

Tuesday, June 7, 2022, 7:00 P.M.

Tracy City Hall Chambers, 333 Civic Center Plaza, Tracy

Web Site: www.cityoftracy.org

THIS MEETING WILL BE OPEN TO THE PUBLIC FOR IN-PERSON AND REMOTE PARTICIPATION PURSUANT TO GOVERNMENT CODE SECTION 54953(e).

THE CITY OF TRACY REMAINS UNDER A LOCAL EMERGENCY FOR COVID-19. FOR ALL PERSONS ATTENDING THE MEETING IN-PERSON, IN ACCORDANCE WITH THE CALIFORNIA DEPARTMENT OF PUBLIC HEALTH GUIDELINES, UNIVERSAL MASKING IS RECOMMENDED FOR ALL PERSONS REGARDLESS OF VACCINATION STATUS AS WELL AS SOCIAL DISTANCING.

MEMBERS OF THE PUBLIC MAY PARTICIPATE REMOTELY IN THE MEETING VIA THE FOLLOWING METHOD:

As always, the public may view the City Council meetings live on the City of Tracy's website at CityofTracy.org or on Comcast Channel 26/AT&T U-verse Channel 99. To view from the City's website, open the "Government" menu at the top of the City's homepage and select "[City Council Meeting Videos](#)" under the "City Council" section.

If you only wish to watch the meeting and do not wish to address the Council, the City requests that you stream the meeting through the City's website or watch on Channel 26.

Remote Public Comment:

During the upcoming City Council meeting public comment will be accepted via the options listed below. If you would like to comment remotely, please follow the protocols below:

- *Comments via:*
 - **Online by visiting <https://cityoftracyevents.webex.com>** and using the following Event Number: **2550 280 1307** and Event Password: **TracyCC**
 - **If you would like to participate in the public comment anonymously**, you may submit your comment in WebEx by typing "Anonymous" when prompted to provide a First and Last Name and inserting Anonymous@example.com when prompted to provide an email address.
 - Join by phone by dialing +1-408-418-9388, enter 25502801307#8722922# Press *3 to raise the hand icon to speak on an item.
- *Protocols for commenting via WebEx:*
 - *If you wish to comment on the "Consent Calendar", "Items from the Audience/Public Comment" or "Regular Agenda" portions of the agenda:*
 - Listen for the Mayor to open that portion of the agenda for discussion, then raise your hand to speak by clicking on the Hand icon on the Participants panel to the right of your screen.
 - If you no longer wish to comment, you may lower your hand by clicking on the Hand icon again.

- *Comments for the “Consent Calendar” “Items from the Agenda/Public Comment” or “Regular Agenda” portions of the agenda will be accepted until the public comment for that item is closed.*

Comments received on Webex outside of the comment periods outlined above will not be included in the record.

Americans With Disabilities Act - The City of Tracy complies with the Americans with Disabilities Act and makes all reasonable accommodations for the disabled to participate in Council meetings. Persons requiring assistance or auxiliary aids should call City Hall (209/831-6105) 24 hours prior to the meeting.

Addressing the Council on Items on the Agenda - The Brown Act provides that every regular Council meeting shall provide an opportunity for the public to address the Council on any item within its jurisdiction before or during the Council's consideration of the item, provided no action shall be taken on any item not on the agenda. To facilitate the orderly process of public comment and to assist the Council to conduct its business as efficiently as possible, members of the public wishing to address the Council are requested to, but not required to, hand a speaker card, which includes the speaker's name or other identifying designation and address to the City Clerk prior to the agenda item being called. Generally, once the City Council begins its consideration of an item, no more speaker cards will be accepted. An individual's failure to present a speaker card or state their name shall not preclude the individual from addressing the Council. Each citizen will be allowed a maximum of five minutes for input or testimony. In the event there are 15 or more individuals wishing to speak regarding any agenda item including the “Items from the Audience/Public Comment” portion of the agenda and regular items, the maximum amount of time allowed per speaker will be three minutes. When speaking under a specific agenda item, each speaker should avoid repetition of the remarks of the prior speakers. To promote time efficiency and an orderly meeting, the Presiding Officer may request that a spokesperson be designated to represent similar views. A designated spokesperson shall have 10 minutes to speak. At the Presiding Officer's discretion, additional time may be granted. The City Clerk shall be the timekeeper.

