.
- E-6 Accepted the Improvements under the “City of Lodi Public Library Lighting Retrofit Project” contract.
- E-7 Adopted Resolution No. 2008-84 approving final map and Improvement Agreement for the Public Improvements for 416, 500, and 540 South Sacramento Street and directing the City Manager to execute the agreement on behalf of the City.
- E-8 Adopted Resolution No. 2008-85 approving the agreement between the City of Lodi and Spare Time, Inc., dba Twin Arbor Athletic Club, for use of pools at Twin Arbor Athletic Club facilities that will serve the summer swim league program, which will run for the period June 2, 2008 to July 20, 2008.
- E-9 Adopted Resolution No. 2008-86 authorizing the City Manager to execute an amendment to the Seattle City Light Third Phase Agreement related to transfer of rights by certain project participants.
- E-10 Adopted Resolution No. 2008-87 approving the Injury and Illness Prevention Program for the City of Lodi.
- E-11 Adopted the following resolutions pertaining to the November 4, 2008, General Municipal Election:
 - a) Resolution No. 2008-88 calling and giving notice of the holding of a General Municipal Election;
 - b) Resolution No. 2008-89 approving entering into a contract with the County of San Joaquin for the County Registrar of Voters to provide certain services;
 - c) Resolution No. 2008-90 regarding impartial analyses, arguments, and rebuttal arguments for any measure(s) that may qualify to be placed on the ballot; and
 - d) Resolution No. 2008-91 adopting regulations pertaining to the candidates’ statements.

- E-12 Authorized letters of support for Assembly Bill 38 (Nava) with respect to Department of Emergency Services and Homeland Security and Assembly Bill 2278 (Caballero) with respect to public-private partnerships for local infrastructure development.
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F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Andrew Chesley, Executive Director of San Joaquin Council of Governments, invited the public and City Council to a Community Forum to be held at the Lodi Public Library on June 3, 2008, at 6:30 p.m.
- Felix Huerta, business agent for the American Federation of State, County, and Municipal Employees, invited the City Council to participate in the negotiations process, which is to begin in June.

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

- Council Member Johnson reported on his attendance at the San Joaquin County Rail Commission meeting and stated discussions occurred regarding possibly moving the commuter rail line to the west of the City. He stated a Sacramento city council member may no longer be in favor of running the line through the City and they will continue to monitor the progress regarding the same.
- Mayor Pro Tempore Hansen reported on his attendance at the Celebration on Central event and the President's signature of the Consolidated Public Lands bill pertaining to dams and related costs.
- Mayor Mounce commended the Community Partnership for Families on its efforts for the Celebration on Central event and AFSCME on its efforts regarding the alley clean-up project. Ms. Mounce also reported that she was nominated as the Vice-President of the Central Division of the League of California Cities.

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

- City Manager King invited the public to attend and provide comments at the May 10, 2008, open house for land use alternatives to be held at Hutchins Street Square.

I. PUBLIC HEARINGS

- I-1a 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 continued public hearing to rescind Resolution 2008-81 and 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 Attorney Schwabauer provided a brief presentation regarding the previous action taken by the City Council on the subject matter at the May 7, 2008, City Council meeting. He explained the Engineer's Report pertained to all zones and needed to be acted upon in its entirety for all zones.

Hearing Opened to the Public

None.

Public Portion of Hearing Closed

MOTION #1 / VOTE:

The City Council, on motion of Mayor Pro Tempore Hansen, Johnson second, adopted Resolution No. 2008-92 rescinding Resolution 2008-81 relating to the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 in its entirety. The motion carried by the following vote:

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

Noes: Council Members – None

Absent: Council Members – Hitchcock

MOTION #2 / VOTE:

The City Council, on motion of Mayor Pro Tempore Hansen, Johnson second, adopted Resolution No. 2008-93 adopting the 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. The motion carried by the following vote:

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

Noes: Council Members – None

Absent: Council Members – Hitchcock

- I-1b "Adopt Resolution Initiating Proceedings for the Levy and Collection of Assessments, Resolution Approving the Annual Report, and Resolution Declaring Intention to Levy and Collect Assessments for the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for Fiscal Year 2008-09; and Set Public Hearing for June 18, 2008"

NOTE: This item is a quasi-judicial hearing and requires disclosure of ex parte communications as set forth in Resolution No. 2006-31.

