



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

Streaming Link:

<https://www.facebook.com/CityofLodi/>

<https://zoom.us/j/93455719476?pwd=NDdhc1E4OEZyYWV3d2pDY1U5SjVZZz09>

AGENDA
Shirtsleeve Session
Date: May 11, 2021
Time: 7:00 a.m.

SPECIAL NOTICE

Effective immediately and while social distancing measures are imposed, Council chambers will be closed to the public during meetings of the Lodi City Council.

The following alternatives are available to members of the public to watch Council meetings and provide comments on agenda and non-agenda items before and during the meetings.

Viewing:

Members of the public may view and listen to the open session of the meeting at <https://www.facebook.com/CityofLodi/>; or

Please click the link below to join the meeting:

<https://zoom.us/j/93455719476?pwd=NDdhc1E4OEZyYWV3d2pDY1U5SjVZZz09>

Passcode: 583605

Or iPhone one-tap :

US: +16699009128,,97500264844#

Or Telephone: Dial: US +1 669 900 9128

Webinar ID: 934 5571 9476

Public Comment:

Members of the public can send written comments to the City Council prior to the meeting by emailing councilcomments@lodi.gov. These emails will be provided to the members of the City Council and will become part of the official record of the meeting.

Members of the public who wish to verbally address the City Council during the meeting should email those comments to councilcomments@lodi.gov. Comments must be received before the Mayor or Chair announces that the time for public comment is closed. The Assistant City Clerk will read three minutes of each email into the public record. **IMPORTANT:** Identify the Agenda Item Number or Oral Communications in the subject line of your email. Example: Public Comment for Agenda Item Number C-17. Members of the public may also participate via Zoom at the following link: <https://zoom.us/j/93455719476?pwd=NDdhc1E4OEZyYWV3d2pDY1U5SjVZZz09>

Pursuant to the Americans with Disabilities Act (ADA) and Executive Order N-29-20, if you need special assistance to provide public comment in this meeting, please contact the Office of the City Clerk at (209) 333-6702 or cityclerk@lodi.gov at least 48 hours prior to the meeting in order for the City to make reasonable alternative arrangements for you to communicate your comments. If you need special assistance in this meeting for purposes other than providing public comment, please contact the Office of the City Clerk at (209) 333-6702 or cityclerk@lodi.gov at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.160 (b) (1)).

SPECIAL TELECONFERENCE NOTICE

Pursuant to Executive Order N-29-20:

The Brown Act, Government Code Section 54953, contains special requirements that apply when members of a legislative body participate in a public meeting by telephone. Certain of these requirements have been suspended by Paragraph 3 of Executive Order N-29-20, executed by the Governor of California on March 17, 2020, to mitigate the spread of Coronavirus (COVID-19). In particular, the Executive Order suspends that provision of the Brown Act that requires noticing, posting of agendas, and public access to each location where a member will be participating telephonically, as well as provisions that require physical presence of members of the legislative body or the public for purposes of a quorum or to hold a meeting. Executive Order N-29-20 allows an agency to conduct a teleconference meeting that provides members of the public telephonic or other electronic participation in place of making a physical location for the public to observe the meeting and provide public comment, consistent with other provisions of the Brown Act.

For information regarding this Agenda please contact:
Jennifer Cusmir
City Clerk
Telephone: (209) 333-6702

Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Receive Presentation Regarding Fiscal Year 2021/22 Enterprise Funds (FIN)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Jennifer Cusmir
City Clerk

All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 72 hours prior to the meeting date. Language interpreter requests must be received at least 72 hours in advance of the meeting to help ensure availability. Contact Jennifer Cusmir at (209) 333-6702. Solicitudes de interpretación de idiomas deben ser recibidas por lo menos con 72 horas de anticipación a la reunión para ayudar a asegurar la disponibilidad. Llame a Jennifer Cusmir (209) 333-6702.