Consent Calendar - All items listed on the Consent Calendar are considered routine and/or consistent with previous City Council direction. One motion, a second, and a roll call vote may enact the items listed on the Consent Calendar. No separate discussion of Consent Calendar items shall take place unless a member of the City Council, City staff or the public request discussion on a specific item.

Addressing the Council on Items not on the Agenda – The Brown Act prohibits discussion or action on items not on the posted agenda. The City Council's Meeting Protocols and Rules of Procedure provide that in the interest of allowing Council to have adequate time to address the agendized items of business, “Items from the Audience/Public Comment” following the Consent Calendar will be limited to 15-minutes maximum period. “Items from the Audience/Public Comment” listed near the end of the agenda will not have a maximum time limit. A five-minute maximum time limit per speaker will apply to all individuals speaking during “Items from the Audience/Public Comment”. For non-agendized items, Council Members may briefly respond to statements made or questions posed by individuals during public comment; ask questions for clarification; direct the individual to the appropriate staff member; or request that the matter be placed on a future agenda or that staff provide additional information to Council. When members of the public address the Council, they should be as specific as possible about their concerns. If several members of the public comment on the same issue an effort should be made to avoid repetition of views already expressed.

Notice - A 90 day limit is set by law for filing challenges in the Superior Court to certain City administrative decisions and orders when those decisions or orders require: (1) a hearing by law, (2) the receipt of evidence, and (3) the exercise of discretion. The 90 day limit begins on the date the decision is final (Code of Civil Procedure Section 1094.6). Further, if you challenge a City Council action in court, you may be limited, by California law, including but not limited to Government Code Section 65009, to raising only those issues you or someone else raised during the public hearing, or raised in written correspondence delivered to the City Council prior to or at the public hearing.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL

PRESENTATIONS

1. Proclamation - Juneteenth Day
2. Proclamation - LGBT Pride Month
3. Proclamation - Elder & Dependent Adult Abuse Awareness

1. CONSENT CALENDAR

- 1.A. ADOPT MAY 17, 2022 REGULAR MEETING MINUTES
- 1.B. APPROVE SIDE LETTER AGREEMENTS BETWEEN THE CITY OF TRACY AND THE TRACY POLICE OFFICERS ASSOCIATION, TRACY POLICE MANAGEMENT ASSOCIATION, TRACY MID-MANAGERS BARGAINING UNIT, TRACY TECHNICAL AND SUPPORT SERVICES EMPLOYEE ASSOCIATION, GENERAL TEAMSTERS LOCAL NO. 439; AMEND SECTION 16.6 OF THE PERSONNEL RULES AND REGULATIONS TO ADD JUNETEENTH; AND AUTHORIZE THE CITY MANAGER TO APPROVE SIDE LETTER AGREEMENTS
- 1.C. APPROVE AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT (PSA) WITH RAFTELIS FINANCIAL CONSULTANTS, INC. FOR COMPLETION OF THE WASTEWATER REVENUE AND RATE ANALYSIS
- 1.D. AUTHORIZE THE SUBMISSION OF A UNITED STATES DEPARTMENT OF JUSTICE COMMUNITY ORIENTED POLICING SERVICES GRANT APPLICATION FOR A PROJECTED AMOUNT OF \$1,240,942 FOR THE HIRING OF TWO POLICE OFFICERS WITH THE PROJECTED CITY MATCH FUNDS OF \$990,942, APPROVE AN ADDITIONAL \$90,000 FOR PROJECTED OVERTIME AND OTHER COSTS NOT COVERED BY THE GRANT FUNDS, AND AUTHORIZE THE CITY MANAGER TO ACCEPT THE \$250,000 GRANT, IF AWARDED
- 1.E. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH VERONICA TAM AND ASSOCIATES, INC. FOR THE HOUSING ELEMENT UPDATE
- 1.F. ADOPT THE FOLLOWING RESOLUTIONS: (1) INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENTS AND ORDERING PREPARATION OF AN ENGINEER'S REPORT FOR THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT PURSUANT TO THE PROVISIONS OF THE LANDSCAPING AND LIGHTING ACT OF 1972 FOR FISCAL YEAR 2022/2023, (2) APPROVING THE PRELIMINARY ENGINEER'S REPORT REGARDING THE PROPOSED LEVY AND COLLECTION OF ASSESSMENTS FOR THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT PURSUANT TO THE PROVISIONS OF THE LANDSCAPING AND LIGHTING ACT OF 1972 FOR FISCAL YEAR 2022/2023, AND (3) DECLARING THE CITY OF TRACY'S INTENTION TO LEVY ANNUAL ASSESSMENTS FOR THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT FOR FISCAL YEAR 2022/2023 AND SETTING A PUBLIC HEARING ON JULY 5, 2022 AT 7:00 PM TO CONSIDER THE SAME IN ACCORDANCE WITH THE LANDSCAPING AND LIGHTING ACT OF 1972