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Katzakian second, adopted the following resolutions and set a public hearing for June 18, 2008, by the vote shown below:

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

Noes: Council Members – None

Absent: Council Members – Hitchcock

- Resolution No. 2008-94 initiating proceedings for the levy and collection of assessments for the Lodi Consolidated Landscape Maintenance District No. 2003-1 for fiscal year 2008-09;
- Resolution No. 2008-95 approving the Annual Report for the Lodi Consolidated Landscape Maintenance District No. 2003-1 for fiscal year 2008-09; and
- Resolution No. 2008-96 declaring intention to levy and collect assessments for the Lodi Consolidated Landscape Maintenance District No. 2003-1 for fiscal year 2008-09.

J. COMMUNICATIONS

- J-1 On recommendation of the City's contract administrator and the City Clerk, the City Council, on motion of Mayor Mounce, Johnson second, rejected the following Application for Leave to Present Late Claim by the vote shown below:

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

Noes: Council Members – None

Absent: Council Members – Hitchcock

- a) Michael L. Ryall, date of loss 4/22/06

J-2 The following postings/appointments were made:

- a) The City Council, on motion of Mayor Pro Tempore Hansen, Johnson second, directed the City Clerk to post for the following vacancies by the vote shown below:

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

Noes: Council Members – None

Absent: Council Members – Hitchcock

Lodi Arts Commission

Laura Heinitz Term to expire July 1, 2009

Greater Lodi Area Youth Commission*

Student Appointees:

Megan Connors Term to expire May 31, 2008

Lee Kraljev Term to expire May 31, 2008

Amanda Stevens Term to expire May 31, 2008

Jacob Pearson Term to expire May 31, 2008

Joseph Price Term to expire May 31, 2008

Jonathan Newman Term to expire May 31, 2009

Corinne Casey Term to expire May 31, 2009

**Re-post for 15-day period*

- b) The City Council, on motion of Council Member Johnson, Hansen second, made the following appointments by the vote shown below:

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

Noes: Council Members – None

Absent: Council Members – Hitchcock

Greater Lodi Area Youth Commission

Adult Advisor:

Isaac Morales Term to expire May 31, 2011

Library Board of Trustees

Deane Savage Term to expire June 30, 2011

Lodi Arts Commission

Bonnie Mayer Term to expire July 1, 2010

Catherine Metcalf Term to expire July 1, 2011

Margaret Talbot Term to expire July 1, 2011

Lodi Budget/Finance Committee

Kelly Brown Term to expire June 30, 2012

John Johnson Term to expire June 30, 2012

Bob Takeuchi Term to expire June 30, 2012

Planning Commission

Wendel Kiser Term to expire June 30, 2012

Randall Heinitz Term to expire June 30, 2012

J-3 Miscellaneous

- a) The City Council, on motion of Mayor Mounce, Johnson second, received the cumulative Monthly Protocol Account Report through April 30, 2008. The motion carried by the following vote:

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

Noes: Council Members – None

Absent: Council Members – Hitchcock

K. REGULAR CALENDAR

- K-1 "Provide Direction Regarding the Fixed Rate Refinancing for the Electric Utility 2002 Variable Rate Demand Obligations and Authorize the City Manager to Effectuate the Financing Plan for the 2008 Electric Utility Fixed Rate Project"

City Manager King provided a brief introduction to the history and status of the proposed fixed-rate refinancing of the Electric Utility 2002 variable rate demand obligations (VRDO).

Deputy City Manager Krueger, Tom Dunphy of Lamont Services, and Scott Sollers of Stone and Youngberg provided a PowerPoint presentation regarding the 2002 variable rate demand bonds. Specific topics of discussion included outstanding VRDO electric utility debt, VRDO and interest swap diagram, system's underlying ratings, description of problem, financing options to solve problem, market stabilization, best and worst case scenarios, maintaining mode and swap, local banks, fixed rate refunding retaining swap and scenarios, refunding without swap and scenarios, recommendation, 2008 electric system bond structure and transaction costs, summary of proposed financing, estimated sources and uses, analysis of bond insurance bid, proposed schedule and next steps, and the recommended action regarding the same.

In response to Mayor Mounce, Mr. Krueger provided an overview of the rates from the 1970s to the present, stating the labor rate may vary from time to time. He stated the City will not see the equilibrium point in the near future.

