

**LODI CITY COUNCIL  
REGULAR CITY COUNCIL MEETING  
CARNEGIE FORUM, 305 WEST PINE STREET  
WEDNESDAY, MAY 20, 2020**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of May 20, 2020, was called to order by Mayor Kuehne at 6:44 p.m.

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

Absent: None

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

NOTE: Mayor Pro Tempore Nakanishi participated in the meeting via teleconference.

C-2 Announcement of Closed Session

- a) Pending Litigation: Government Code §54956.9(a); one case; Cross Culture Christian Center, a California Non-Profit Corporation; Pastor Jonathan Duncan, an individual v. Gavin Newsom, in his official capacity as Governor of California, et al., United States District Court, Eastern District of California Case No. 2:20-cv-00832-JAM-CKD
- b) Pending Litigation: Government Code §54956.9(a); one case; Best Supplement Guide, LLC; Sean Covell, an individual, vs. Gavin Newsom, in his official capacity as the Governor of California, et al., United States District Court, Eastern District of California Case No. 2:20-cv-00965-JAM-CKD

C-3 Adjourn to Closed Session

At 6:44 p.m., Mayor Kuehne adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:57 p.m.

C-4 Return to Open Session / Disclosure of Action

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

Item C-2a) and C-2b) were discussion with no reportable action.

A. Call to Order / Roll Call

The Regular City Council meeting of May 20, 2020, was called to order by Mayor Kuehne at 7:00 p.m.

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

Absent: None

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

NOTE: Mayor Pro Tempore Nakanishi arrived at 7:12 p.m. Due to the COVID-19 pandemic and pursuant to Executive Order N-29-20, the meeting was available for viewing by the public via

livestream at [www.facebook.com/cityoflodi](http://www.facebook.com/cityoflodi); the opportunity for public comment was available through [councilcomments@lodi.gov](mailto:councilcomments@lodi.gov).

B. Presentations – None

- 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 Special Teleconference Notice at the beginning of this agenda.

Council Member Mounce made a motion, second by Council Member Chandler, 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 Chandler, Council Member Mounce, and Mayor Kuehne

Noes: None

Absent: Mayor Pro Tempore Nakanishi

- C-1 Receive Register of Claims for April 17, 2020 through April 30, 2020 in the Amount of \$6,454,618.58 (FIN)

Claims were approved in the amount of \$6,454,618.58.

- C-2 Approve Minutes (CLK)

The minutes of April 28, 2020 (Shirtsleeve Session), April 29, 2020 (Special Meeting), and May 5, 2020 (Shirtsleeve Session) were approved as written.

- C-3 Approve Specifications and Authorize Advertisement for Bids for 2020/2021 Pavement Resurfacing Project (PW)

Approved specifications and authorized advertisement for bids for 2020/2021 Pavement Resurfacing Project.

- C-4 Adopt Resolution Authorizing City Manager to Waive Bid Process and Approve Purchase of Radios and Portable In-Car Computers (\$45,736) (PD)

Adopted Resolution No. 2020-98 authorizing the City Manager to waive bid process and approve purchase of radios and portable in-car computers, in the amount of \$45,736.

- C-5 Adopt Resolution Approving Amendment No. 3 to Professional Services Agreement with Michael Baker International for a Phase II Subsurface Investigation and Report at 2 East Lodi Avenue for the Homeless Emergency Aid Program (HEAP) Project in an Amount Not to Exceed \$36,620 (CD)

Adopted Resolution No. 2020-99 approving Amendment No. 3 to Professional Services Agreement with Michael Baker International for a Phase II subsurface investigation and report at 2 East Lodi Avenue for the Homeless Emergency Aid Program (HEAP) Project, in an amount not to exceed \$36,620.