- 1.G. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH FRUITRIDGE PRINTING, LLC FOR A TERM OF FOUR YEARS, WITH AN ADMINISTRATIVE OPTION TO EXTEND FOR ANOTHER TWO YEARS UPON SATISFACTORY PERFORMANCE, FOR PRINTING SERVICES FOR THE GRAND THEATRE CENTER FOR THE ARTS SEASON BROCHURE AND ARTS EDUCATION CATALOG, IN AN ANNUAL AMOUNT NOT TO EXCEED \$45,000.00
- 1.H. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH MHD GROUP, INC. FOR A TERM OF FOUR YEARS, WITH AN ADMINISTRATIVE OPTION TO EXTEND FOR ANOTHER TWO YEARS UPON SATISFACTORY PERFORMANCE, FOR MARKETING SERVICES FOR THE GRAND THEATRE CENTER FOR THE ARTS SEASON BROCHURE AND ARTS EDUCATION CATALOG, IN AN ANNUAL AMOUNT NOT TO EXCEED \$50,000
- 1.I. APPROVE AMENDMENT NO.1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH MARK THOMAS AND COMPANY, INC. TO (1) AUGMENT THE SCOPE FOR PROJECT APPROVAL (PA), ENVIRONMENTAL DOCUMENT (ED), AND PLANS, SPECIFICATIONS AND ESTIMATES (PS&E) FOR MODIFICATION OF I-205 AND I-580 / MOUNTAIN HOUSE EXISTING INTERCHANGES CIP NOS. 73146 & 73147, AND (2) INCREASE THE CONTRACT AMOUNT BY AN ADDITIONAL \$389,688, FOR A NEW NOT-TO-EXCEED TOTAL CONTRACT AMOUNT OF \$4,687,724
- 1.J. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH TRACY CITY CENTER ASSOCIATION TO COORDINATE AND HOST THE ANNUAL 4TH OF JULY PARADE AND PANCAKE BREAKFAST WITH A NOT TO EXCEED AMOUNT OF \$10,000
- 1.K. APPROVE A CHANGE ORDER TO THE SAAS AGREEMENT WITH TYLER TECHNOLOGIES, INC. TO LICENSE TWO ADDITIONAL MODULES FOR TIMEKEEPING AND BID MANAGEMENT TO THE MUNIS ERP SYSTEM AND FIND THAT IT IS IN THE BEST INTEREST OF THE CITY TO FOREGO THE REQUEST FOR PROPOSALS PROCESS FOR THESE SERVICES
2. ITEMS FROM THE AUDIENCE
3. REGULAR AGENDA
 - 3.A. COVID-19 UPDATE FROM SAN JOAQUIN COUNTY PUBLIC HEALTH SERVICES (VERBAL REPORT)
 - 3.B. INTRODUCE AN ORDINANCE OF THE CITY OF TRACY AMENDING SECTION 6.36.080 OF THE TRACY MUNICIPAL CODE TOLLING THE EXPIRATION DATE OF EACH EXISTING COMMERCIAL CANNABIS BUSINESS PERMIT FOR AN ADDITIONAL 12 MONTHS
4. ITEMS FROM THE AUDIENCE
5. STAFF ITEMS
6. COUNCIL ITEMS
7. ADJOURNMENT

May 17, 2022, 7:00 p.m.

City Hall, 333 Civic Center Plaza, Tracy

Web Site: www.cityoftracy.org

Mayor Young called the meeting to order at 7:00 p.m.

Roll call found Council Members Arriola, Bedolla, Davis, Mayor Pro Tem Vargas and Mayor Young present.

Mayor Young led the Pledge of Allegiance.

Deanna Garcia offered the invocation.

Mayor Young presented a Certificate of Recognition to outgoing Transportation Advisory Commissioner Alvin Vaughn.