In response to Council Member Johnson, Mr. Krueger stated that, if the City went to the 4.9%, based on history he is predicting the synthetic rate is not going to get them anywhere anytime soon. He stated the 4.9% would be locked in for the bond life and the labor would have to go to approximately 8% for the City to equal out with the fixed rate.

In response to Mayor Pro Tempore Hansen, Mr. Krueger stated the 2.2% variable rate worked in the City's favor when it saved money while the rates were down. He stated the synthetic rate was maxed out at 5% to provide relief if the numbers went wrong. Mr. Krueger stated that, while there is typically a benefit with lower interest rates, because of the market and ability to cash out bonds in the future, carriers are deciding to take the cash out now and the recommendation is to switch from the variable rate to a fixed one.

In response to Council Member Katzakian, Mr. King stated there is a risk associated with both alternatives, whether it is to keep the swap in place or to get out of it.

In response to Council Member Johnson, Mr. Krueger stated increased rating for the Electric Utility bonds could be more attractive to BNP Paribas Bank.

In response to Council Member Johnson, Mr. Krueger stated that, while a rate increase might happen in the future and the dynamics may change a bit, there is still a need to take immediate action based on the timing associated with the bonds.

In response to Council Member Katzakian, Mr. Krueger and Mr. Sollers from Stone and Youngberg stated in today's market a AAA rating is around 4.85%, BBB is around 5%, and without insurance it is approximately 5.3% to 5.65%. They confirmed that the request for proposal is based on the current rating with a reserved right to readjust as necessary.

In response to Mayor Mounce, Mr. Krueger stated the liquidity facility will no longer be provided as cash to back-up bonds by January 2009. Mr. King stated when the agreement expires it goes away and obligation to pay the entire \$46 million is due at that time rather than according to the extended amortization schedule.

In response to Mayor Pro Tempore Hansen, Mr. Krueger, Mr. Dunphy, and Mr. Sollers stated MBIA difficulties could not have been anticipated. They stated the impact on the City is that the holders of the MBIA insured bonds are nervous as to the financial condition of such bonds and are therefore trying to cash them out based on a non-favorable market perception of the insured.

In response to Council Member Johnson, Mr. Sollers stated there is a strong possibility that MBIA will break up.

In response to Council Member Johnson, Mr. Dunphy stated the investments will be placed and held in escrow, which will yield interest for cash purposes.

In response to Mayor Mounce, Mr. Sollers stated the cost would be approximately \$50,000 on a 4% rate and 5% fee.

In response to Council Member Johnson, City Attorney Schwabauer stated he is not aware of any pending actions against MBIA.

In response to Mayor Mounce, Mr. Krueger stated a subcommittee of the Lodi Budget/Finance Committee, including Committee Members Johnson and Russell, evaluated termination of the swap. He stated they were split on whether or not to terminate the swap.

In response to Mayor Mounce, Mr. Sollers stated the two matters for consideration are the liquidity of the bond disappearing and going into some mode other than variable and the possible termination of the swap. Discussion ensued between Mayor Mounce and Mr. Sollers regarding the possibilities of variable rate numbers, speculation regarding the same, and a possible negative value to keep the swap on the books.

In response to Mayor Pro Tempore Hansen, Mr. Sollers stated that, generally when the libor rate goes up, receipt on the swap goes up; although, the timing of when it will go up is questionable. He stated the libor rate last went up around 2002.

In response to Council Member Johnson, Electric Utility Director Morrow stated there may be a possible rate increase in 2012 notwithstanding the current issue. Mr. Morrow stated a 4% to 5% increase may be needed in 2010 in light of the current issue.

In response to Council Member Johnson, Mr. Morrow stated the cost for power supply will flow up or down with the Energy Cost Adjustment (ECA).

In response to Mayor Pro Tempore Hansen, Mr. Morrow stated he is hopeful that the new power plant might set off costs on the ECA side and create a savings.

In response to Council Member Hitchcock, Mr. Krueger reviewed the summary of costs associated with the proposed financing as listed on page 17 under estimated reserves and issuance costs. He stated the financing would go down if the swap remains as listed on page 18 of the handout.

In response to Council Member Hitchcock, Mr. Sollers stated insurance is required to qualify for a rating.

In response to Mayor Pro Tempore Hansen, Mr. Krueger stated that, if financial markets improve, there is an opportunity to refinance again at a later date as necessary.