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Receive Presentation Regarding Fiscal Year 2021/22 Enterprise Funds

MEETING DATE: May 11, 2021

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Receive presentation regarding Fiscal Year 2021/22 Enterprise Funds

BACKGROUND INFORMATION: Staff has planned a series of presentations to provide the City Council and public an opportunity to review and comment on basic assumptions within the FY 2021/22 budget to be proposed to Council later this month. The draft budget will be released and made available for public review online once the draft is finalized. This session is designed to provide information on the enterprise funds consisting of Electric Utility, Water Utility, Wastewater Utility and Transit funds.

The first opportunity for the City Council to adopt the Fiscal Year 2021/22 budget will be at its regular meeting on June 2, 2021.

FISCAL IMPACT: There is no impact from this informational presentation.

FUNDING AVAILABLE: The draft budgets for the Enterprise funds for Fiscal Year 2021/22 are as follows:

Fund	Revenues	Expenditures
Electric Utility	81,728,390	85,326,720
Water Utility	15,057,560	12,706,150
Wastewater Utility	18,445,630	19,471,630
Transit	12,511,330	12,612,620

Andrew Keys
Deputy City Manager

APPROVED: _____
Stephen Schwabauer, City Manager

Fiscal Year 2021/22 Budget Enterprise Funds

Presented by Andrew Keys, Deputy City Manager



Overview

- Enterprise Funds
 - Electric
 - Water
 - Wastewater
 - Transit



Electric Utility Overview

Estimate Changes in Cash Balance For the Fiscal Year Ended June 30, 2022 With Actuals for FY2019-20 and Year End Estimate for FY2020-21			
Electric Utility	2019-20	Estimated	2021-22
	Actual	Actuals	Budget
Cash Balance			
Beginning Cash Balance Unreserved	37,009,866	39,791,637	38,458,427
Revenues	78,907,769	80,415,880	81,728,390
Expenditures	76,125,998	81,749,090	85,326,720
Net Difference (Revenues Less Expenditures)	2,781,772	(1,333,210)	(3,598,330)
Restricted Cash Balance	-	-	-
Ending Cash Balance Unreserved	39,791,637	38,458,427	34,860,097
Cash Balance as a percentage of expenses:	52%	47%	41%



Electric Utility

Revenue Highlights

- Revenues are \$1,312,510 higher than FY 2020/21 estimated actuals
 - Customer charges - \$1,640,240 higher
 - Work for others - \$145,000 lower
 - Low Carbon Fuel Proceeds - \$93,000 lower
 - Development Impact Fees - \$321,910 higher
 - Greenhouse gas - \$288,180 lower



Electric Utility

Expenditure Highlights

- Expenses are \$3,577,630 higher than FY 2020/21 estimated actuals
 - Salary & benefits - \$137,220 lower (due to higher transfer to capital projects)
 - Supplies, materials & services - \$2,601,110 higher
 - \$1.8m higher Generation and Transmission costs
 - Insurances - \$46,970 higher (PL/PD costs)
 - Transfer Out - \$262,680 higher
 - Cost of Services \$173,520
 - Network and Desktop Computer Replacement \$89,160
 - Capital projects & equipment - \$804,460 higher



Electric Utility Capital Projects

Additions to the CIP Program for FY 22

- 12kV Overhead - \$2,410,000
- 12kV Underground - \$165,000
- Streetlight Maintenance - \$50,000
- Work for Others - \$550,000
- 230kV Interconnection – \$20,000
- 1267 Feeder Extension - \$245,000
- Substation Load Tap Charger – \$159,000
- LED Streetlight Improvements - \$250,000
- Henning Feeder Extension - \$765,000
- 60kV Breaker Replacement - \$2,000,000
- Security Improvements - \$50,000
- Warehouse Roof Replacement - \$402,500



Electric Utility

Equipment and Vehicle Requests

- Replace Backyard Machine/Trailer - \$233,000
- Replace Plotter - \$15,000
- New Field Meter Tester - \$16,000
- Replace #2 60' Bucket Truck - \$233,000
- Replace #09-023 Bucket Truck - \$180,000
- New 95' Flatbed Crane Truck - \$320,000