Mayor Young presented a Certificate of Recognition to Prabhjot Singh, outgoing City of Tracy representative on the San Joaquin County Mosquito Abatement Board.

REGULAR MEETING

1. CONSENT CALENDAR – Following the removal of consent item 1.F by Michael Rogers, City Manager and 1.C by Council Member Bedolla motion was made by Mayor Pro Tem Vargas and seconded by Council Member Bedolla to adopt the consent calendar. Roll call found all in favor, passed and so ordered.
 - 1.A ADOPTION OF MAY 3, 2022 REGULAR MEETING MINUTES – Minutes were adopted.
 - 1.B RATIFY THE SAN JOAQUIN COUNCIL OF GOVERNMENTS ANNUAL FINANCIAL PLAN FOR FISCAL YEAR 2022-2023 - Resolution 2022-058 ratified the SJCOG Annual Financial Plan.
 - 1.D AWARD A CONSTRUCTION CONTRACT TO VALENTINE CORPORATION FOR THE CONSTRUCTION OF THE TRACY HILLS ZONE 5 PUMP STATION CIP 75163 IN THE AMOUNT OF \$3,323,369, AT THE JOHN JONES WATER TREATMENT PLANT (JJWTP), WITH A NOT TO EXCEED BUDGET OF \$4,154,211 AND APPROVE A PROFESSIONAL SERVICES AGREEMENT (PSA) WITH WEST YOST AND ASSOCIATES (WYA) TO PROVIDE ENGINEERING SUPPORT SERVICES DURING CONSTRUCTION WITH A NOT TO EXCEED AMOUNT OF \$115,000 – Resolution 2022-059 awarded a Construction Contract to Valentine Corporation. Resolution 2022-060 awarded a Professional Services Agreement to West Yost and Associates.
 - 1.E APPROVE A RESOLUTION DECLARING INTENTION TO REIMBURSE EXPENDITURES FOR THE MULTI-GENERATIONAL RECREATION CENTER FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY THE CITY

AND DIRECTING CERTAIN ACTIONS – **Resolution 2022-061** approved declaring the intention to reimburse expenditures for multi-general recreation center from the proceeds of tax-exempt obligations.

1.F APPROVE AMENDMENT NO.1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH MARK THOMAS AND COMPANY, INC. TO (1) AUGMENT THE SCOPE FOR PROJECT APPROVAL (PA), ENVIRONMENTAL DOCUMENT (ED), AND PLANS, SPECIFICATIONS AND ESTIMATES (PS&E) FOR MODIFICATION OF I-205 AND I-580 / MOUNTAIN HOUSE EXISTING INTERCHANGES CIP NOS. 73146 & 73147, AND (2) INCREASE THE CONTRACT AMOUNT BY AN ADDITIONAL \$351,288, FOR A NEW NOT-TO-EXCEED TOTAL CONTRACT AMOUNT OF \$4,649,324 – **Item pulled from the agenda.**

1.C APPROVAL OF PURCHASE OF BUS SHELTERS AND BUS SHELTER REPAIR PARTS IN THE AMOUNT OF \$342,979 FROM TOLAR MANUFACTURING PURSUANT TO TRACY MUNICIPAL CODE SECTION 2.20.270(b) SOLE SOURCE BID EXCEPTION AND AS PART OF THE TRACER BUS STOP IMPROVEMENTS CIP 77585

Brian MacDonald, Parks and Recreation Director provided the staff report.

Council Member Bedolla pulled the item to ask about the possibility of benches at every bus stop, and what that could look like at a future time. Council Member Bedolla supported the item but there have been plenty of shelters that need upgrades.

There was no public comment.

ACTION: Motion was made by Council Member Bedolla and seconded by Mayor Pro Tem Vargas to adopt **Resolution 2022-062** approving purchase of bus shelters and bus shelter repair parts in the amount of \$342,979 from Tolar Manufacturing pursuant to Tracy Municipal Code Section 2.20.270(B) sole source bid exception and as part of the Tracer Bus Stop Improvements CIP 77585. Roll call found all in favor; passed and so ordered.

2. ITEMS FROM THE AUDIENCE – Robert Tanner shared concerns regarding the following: temporary potholes repairs that last 50 days, size and cost of garbage bins for those who do not require the larger bins and asked about the status of the Aquatics Park.