- C-6 Adopt Resolution Authorizing the City Manager to Approve Audit Expense, Grant Management Fee, Matching Funds, and Purchase of Additional Self-Contained Breathing Apparatus Equipment from Unexpended Funds from the 2019 Assistance to Firefighter Grant Awarded to Lodi Fire Department in 2019, and Further Appropriating Funds (\$4,000) (FD)

Adopted Resolution No. 2020-100 authorizing the City Manager to approve audit expense, grant management fee, matching funds, and purchase of additional self-contained breathing apparatus equipment from unexpended funds from the 2019 Assistance to Firefighter Grant awarded to Lodi Fire Department in 2019, and further appropriating funds in the amount of \$4,000.

- C-7 Adopt Resolution Authorizing City Manager to Execute Meter Services Agreement with Olameter Corporation, of Arlington, Texas, in Amount Not to Exceed \$20,000 for One Year with Automatic Annual Renewals Thereafter (EU)

Adopted Resolution No. 2020-101 authorizing the City Manager to execute Meter Services Agreement with Olameter Corporation, of Arlington, Texas, in an amount not to exceed \$20,000 for one year with automatic annual renewals thereafter.

- C-8 Adopt Resolution Ratifying the San Joaquin Council of Governments' Annual Financial Plan for Fiscal Year 2020/21 (PW)

Adopted Resolution No. 2020-102 ratifying the San Joaquin Council of Governments' Annual Financial Plan for Fiscal Year 2020/21.

- C-9 Receive Report Regarding Communication Pertaining to COVID-19 Fiscal Impact (CLK)

Received report regarding communication pertaining to COVID-19 fiscal impact.

- C-10 Receive Report Regarding Communication Pertaining to the Re-Opening of the City of Lodi for Business (CLK)

Item C-10 was pulled at the request of Council Member Mounce for discussion purposes.

Council Member Mounce expressed appreciation for the letter, stating that it will go a long way to convince the County and the Governor to reopen City businesses. However, she expressed disappointment that the Police Department is continuing to use staff time to enforce and educate regarding the Governor's and the County's orders; she stated that she thought that Council had agreed at the previous meeting to discontinue this practice.

Police Chief Sierra Brucia explained that when Dispatch receives calls for service regarding businesses that may or may not be violating the Governor's or County's orders, the response has been to send part-time employees to educate the businesses by referring them to the State and County websites and then to leave with no enforcement measures.

Council Member Mounce reiterated that at the last meeting, Council agreed that no more staff time would be spent; dispatchers should refer callers to the websites; and no more face-to-face calls should be made.

Council Member Chandler concurred, stating he does not want to staff time taken away from solving crimes to educate shop owners.

Mayor Pro Tempore Nakanishi stated he felt the matter had been left up to the Police

Department, adding that he felt it was not right for the City to choose which laws to enforce.

Council Member Mounce responded that this is an order, not a traditional law, and that the Sheriff's Department should be responsible for enforcing the County's orders.

Mayor Pro Tempore Nakanishi stated that he agrees that the Police Department needs to apprehend criminals and deal with the homeless, but the Council needs to use wisdom and not do something that might make the City liable.

In response to Mayor Kuehne, Chief Brucia stated that no new staff has been hired to answer citizen questions about reopening; this type of call is assigned to retired annuitants who do not handle normal calls to service; and the process is complaint driven and education only.

Mayor Kuehne stated that he feels the City should consider all of the citizens and to not respond to a citizen complaint does not represent that citizen; following up on the complaints is fine if they are handled in the regular flow of work; and he would prefer to see education handled very gently with more of a suggestion to check the websites for information.

Chief Brucia clarified that this is the direction staff has received; calls could be holding for two to four days until a retired annuitant is able to respond.

Mayor Kuehne stated that one third of the population wants to proceed as if nothing has happened, one third wants to proceed with caution, and one third does not want to do anything before a vaccine is developed; it is Council's job to be sensitive to all three groups; he does not disagree with Council Member Mounce and does not want to see resources spent on something that is not necessary; and he does not want to see heavy handed enforcement but rather directive at best. He summarized that he has heard some Council Members do not want any enforcement/education and another that wants to proceed with caution.

Council Member Chandler stated the goal is to advance the stages of businesses being open.

