

**LODI CITY COUNCIL  
SPECIAL CITY COUNCIL MEETING  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, JANUARY 15, 2019**

A. Call to Order / Roll Call

The Special City Council meeting of January 15, 2019, was called to order by Mayor Chandler at 7:05 a.m.

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

Absent: None

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

NOTE: Council Member Johnson participated in the meeting via teleconference.

B. Regular Calendar

B-1 Receive Information on Measure L Citizens' Oversight Committee's Role, Makeup, and Selection Process and Provide Direction on Selection Process

Deputy City Manager Andrew Keys provided a PowerPoint presentation regarding the Measure L Citizens' Oversight Committee. Specific topics of discussion included Measure L review, Committee role, makeup, member selection, selection process, proposed meeting plan, timeline, and direction needed. City Manager Schwabauer added that Measure L revenue will start being collected on April 1, 2019.

Council Member Nakanishi expressed concern that public interviews of each applicant will take too long and is an inefficient use of time; instead, he suggested an ad hoc committee consisting of the Mayor and Mayor Pro Tempore be created to review applications and conduct interviews.

Council Member Mounce expressed a desire that each Council district have a voice in appointing representatives to the committee; not solely the Mayor currently in rotation. She suggested each Council Member select two potential individuals to serve on the committee to represent their district and the selection be narrowed down from there.

Mayor Pro Tempore Kuehne liked the concept and suggested a hybrid scenario, in which an ad hoc committee reviews the list of applicants and recommends up to two applicants per district.

Mayor Chandler stated he is open to the process and will support the recommendation; however, he reminded that Council Members serve the community as a whole, not just their own district.

Council Member Johnson pointed out that he and Council Member Mounce do not currently represent a district and that no Council Member currently resides in District 5. Mr. Schwabauer responded that the logical way to address that is to assign Council Member Mounce to District 4 and either Council Member Johnson or Mayor Chandler to District 5 for purposes of appointing committee members from those districts.

Council Member Mounce agreed with Mayor Chandler that each Council Member serves the entire City; however, she has heard from many constituents who feel that District 4 is routinely overlooked and they want to be a part of the process.

Mr. Keys recommended that the Deputy City Manager serve as the liaison to the Measure L Citizens' Oversight Committee, to which the Council concurred.

Council Member Johnson questioned what happens if there are no applicants from a district or no Certified Public Accountants (CPAs) apply to the committee. Mr. Schwabauer responded that, if the minimum standards cannot be met, the matter would be brought back to Council for a resolution.

Mr. Schwabauer summarized the Council's preference on the selection process for the Measure L Citizens' Oversight Committee: 1) there would be an ad hoc committee of two Council Members; 2) they would narrow down the list to two potential applicants from each district; and 3) they would submit that list to Council for a final decision and vote.

In response to Council Member Nakanishi, Mr. Schwabauer stated he understood the direction to be that Council would ultimately select one of the two applicants per district that were recommended by the ad hoc committee.

Council Member Mounce questioned whether there is flexibility to choose from outside of a district if there are no qualified applicants representing their district, to which Mr. Schwabauer responded that would be the option because if Council sets rules in stone without knowing the applicant pool, it may be too restrictive.

Mr. Schwabauer confirmed that these committee members will be required to complete a Form 700 - Conflict of Interest Statement, and he stated the City Clerk will ensure that potential applicants are aware of the requirement and have the ability to review the form prior to submitting an application. This will hopefully eliminate applicants backing out once they receive the Form 700 upon appointment.

Council Member Johnson summarized that the process will include an ad hoc committee of two Council Members who will receive all of the applications and narrow the list down to two applicants per district for submittal to the City Council for approval. The full Council will ultimately receive a short list of people already vetted by the ad hoc committee. Mr. Keys confirmed that the entire Council would receive a total of 10 applications, two from each district unless there are not enough qualified applicants from a district, from which to choose. The member in each district will nominate which of the two applicants they would like to see move forward in the process for the final Council vote.

In response to Mr. Keys, Council Member Johnson stated he will represent District 5 in the selection process.

Mr. Keys stated that Council will also have to decide how to stagger the terms as three of the members will initially have two-year terms and two will have three-year terms.

Council Member Mounce suggested giving the longer terms to those applicants who have CPA or equivalent credentials, to which the Council concurred.

Mayor Chandler confirmed that the recommendation is to appoint the Mayor and Mayor Pro Tempore to the ad hoc committee, to which the Council concurred.

Mr. Schwabauer asked for clarification on whether the Council Member representing each district will select from the two recommended names or the entire Council, to which Council Member Mounce responded it should be the district representative making the selection. Further, if no one is qualified from a particular district, that district representative can choose from another district in order to ensure the committee meets the qualification requirements.