Gary Michalak spoke about trees that were removed near Beechnut and Gallery by Chevron and the City's plan to use the block for overflow storage for vehicles requiring maintenance. Mr. Michalak asked if the City knew the trees were going to be removed, when will the City's purchase of the land be finalized, how long will the project take to complete, when will the sound wall be built, and why were the residents not notified.

Jason Fell provided a history of the trees and shared concerns about the tree removal, now looking at a 35-year-old fence, want something better and requested a sound wall which would mitigate sound, dust, eyesore and critters.

Karen Moore shared concerns regarding opportunities lost for obtaining grants to help with the cost for the new organic waste law SB 1383 and stated after receiving

information under the Freedom of Information Act from Calrecycle and the City of Tracy it indicated there have been grants available since 2016 that the City did not obtain.

Mayor Pro Tem Vargas asked for a memo from staff with copies of applications that were submitted for grants. Mayor Young clarified the request is for a memo that details when they were applied for, if we are still waiting for answers, and what other grants are coming up and what we qualify for.

Michael Rogers, City Manager responded staff will put together a memo with all information that is being requested.

Council comments and questions followed.

Don Scholl, Public Works Director responded to Council questions and the concerns from the members of the public.

Ana Contreras, Community Preservation Manager responded to questions.

3. REGULAR AGENDA

3.A RECEIVE AN INFORMATIONAL REPORT REGARDING THE CURRENT STATUS OF CANNABIS PERMIT PROCESSING, INCLUDING FINGERPRINT-BASED BACKGROUND CHECKS FOR THE OPERATION OF CANNABIS BUSINESSES, AND INFORMATION ON ANTIPLICATED FUTURE AMENDMENTS TO THE TRACY MUNICIPAL CODE RELATED TO CANNABIS PERMITS

Victoria Lombardo, Senior Planner provided the staff report.

City Council questions and comments followed.

Sekou Millington, Police Chief, William Dean, Interim Development Services Director and Bijal Patel, City Attorney responded to questions.

Karen Moore stated she was surprised at how much we are getting involved with regulations, this industry needs to be treated like other industries, and the City needs to look at this again.

Zoe Schreiber shared concerns on DOJ regulations, recommended Council reassess the process in order to trust the regulations that have been put forth on a state level and spoke about barriers of local jurisdictions performing background checks that are burdensome and unnecessary for employees to go through this process.

Dotty Nygard emphasized local ownership provides a needed part of industry that has been vacant in Tracy and spoke about uses being more than recreation, seniors utilize a lot of cannabis. Ms. Nygard shared her partners want to help provide education to the community and hope to invest in community ownership, community benefits, diversity and equity.

Deanna Garcia, Cannabis Collective suggested partnering with another entity who already has the DOJ approval, spoke about the CUP, not having to go through another application for the business license, shared the cost concerns regarding waiting for it to go through and as long as the core applicant is there, they should not be penalized for bringing on another investor.

Dino Margaros shared his concerns regarding density of cannabis retail in the downtown, making a mistake by not having limitations on density, asked why there is no limitation on cannabis density and asked Council to consider option to not locate them within a distance of each other.

Byron Alvarez reiterated Mr. Margaros's comments adding he is not in favor of cannabis downtown, spoke about the proximity of potential cannabis stores to children and students and requested to not sabotage the success of the downtown.

Robert Tanner clarified two of the sites Mr. Margaros mentioned are outside the downtown district but downtown has no rules. Need CUP still available as well as the DOJ background check. Liquor stores and bars do have regulations. Keep regulations in here for now.

Alice English echoed Mr. Alvarez and Mr. Margaros's comments. Need to start looking for future generations for our kids and safety. The smoking shop across from Tracy High School should not have been authorized. Needs to come to Council not to Planning Commission and suggested keeping the State and Federal background checks, be consistent with all business owners.

Alex Monceaux stated it is an FBI background check performed by the State of California. Most operators are going to be in financial strain on operations, too many for downtown and may not all survive, hope Council can remove the DOJ if the FBI one suffices.

City Council questions and comments followed.

Transfer of Ownership: It was Council consensus to support local ownership.

Duration of Cannabis Business Permits: It was Council consensus to support extension for cannabis business permits for two years.

Community Benefits Agreement/contributions: Council received note that the City may have limited ability to follow through. City Attorney will report back.

Land Use-Based Regulation of Cannabis (CUP as a tool rather than regulatory Cannabis Business Permits) - It was Council's consensus to support using CUP Process.