In response to Council Member Chandler, Chief Brucia stated the retired annuitants were already on the payroll performing various functions. He added that one of the challenges of policing is that these are friends and stores that staff patronizes and we want them to be successful and open as soon as possible, however, other agencies are patrolling and those agencies can pull their licenses; this has been a component of the education campaign.

Council Member Mounce responded that the State Board of Cosmetology and Alcoholic Beverage Control have been informing businesses owners of the orders by letter, so it is not the City's job to inform them of the risks; the part-time staff should return to working on the homelessness problem; and staff is wasting time chasing down petty complaints between business owners. She stated that the public perception is that the City ignores the homeless problem but is anxious to enforce the County's orders. She reiterated that complaints should be referred to the County for the Sheriff to enforce and education should be limited to the Partners sending letters.

Mayor Pro Tempore Nakanishi supported the idea of referring citizens to the County for enforcement issues.

City Attorney Magdich warned against opining regarding liability issues in open session and further stated that to ignore the public health orders issued by the County and the Governor would jeopardize the funds that the City is looking to receive in reimbursement. She added that San Joaquin County is submitting an attestation through variance in Phase 2 and is hoping for an

approval which would allow in dining at restaurants and destination shopping to be open by this weekend, and that a joint resolution would be discussed at the Special Meeting tonight to ask the Governor to allow San Joaquin County to let the Public Health Official to make decisions regarding the County.

Council Member Mounce supported using Partners for education by mail but stated all other issues be referred to the County for enforcement. She further stated that large gatherings are a different circumstance, but the Police Department should no longer be contacting businesses.

Council Member Mounce made a motion, second by Council Member Chandler, receive report regarding communication pertaining to the re-opening of the City of Lodi for business.

VOTE:

The above motion carried by the following vote:

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

Noes: None

Absent: None

- C-11 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 2020/21; and Set Public Hearing for June 17, 2020 (PW)

Adopted Resolution No. 2020-103 initiating proceedings for the levy and collection of assessments, Resolution No. 2020-104 approving the Annual Report, and Resolution No. 2020-105 declaring intention to levy and collect assessments for the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 for Fiscal Year 2020/21; and set public hearing for June 17, 2020.

- C-12 Set Public Hearing for June 3, 2020 to Consider Adopting a Resolution Amending the Procedures for Review of Growth Allocation Applications (CD)

Set public hearing for June 3, 2020 to consider adopting a resolution amending the procedures for review of Growth Allocation applications.

- 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. If you wish to address the Council, please refer to the Special Teleconference Notice at the beginning of this agenda. Individuals are limited to one appearance during this section of the Agenda.

Comments were received via email (filed) and read into the record from the following members of the public:

Jessica Hillskotter - reopen Lodi for the children

Philip and Wendy Diaz - reopen Lodi

Mary Keigley - reopen Lodi

Terry Wyrsh - reopen Lodi

Theresa Delp - reopen Lodi; Police enforcement of Governor's guidelines

Monica Fritz - reopen parks; Police enforcement of Shelter in Place Orders

Jenny Miller - treatment of places of worship under Governor's orders

In response to Jessica Hillskotter's email, Council Member Mounce asked staff to look at the most recent orders to see if there was some way to arrange for youth sports practices at the parks.

Mayor Pro Tempore Nakanishi concurred, stating the Center for Disease Control recently announced the virus does not easily spread on surfaces.

In response to Theresa Delp's letter, Police Chief Brucia stated the City did not hire any new annuitants; the Police Department is only doing an education campaign; and there have been no threats of fines or of shutting down businesses.

In response to Mayor Pro Tempore Nakanishi, Chief Brucia stated that in March and April, there was a 500% increase in calls; there was a 100% increase in May; the number of calls has dropped in the last couple days; calls come in on a daily basis but are held for the retired annuitants to address when available.