Electric Utility Reserves

Purpose	Basis	2021/22
Operating Reserve	90 days cash	19,769,060
Capital Reserve	Largest distribution system contingency	1,000,000
NCPA General Operating Reserve	NCPA identified items	4,137,830
Total Target		24,906,890
Estimated FY 2021/22 Reserve		34,860,097



Water Utility Overview

Estimate Changes in Cash Balance For the Fiscal Year Ended June 30, 2022 With Actuals for FY2019-20 and Year End Estimate for FY2020-21			
Water Utility	2019-20	Estimated	2021-22
	Actual	2020-21 Actuals	Budget
Cash Balance			
Beginning Cash Balance Unreserved	22,018,924	23,765,317	17,858,527
Revenues	17,071,564	15,276,250	15,057,560
Expenditures	15,325,171	21,183,040	12,706,150
Net Difference (Revenues Less Expenditures)	1,746,393	(5,906,790)	2,351,410
Restricted Cash Balance			
Ending Cash Balance Unreserved	23,765,317	17,858,527	20,209,937
Cash Balance as a percentage of expenses:	155%	84%	159%



Water Utility

Revenue Highlights

- Revenues are \$218,690 lower than FY 2020/21 estimated actuals
 - Reimbursable charges- \$265,310 lower
 - Developer Impact fees - \$99,700 higher
 - Customer accounts - \$161,910 higher
 - Investment earnings - \$178,690 lower



Water Utility

Expenditure Highlights

- Expenses are \$8,476,890 lower than FY 2020/21 estimated actuals
 - Salary & benefits - \$86,180 lower (this is due to mid-yr UAL extra payment)
 - Supplies, materials & services - \$381,560 higher
 - Debt service - \$146,400 lower
 - Transfer Out - \$106,460 higher
 - Cost of Services \$61,470
 - Network and Desktop Computer Replacement \$44,990
 - Capital projects & equipment - \$8,736,010 lower



Water Utility Capital Projects

Additions to the CIP Program for FY 22

- Water Meter Multi-Family Program – \$1,000,000
- Water Taps/Main Replacements - \$125,000
- PCE/TCE Oversight - \$100,000
- PCE Remedial Measures - \$150,000
- Well 14 Pump Rehab - \$170,000
- Well 17 Pump Rehab - \$250,000
- Water Project Planning - \$25,000



Water Utility

Equipment and Vehicle Requests

- Forklift for loading and unloading deliveries - \$40,000
- New Crew Cab Pickup Truck for Water Service Technician duties - \$40,000

Water Operating Fund Reserves

- Target is 25% of operating expenses
- Target for FY 2021/22 equals \$2,675,288
- FY 2021/22 estimated available operating reserve is \$4,058,446



Wastewater Utility Overview

Estimate Changes in Cash Balance For the Fiscal Year Ended June 30, 2022 With Actuals for FY2019-20 and Year End Estimate for FY2020-21			
Wastewater Utility	2019-20	Estimated	2021-22
	Actual	2020-21 Actuals	Budget
Cash Balance			
Beginning Cash Balance Unreserved	19,414,709	24,322,129	20,557,999
Revenues	19,441,300	19,244,800	18,445,630
Expenditures	14,533,880	23,008,930	19,471,630
Net Difference (Revenues Less Expenditures)	4,907,420	(3,764,130)	(1,026,000)
Restricted Cash Balance	-	-	-
Ending Cash Balance Unreserved	24,322,129	20,557,999	19,531,999
Cash Balance as a percentage of expenses:	167%	89%	100%



Wastewater Utility

Revenue Highlights

- Revenues are \$799,170 lower than FY 2020/21 estimated actuals
 - Development Impact fees - \$557,460 lower
 - Investment earnings - \$157,840 lower
 - Infrastructure Replacement - \$50,000 lower
 - Customer Accounts - \$9,730 higher