In response to Mayor Pro Tempore Hansen, Mr. Dunphy stated the City is limited by tax law with respect to what can be done with this set of bonds because the City already took the advantage through the 2002 bonds from the 1999 issue. He stated the ten-year call language is standard.

In response to Council Member Hitchcock, Mr. Sollers stated the call language is usually left blank; although, given the market now most issues are fixed with ten-year standards. He stated it is hard to find buyers with a more aggressive call at this time.

In response to Council Member Hitchcock, Mr. Dunphy stated he does not anticipate any surprises for a future Council as fixed-rate transactions are as conventional and traditional as they get.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Hansen, Katzakian second, directed the staff to terminate the swap and obtain a fixed rate as recommended. The motion carried by the following vote:

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

Noes: Council Members – Mayor Mounce

Absent: Council Members – None

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Hansen second, unanimously adopted Resolution No. 2008-97 authorizing 1) Stone & Youngberg to serve as senior managing underwriter and directing the City Manager to execute contracts on the City's behalf (payable from proceeds in an approximate amount of \$345,000 to \$390,000); 2) the City Manager to engage Lamont Financial Services for a not-to-exceed amount of \$70,000 to provide financial advisor services; 3) the City Manager to engage Orrick, Herrington & Sutcliffe, LLP to serve as bond counsel (payable from proceeds in an approximate amount of \$110,000); and 4) the City Manager to incur other costs related to bond issuance not to exceed \$77,500.

RECESS

At 9:17 p.m., Mayor Mounce called for a recess, and the City Council meeting reconvened at 9:29 p.m.

K. REGULAR CALENDAR (Continued)

K-2 "Continue to Receive Budget Presentation, Invite Public Comments, and Adopt Resolutions Approving the City of Lodi Fiscal Year 2008-09 Financial Plan and Budget, the Appropriations Spending Limit, and Allocating \$15,000 of Community Development Block Grant Funds for an Eligible Spay and Neuter Program"

City Manager King provided a brief introduction into the continued subject matter of the budget presentations and adoption of the 2008-09 fiscal year budget.

Community Center

In response to Mayor Pro Tempore Hansen, Mr. Rodems stated the projected use number for last year was approximately 593 through May and the current year will likely be around 690.

In response to Mayor Mounce, Mr. Rodems stated there is not an assigned caterer for the facility and the clients are generally provided options within their budgets.

In response to Council Member Hitchcock, Mr. Rodems stated program-based budgeting may include as an example a pilot program level at no charge, a mid-level program recovering direct costs only, and a revenue generator level, which may provide revenue and funding for the no cost programs.

Discussion ensued between Council Member Hitchcock and Mr. Rodems regarding the Community Center paying for its own programming, infrastructure issues, generating more revenue than support, and possible expansion for Lodi Arts Project Foundation activities.

In response to Mayor Pro Tempore Hansen, Mr. Rodems stated revenues were up 17% in the rental area, which do not include the theater.

In response to Mayor Pro Tempore Hansen, Mr. Rodems stated they will continue to monitor the theater reviews, which were mixed and generally take four to five cycles of a season to develop a following and make a profit. He stated that, while there was an expectation of breaking even, the approximate \$100,000 loss for the theater can be attributed to economics, number of available seats, and advertising issues. He stated as for the overall budget they are continuing to generate revenues into June.

In response to Mayor Pro Tempore Hansen, Mr. Rodems stated they will continue to look at marketing uses for the theater, including trainings, and do a less aggressive program with eight shows. He stated with an overall positive position there is less of an effect of the theater program loss.

In response to Council Member Johnson, Mr. Rodems stated they would like to recover only direct costs for labor and materials and related uses from departments using the facility through a set-up fee.

In response to Council Member Johnson, Mr. Rodems stated the set up costs are not fully incorporated and based on last year the City usage cost was approximately \$75,000 to \$80,000 including loss of space and costs. Mr. King stated staff will review a policy regarding City usage of the facility at specific times throughout the year.

In response to Council Member Hitchcock, Mr. Rodems stated the smaller goals for the facility such as the pool resurfacing at approximately \$7,500 are included in the maintenance budget. He stated the lighting was incorporated in the theater budget and the approximately \$170,000 to \$180,000 for the pool heating, ventilation, and air conditioning is not in the budget.

In response to Council Member Hitchcock, Mr. Rodems stated the professional line item includes the contract for a payroll system with theater unions, on call needs based on shows, and security costs.