In response to Council Member Mounce's question regarding Jenny Miller's email on the Cross Culture Church, City Attorney Magdich stated that the orders have not addressed churches and that when the Cross Culture Church was ordered not to assemble on Palm Sunday, the State was still in Stage 1. In further response, she stated the City is operating under the State constitution and complies with the federal constitution; federal courts have found the orders are constitutional.

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

Council Member Mounce restated her position that there should be no more visits by the Police Department enforcing the County's and Governor's orders; only letters should be sent. She thanked the City Manager and Public Works for the removal of the BBQ at Emerson Park and expressed concerns about the homelessness problems in other areas of the City, and stated that the City needs to bring forward a plan to provide for an emergency shelter. Council Member Mounce also questioned what the current status of the parks is, considering the CDC's recent release regarding the lower rate of surface transmission of the virus.

In response to Council Member Mounce, City Manager Shwabauer stated just the playground equipment is closed in the parks and that staff would reach out to Dr. Park tomorrow concerning reopening.

Council Member Chandler reminded Council that a few months ago he helped create a public/private partnership to remove RVs from City limits. He recognized Officer Schiele's efforts on this project and stated that \$13,000 has been raised and five more vehicles have recently been removed.

Mayor Kuehne suggested looking into "No Overnight Parking" signs which have been effective in other areas for enforcement. City Manager Schwabauer stated he will have Public Works look into it.

Mayor Pro Tempore Nakanishi also expressed concern regarding the homelessness problem and stated it is going to be a challenge as the City will need finances to take care of it.

Council Member Mounce expressed frustration regarding the slow process of finding solutions to the homelessness problem; a No Place Like Home program was created when she was President of the League of California Cities three years ago, but the funds have not been put to use.

Mayor Kuehne stated that the governor is giving away money to help the homeless and to house those at risk, however, there is a matching fund portion and future funding may be a dilemma; the homelessness problem may get worse due to the revolving doors at the jails and the possibility of closing the jails and juvenile detention centers. Mayor Kuehne requested that the restrooms at the pickle ball courts be reopened. He further stated that San Joaquin County has received \$133 million through the CARES Act but has opted to hold onto those funds to see how its budget looks in August; he contacted every mayor in the County to request some of those funds and the letter to the County Board of Supervisors went out for signatures today. Mayor Kuehne also noted that a second letter has been sent to the Governor, the County Board of Supervisors, and County Public Health regarding the attestation; the COVID-19 rate is different in every city and some cities are closer to meeting the matrix than others; Lodi is in a great position to reopen. He suggested working with Salvation Army to house the homeless in a further effort to meet the matrix. He further remarked that Lodi is the only city in the County participating in the Great Plates program; Council is sometimes blamed for not doing much, but a lot has been accomplished.

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

City Manager Schwabauer reported that the City had submitted a claim to FEMA in the amount of \$277,000 for reimbursement of expenses related to the emergency response to COVID-19 from the beginning to the present. The Great Plates program claim will be almost \$600,000 through June 1, with over 200 people receiving meals through that program. He further noted that he had informed FEMA that the City will need reimbursement by June 1 or the program will have to be discontinued; the City is unable to carry the liability for any significant time, although \$380,000 is available through a CDBG grant which can be used to backstop the liability. He stated that the cities need to reach out to FEMA as one voice and that he would provide an update at next meeting.

G. Public Hearings – None

H. Regular Calendar

H-1 Receive Direction Regarding 2020 Downtown Concrete Cleaning (PW)

Public Works Director Charlie Swimley provided a presentation regarding the 2020 Downtown Concrete Cleaning Project. Specific topics of discussion included background of Downtown concrete cleaning; one bid received in an amount a little over \$20,000; impact of pandemic on City budget; scope of project; expectation of lower volume of Downtown traffic; and staff seeking Council direction on whether or not to award the contract.

Mayor Kuehne stated that the yellow concrete is very dirty and there is gum all over the brick portion; he understands the need to conserve money, however, other cities are opening their downtowns to dine outside and closing down streets to promote social distancing; and he feels this project needs to move forward to make the area safe and healthy so business will return to Downtown. He further noted that areas are typically cleaned and disinfected and offered for his company to disinfect the walls and benches with an ultra low fogger for free.