Mr. Keys summarized the Council's preference on the selection process for the Measure L Citizens' Oversight Committee as stated up to this point: 1) there would be an ad hoc committee of two Council Members consisting of the Mayor and Mayor Pro Tempore; 2) they would narrow down the list to two potential applicants from each district; 3) each Council Member will select one from the two applicants recommended in their district; 4) Council Member Johnson will represent District 5; and 5) preference will go to those applicants possessing CPA or equivalent qualifications to serve in the longer, three-year terms in order to stagger the initial terms.

Council Member Mounce questioned if the ad hoc committee meetings will be open to the public as she would like to attend and review all of the applications, not only the final two recommendations from her district. Mr. Keys stated the ad hoc meetings would not be public because they only consist of two Council Members; not a quorum.

Mr. Schwabauer suggested the City Clerk send the entire application packet to all of the Council Members so each district representative can make recommendations.

Mayor Pro Tempore Kuehne stated he would step aside in order to allow Council Member Mounce to serve on the ad hoc committee, which she accepted.

Mike Lusk, member of the public, expressed concern about the proposed selection process, stating that each Council Member would not be able to view all of the applications from their district if the ad hoc committee narrows down the list prior to selection. He stated each district representative should narrow down the list for their own district instead of the ad hoc committee.

Alex Aliferis, member of the public, stated he has experience serving on bond oversight committees and expressed the importance of flexibility in setting meetings, as well as transparency by ensuring all of the reports, minutes, and records are published on the City's website. Further, he stressed the importance of ensuring at least two CPAs or equivalent are appointed to the committee because the average member will not know what to look for when reviewing the reports.

Doug Cheney, member of the public, stated his primary concern with Measure L is the hiring of Clifford Moss to campaign for the measure. He suggested the agreements with the firms were secret, confidential, and confusing because they did not define the terms and scope of work. He pointed to the now defunct Lodi Budget/Finance Committee that was disbanded by the Council because of one particular member.

Mr. Schwabauer explained that the Clifford Moss contracts are public record, pointing out Mr. Cheney had copies of the agreements in his possession, which clearly outline the terms and scope of work.

Mike Carouba, member of the public, agreed this is a complicated process and that the Lodi Budget/Finance Committee languished for quite some time before being disbanded. He pointed out the group oversaw millions of dollars and experienced difficulty in getting people to volunteer to serve on the committee. He suggested the appointment process for the Measure L Citizens' Oversight Committee not be overly restrictive because there may not be enough qualified people applying to serve. He stated this might not be an issue now, but future Councils may struggle finding qualified individuals to serve on the committee.

Mr. Schwabauer stated this selection process is not set by ordinance and can be changed if necessary.

In light of the feedback, Mayor Pro Tempore Kuehne suggested each Council Member receive the full list of applications separated into districts, review the applicants from their district, and select one name for appointment, thereby eliminating the need for an ad hoc committee.

Council Member Mounce added that, if there is no qualified applicant within a district, the Council Member can ask another member to share his or her list. Mr. Schwabauer added if there are no applicants for a certain district(s), then all of them will be brought back to Council.

Mr. Schwabauer reminded Council that the final selection for the committee would be voted upon by the entire Council, as is done with any other board or commission.

Council Member Mounce expressed concern with the voting process, stating that other Council Members could vote down a recommendation from another Council Member because they do not support the recommendation.

Council Member Nakanishi questioned if there was a way to ensure a Council Member gets his or her recommendation approved, such as a super majority to override an individual's selection. In response, Mr. Schwabauer suggested a requirement could be added that it would take a 4-1 vote to overrule the nomination of an individual Council Member.

Mr. Lusk suggested establishing criteria to use when justifying why an applicant recommended by a Council Member should not be selected.

In response to Mayor Chandler, Mr. Schwabauer stated the Measure L ordinance does not include a written process to remove members from the committee; however, there is a mechanism for all boards and commissions that individuals can be removed for certain reasons, such as lack of attendance, that Council can follow if need be.

Council Member Nakanishi made a motion, second by Mayor Pro Tempore Kuehne, to establish the selection process for the Measure L Citizens' Oversight Committee, which will include a full Council review of all applications separated into districts and nomination by each Council Member of one individual from each district (Council Member Johnson will represent District 5), subject to approval by City Council vote with a supermajority requirement for disapproval of any recommendation.

**ROLL CALL VOTE**

The City Council held a ROLL CALL vote (all voiced their votes).

**VOTE:**

The above motion carried by the following vote:

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

Noes: None

Absent: None

**C. Adjournment**

There being no further business to come before the City Council, the meeting was adjourned at 8:10 a.m.

ATTEST:

Jennifer M. Ferraiolo  
City Clerk