In response to Council Member Hitchcock, Mr. Rodems stated the approximate \$30,000 increase with staffing correlates with additional staffing for additional uses in conjunction with revenues. He stated the facility is using its own event attendants who are charged out for event supervision, which is more cost effective.

In response to Council Member Hitchcock, Mr. Rodems stated the vacancy in the stage technician position is a savings in a filled position versus a service line item.

Discussion ensued between Council Member Hitchcock, Mr. Rodems, and Mr. King regarding changes in staffing, two maintenance positions, agreement with Public Works, work being performed in a more efficient manner, no changes in the condition of the Square as an effect of staffing, and changes being made based on the tasks and needs of the operation. Mr. King stated a coordinator position was recommended in conjunction with the bargaining group, a 5% increase was provided, and an administrative secretary position was changed to an administrative clerk position.

In response to Council Member Johnson, Mr. Rodems stated the financial effect of a 50% director for Community Center and 50% director for Parks and Recreation is 1/3 to Parks, 1/3 to Recreation, and 1/3 to the Square.

In response to Mayor Pro Tempore Hansen, Mr. Rodems stated that over the year at the Square a solid team of self-motivated individuals who can be relied upon have been working on programs. He stated the span of the numbers of employees does not matter so long as there are qualified managers and supervisors and he will rely heavily on the same at the Square.

In response to Mayor Pro Tempore Hansen, Mr. Rodems stated staff can include the theater in next year's budget to track rental and revenue numbers for the theater as well.

Mayor Mounce asked for a breakdown of the non-departmental costs and numbers.

MOTION / VOTE:

The City Council passed and adopted the City of Lodi Financial Plan and Budget for the fiscal year beginning July 1, 2008 and ending June 30, 2009, and further approved the 2008-09 Appropriations Spending Limit as follows:

1. In reference to the **Police Department Budget:**

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

Noes: Council Members – Hitchcock and Johnson

Absent: Council Members – None

2. In reference to the **Community Center Budget:**

Ayes: Council Members – Hansen, Johnson, And Katzakian

Noes: Council Members – Hitchcock And Mayor Mounce

Absent: Council Members – None

3. In reference to the **Parks and Recreation Department Budget:**

Ayes: Council Members – Hansen, Johnson, and Katzakian

Noes: Council Members – Hitchcock and Mayor Mounce

Absent: Council Members – None

4. In reference to the **2008-09 Financial Plan and Budget** (with the exception of Police, Community, Parks and Recreation as acted upon above by separate motions):

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

Noes: Council Members – Hitchcock

Absent: Council Members – None

5. In reference to allocating \$15,000 of Community Development Block Grant funds to provide an eligible spay and neuter program.

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

Noes: Council Members – None

Absent: Council Members – None

K-3 “Approve Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation and Various Other Cases Being Handled by Outside Counsel (\$151,666.02)”

MOTION / VOTE:

The City Council, on motion of Council Member Johnson, Hitchcock second, approved the expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel in the amount of \$151,666.02, as detailed below:

Folger Levin & Kahn - Invoices Distribution				
Matter No.	Invoice No.	Date	Description	Water Acct. Amount
8008	108436	Apr. 08	City of Lodi v. Envision	\$138,859.97
	76554	03/11/08	Bridge City Legal, Inc.	\$ 300.00
	77806	04/30/08	Bridge City Legal, Inc.	\$ 774.08
Total				\$139,934.05

Kronick Moskovitz Tiedemann & Girard - Invoices Distribution				
Matter No.	Invoice No.	Date	Description	100351.7323 Water Acct. Amount
11233.026	238720	04/25/08	Lodi First v. City of Lodi	\$ 2,889.50
11233.029	238720	04/25/08	AT&T v. City of Lodi	\$ 415.80
11233.030	238720	04/25/08	Water Supply Issues - Not PCE Related	\$ 804.20
Subtotals				\$ 3,305.30
Grand Total				\$4,109.50

MISCELLANEOUS

Invoice No.	Date	Description	Water Acct. Amount
887901	4/23/2008	Harry A. Cannon, Inc. re: City v. Donovan	\$ 1,961.65
08SF421101	4/21/2008	Document Services Unlimited	\$ 5,660.82
			\$ 7,622.47

L. ORDINANCES

None.

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 10:45 p.m.

ATTEST:

Randi Johl
City Clerk