Council Member Mounce concurred, stating it would be good to close streets and allow

businesses to open up outside, but the area needs to be cleaned and sanitized.

City Manager Schwabauer stated staff has already reached out to the Downtown Business Alliance and Chamber of Commerce to discuss assistance in operating in the new environment.

City Attorney Magdich recognized Mayor Kuehne's generous offer but stated it would not be acceptable due to Fair Political Practices Commission rules.

Council Member Chandler concurred with the Mayor to move forward with the project to get Downtown cleaned up and ready for business.

H-2 Receive Direction Regarding Lease of City Property Located at 111 North Stockton Street (PW)

Public Works Director Charlie Swimley provided a PowerPoint presentation regarding the lease of City property located at 111 North Stockton Street. Specific topics of discussion included timeline and options for consideration.

An email message was received from Community Partnership for Families of San Joaquin and filed.

Due to the COVID-19 pandemic, Meredith Baker, Executive Director of Community Partnership for Families of San Joaquin (CPFSJ), and JC Phelan, representing CrossFit Lodi, attended the meeting via teleconference.

In response to Council Member Chandler, Mr. Swimley stated that the lease with Adopt-A-Child expires at the end of May and they will be renting the facility on a month-to-month basis after that.

In response to Mayor Pro Tempore Nakanishi, City Manager Schwabauer stated that Lodi Adopt-A-Child decided not to partner with CPFSJ and plans to submit its own RFP for the facility located at 100 East Pine Street. Mr. Swimley further clarified that Option 1 is to maintain the status quo with CrossFit continuing to operate at the Stockton Street facility and Adopt-A-Child continuing to operate at the Pine Street facility. CPFSJ would need to find a new location as their lease is expiring.

Council Member Mounce stated that she is not in favor of the Stockton Street facility being used by CPFSJ.

Ms. Baker stated that CPFSJ does not want to take the Stockton Street facility away from CrossFit, clarifying that when the group initially looked at the space CrossFit was not intending to stay. When CPFSJ learned that CrossFit intended to stay, they immediately reached out to Adopt-A-Child regarding a shared space proposal; they are willing to match what CrossFit is paying; Adopt-A-Child has an issue with serving the homeless and CPFSJ is willing to not serve the homeless at that location; they would serve youth and families, the same population served by Adopt-A-Child; if a second wave of COVID occurs, CPFSJ has been declared an essential service and would be able to continue facilitating activities; Adopt-A-Child has not responded after multiple attempts to contact them; CPFSJ will pull its interest in the Stockton Street facility if the choice is between CPFSJ and a business; and if Council chooses Option 2, CPFSJ wants to help Adopt-A-Child in areas such as school, Head Start, and employment.

In response to Council Member Chandler, Ms. Baker stated the group is unable to extend their current lease past July 31, and they are willing to pay rent on the Pine Street building and still keep Adopt-A-Child at the facility.

In response to Ms. Baker, Mr. Schwabauer stated the current rent on the Pine Street facility is \$1 per year.

In response to Council Member Chandler, Mr. Schwabauer stated there are no other City properties that could house this type of operation but that he is willing to try to broker a solution with Adopt-A-Child.

Mayor Kuehne expressed willingness to take Option 3, further stating that Adopt-A-Child should be paying rent which is close to market value. He further stated that he is amenable to an RFP for a shared facility but noted that there are no good options if Adopt-A-Child is unwilling to share the space.

In response to Council Member Chandler, Ms. Baker stated CPFSJ has been looking for a location in Lodi for multiple years before finding their current property that they now have to vacate; when the RFP option came up, they worked to submit a joint proposal, consolidating some of their other partners; the RFP process was delayed due to COVID; and also due to the pandemic, they have not been able to look for a new space in the past month.

Mr. Swimley clarified that the intent was to reconsider the bundling of the two properties for the RFP or to focus on Stockton Street. While the proposal from staff on February 5 was to bundle the properties, the intent tonight was to reconsider pulling Stockton Street out.