Wastewater Utility

Expenditure Highlights

- Expenses are \$3,537,300 lower than FY 2020/21 estimated actuals
 - Salary & benefits - \$79,770 lower (this is due to in increases in transfer of staff costs to other funds/capital)
 - Supplies, materials & services - \$246,820 lower
 - Debt Service - \$5,290 lower
 - Insurances - \$54,430 higher (PL/PD costs)
 - Transfer Out - \$46,020 higher
 - Network and Desktop Computer Replacement
 - Capital projects & equipment - \$3,316,450 lower



Wastewater Utility Capital Projects

Additions to the CIP Program for FY 22

- Wastewater Main Replacement #9 - \$2,000,000
- Electrical/SCADA Improvements - \$1,000,000
- Storm Drain Trash Handling - \$750,000
- Irrigation System Improvements - \$750,000
- White Slough Office Roof - \$316,200
- Sewer Lift Station Rehab - \$250,000
- Kofu Storm Water Pump Rehab - \$200,000
- Dredge Pond 1/EQ Pond 1 - \$200,000
- Project Planning and Misc. Projects - \$125,000
- Digester #4 Lid Rehab - \$100,000
- Laurel Avenue Storm Drain Relocate - \$100,000
- Wastewater Taps/Relocations - \$75,000



Wastewater Utility

Equipment and Vehicle Requests

- Replacement/maintenance of existing process equipment at Wastewater Plant - \$110,000
- New commercial mower for basins - \$210,000
- Replacement of vehicle #04-146 pickup - \$30,000

Wastewater Operating Fund Reserves

- Target is 25% of operating expenses
- Target for FY 2021/22 equals \$3,238,858
- FY 2021/22 estimated available operating reserve is \$10,932,886



Transit Overview

Estimate Changes in Cash Balance For the Fiscal Year Ended June 30, 2022 With Actuals for FY2019-20 and Year End Estimate for FY2020-21			
Transit	2019-20	Estimated	2021-22
	Actual	Actuals	Budget
Cash Balance			
Beginning Cash Balance Unreserved	1,066,910	1,417,324	3,189,444
Revenues	5,127,172	6,392,290	12,511,330
Expenditures	4,776,759	4,620,170	12,612,620
Net Difference (Revenues Less Expenditures)	350,414	1,772,120	(101,290)
Restricted Cash Balance			
Ending Cash Balance Unreserved	1,417,324	3,189,444	3,088,154
Cash Balance as a percentage of expenses:	30%	69%	24%



Transit

Revenue Highlights

- Revenues are \$6,119,040 higher than FY 2020/21 estimated actuals
 - Transportation Dev Act - \$1,150,000 higher
 - Federal grants - \$6,579,520 higher
 - Measure K - \$1,400,000 higher
 - Prop 1B - \$225,130 lower
 - Federal Stimulus – CARES - \$3,442,340 lower
 - CMAQ - \$750,000 higher



Transit

Expenditure Highlights

- Expenses are \$7,992,450 higher than FY 2020/21 estimated actuals
 - Salary & benefits - \$20,840 higher
 - Supplies, materials & services - \$985,050 higher
 - Insurances - \$78,380 higher (PL/PD costs)
 - Transfer Out - \$49,540 lower
 - Cost of services \$55,870 lower
 - Network and Desktop Computer Replacement - \$6,330
 - Capital projects & equipment - \$6,957,720 higher



Transit Capital

Additions to the CIP Program for FY 22

- Intelligent Transit System - \$600,000
- Video Surveillance Cameras - \$300,000
- Transit Facility Repairs/Upgrades - \$300,000
- Transit Station Repairs - \$40,000



Transit Capital

Equipment and Vehicle Requests

- Replace (12) 27' and (6) 32' busses - \$6,900,000
- Equipment for Transit Fleet Maintenance - \$50,000
- Replace #04-047 Transit utility vehicle - \$45,000



Questions?