In response to Council Member Chandler, Mr. Schwabauer stated he would begin a conversation with Adopt-A-Child immediately concerning CPFSJ's reconfiguration of not serving the homeless.

In response to Council Member Mounce, Ms. Baker stated that CPFSJ would not take the Stockton Street facility away from CrossFit as they feel strongly that they cannot take business away from Downtown Lodi and appreciate the importance of fitness; they would only compete for a facility with other nonprofits serving the same population.

Mayor Pro Tempore Nakanishi indicated support of the concept of CPFSJ working together with Adopt-A-Child at the Pine Street facility.

Mr. Phelan thanked CPFSJ for their support and clarified that the company was purchased in April and he did not find out until later that other groups were interested in the facility.

Council Member Mounce indicated support for executing an agreement with CrossFit for the Stockton Street facility and to trying to find a solution for CPFSJ and Adopt-A-Child to work together at the Pine Street facility.

NOTE: At 8:58 Mayor Kuehne called a recess. The meeting resumed at 9:05.

### H-3 Presentation of the Draft Fiscal Year 2020/21 Budget and Fiscal Plan (DCM)

City Manager Schwabauer provided a brief introduction, stating the budget presentation is normally handled in several Shirtsleeve presentations, but with the current environment, this year's presentation would be given at one time. He noted that a budget is a projection based on revenue and expenses, and while expenses are known, revenues are unknown due to the pandemic. There are two ways to deal with the uncertainty: (1) estimate how far out of budget the City is and call for cuts in salaries and programs; or (2) devise a disciplined budget and use reserves. The budget estimate presented is the same as last year, though staff knows that will not be the case. The plan is to rely on reserves to make up any deficit until September, at which

time staff will return with an early mid-year budget adjustment.

Council Member Mounce stated that in the past, Council received a series of presentations from the Department Heads but the City has slowly gotten away from that practice. She stated Council appreciated every Department Head explaining their needs and plans and she feels it is important that Council have the opportunity to weigh in so that their wishes are reflected in the final budget when it is presented for adoption.

Mr. Schwabauer clarified that the budget is only being presented tonight; no action is requested.

Deputy City Manager Andrew Keys provided a PowerPoint presentation regarding the draft Fiscal Year 2020/21 Budget and Financial Plan. Specific topics of discussion included overview; General Fund assumptions, revenues, expenditures, and key inputs; Measure L; Vehicle Replacement Fund; five-year forecast summary, assumptions, revenue, expenses, fund balance, Pension Stabilization Fund, risks/opportunities, and conclusions.

Council Member Mounce noted that the budget is no longer laid out by department and that tabs would be helpful in the future.

Mayor Kuehne indicated support for the suspension of the year-end PARS contribution.

In response to Council Member Mounce regarding the loss of two Dispatchers, Police Chief Sierra Brucia stated that the department currently has 15 fully-trained Dispatchers and two are in training; overtime costs may increase but they are prepared to operate at this level.

In response to Council Member Mounce regarding vehicle replacement funding, Chief Brucia clarified that the reduced funding will not affect officer safety; seven replacement vehicles are currently being outfitted to join the fleet; and replacements are being deferred in Code Enforcement, Animal Control, and unmarked vehicles. Council Member Mounce stated that it is important to set aside funds for the replacement of assets and that she hopes that deferring those funds will only be for the short term.

In response to Council Member Mounce regarding vehicle replacement funding, Fire Chief Gene Stoddart stated an engine is being delivered this summer and another will be delivered next year; at that time their oldest engine will be a 2016 model; deferring replacement funding will hurt in the future when a replacement is due in 2024 but they may be able to pursue other options such as leasing.

In response to Council Member Mounce regarding elimination of the 4th of July celebration rather than a postponement until September, Mr. Schwabauer stated he would investigate and report back with an answer.

In response to Council Member Mounce, Chief Stoddart stated depreciation is 15 years on an engine on the front line and five years in reserve.

In response to Mayor Kuehne's observation that a 5.2% reduction in revenues seems very optimistic, Mr. Keys explained that part of it is based on the ability to draw on reserves, and part of it is based on savings. For example, the budget reflects funds for full staffing but the City is currently staffed at 90-95% and that only critical and essential positions will be filled.

In response to Council Member Mounce, Mr. Keys clarified that no changes have been made to employee compensation agreements and that the budget factors in raises.

In response to Mayor Kuehne, Mr. Keys stated that the General Fund relies on late fee revenue of \$1 million but no late fees have been assessed since mid-March; notices are still being sent out but no action is being taken; and the HEROES Act at the federal level prohibits disconnections and penalties.

Budget Manager Susan Bjork provided a PowerPoint presentation on Electric Utility overview, revenue, expenses, capital projects, and reserves; Water utility overview, revenue, expenses, capital projects, and reserves; Wastewater utility overview, revenues, expenses, capital projects, and reserves; Transit overview, revenue, expenses, and capital expenditures; Streets overview, revenue, expenses, and capital projects; Community Development overview, revenue, and expenses; Parks, Recreation and Cultural Services overview, revenue, and expenses; Library overview, revenue, and expenses.

In response to Council Member Mounce, Public Works Director Swimley stated the Electrician position in Wastewater is permanent, as it is not tied to a particular project and will be used to address the aging facility.

In response to Mayor Kuehne, Mr. Swimley stated the requested commercial mower would be used to mow retention basins; new developments are required to install basins which are not used for recreation or maintained by the Parks Division.

In response to Mayor Pro Tempore Nakanishi, Mr. Schwabauer stated that there is no limit on the reserves a utility can have, but the City has set a policy to have reserves at a certain level; the City tries to pay ahead rather than get a bond for projects; the limit of the reserves is based on the City's long-term expense profile; the City is experiencing an increase in unpaid utility bills and is able to utilize the reserve for that; reserves are required for bond covenants and are necessary for unforeseen accidents.

In response to Council Member Mounce, Mr. Swimley stated that the program for free bus rides for students is continuing; there has been a reduction in ridership due to the school closures, but students are still utilizing the program.

In response to Council Member Chandler, Mr. Swimley stated that the recently-approved Pavement Repair Program is a \$300,000 project that will include fixing the worst areas of Lower Sacramento Road; with the use of SB 1 funding, the City should have enough capital built up in the next two years to be able to resurface Lower Sacramento Road from Kettleman Lane to Turner Road.

Mr. Schwabauer congratulated Ms. Bjork on the budget receiving the Government Finance Officers' Award of Excellence.

#### I. Ordinances

- I-1 Adopt Ordinance No.1977 Entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 17 - Development Code, by Repealing and Reenacting Section 17.18.020 – Purposes of Residential Zoning Districts, Section 17.20.030 – Commercial Zoning District Land Uses and Permit Requirements, Section 17.20.040 – Commercial District General Development Standards, and Section 17.22.030 - Mixed Use Zoning Districts Land Uses and Permit Requirements in Their Entirety" (CLK)

Council Member Chandler made a motion, second by Mayor Pro Tempore Nakanishi, (following reading of the title) to waive reading of the ordinance in full and adopt and order to print Ordinance No. 1977 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi

Municipal Code Title 17 - Development Code, by Repealing and Reenacting Section 17.18.020 - Purposes of Residential Zoning Districts, Section 17.20.030 - Commercial Zoning District Land Uses and Permit Requirements, Section 17.20.040 - Commercial District General Development Standards, and Section 17.22.030 - Mixed Use Zoning Districts Land Uses and Permit Requirements in Their Entirety" which was introduced at a regular meeting of the Lodi City Council held May 6, 2020.

VOTE:

The above motion carried by the following vote:

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

Noes: Council Member Mounce

Absent: None

J. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 10:31 p.m.

ATTEST:

Pamela M. Farris  
Assistant City Clerk