DOJ Background Checks: There was no Council consensus.

Mayor Young requested a memo of the dates and times Council agreed on background check regulations and allowable locations/zoning.

Ms. Lombardo confirmed staff will come back on June 7, 2022, with an ordinance regulation to allow for that tolling and extension of the life of the current permits now so they will not expire within that one year. That is all staff will have for action ready for June 7, 2022.

Mayor Young called for a recess at 10:45 p.m.

Mayor Young reconvened the meeting at 10:54 p.m.

Due to the late hour and to be respectful of people's time, Council Member Arriola motioned to fix the time to adjourn the meeting at midnight. Mayor Pro Tem Vargas seconded the motion. No one was opposed.

3.B AN UPDATE REGARDING THE CITY OF TRACY'S EFFORTS ADDRESSING HOMELESSNESS AND A SUMMARY OF A FUTURE PLAN TO ALLEVIATE THE IMPACT OF HOMELESS ENCAMPMENTS AT EL PESCADERO PARK ON THE SURROUNDING COMMUNITY

Ana Contreras, Community Preservation Manager and Miguel Contreras, Police Lieutenant provided the staff report.

Sekou Millington, Police Chief provided information and responded to questions.

Vanessa Carrera, Assistant to the City Manager responded to Council questions.

Council Member Davis supported extending the time to continue the meeting past midnight. Council Member Arriola agreed to extend the time.

Alice English referred to the Brown Act regarding public comment stating the public is allowed five minutes maximum.

Margaret Moore shared concerns and health and safety issues her family experiences due to her house backing up to El Pescadero Park and asked Council what they do for the homeowners.

Rick Pereira stated Council does nothing for the residents and suggested continuing the wall to Kavanaugh or take trees out. Mr. Pereira shared his experiences with the unsheltered residents in El Pescadero Park, and asked Council to do something about it.

Jennifer Owens shared her experiences and concerns with El Pescadero Park and stated residents need to be protected and 24-hour security would be better, and asked why the numbers in park have not decreased.

Robert Tanner asked when the Temporary Homeless Shelter is phased out how many people will the shelter accommodate, how long can they stay and what will be done for those who cannot get in.

Gail Alterpen stated Council owes people an apology and shared her frustrations regarding time it has taken to get the shelter and the location and asked what is the City's plan.

Dan Evans shared concerns about opening dates for the shelter, spoke about a kid assaulted at the skate park, 9th Circuit Court of Appeals ruled on a case that allows Caltrans to clear homeless encampments, and need to be proactive about roads, public safety, parks and community in general.

Arch Bakerink referred to the Boise case and stated we have to make other options, spoke about why the homeless population is increasing, parking lot by the shelter, and stated simply opening a shelter is not going to solve the problem.

Jason Fell suggested getting with other cities and go to DVI and use those facilities. The City shouldn't have to take full burden of it. That prison should not be sitting there empty.

Jacy Krogh stated he uses the dog park at El Pescadero, shared compassion for those who live by El Pescadero. The park is not safe and supported having experienced security at the park but would much rather see law enforcement handle it.

Dino Margaros stated the downtown does not have the same problems as El Pescadero but has the same process to find a solution. Law Enforcement has been handcuffed. It is a free for all out there. Mr. Margaros shared his experience with a homeless person downtown and stated the City needs to get an ordinance update in place as soon as possible.

Bubba Paris stated Council has voted on what needed to be voted on and is proactive. The City is heading in the right direction. One thing we could do is team up to address the problem. The program has flaws in it. To address this problem we need safe parking and safe camping. Want to give them a place that gives them dignity. Consider a secure parking and a safe campground.

Council questions and comments followed.

Council supported the future plan to alleviate the impact of homeless encampments at El Pescadero Park on the surrounding community as outlined in the staff report.

Staff confirmed the ordinance would be returning in August.

4. ITEMS FROM THE AUDIENCE – None
5. STAFF ITEMS – Michael Rogers announced the Utilities services will be resuming normal business operations in June, and assessments of late fees and service disconnections can happen for nonpayment starting in June. The City has had lots of empathy with our community during the pandemic where \$1.8 million worth of credit has been applied to customer accounts to clear their past due balances from March 2020 to June 2021. Mr. Rogers encouraged those that have past due balances to contact City of Tracy Finance Department to ask about assistance to get back on track to set up payment plan or ask about eligibility for any type of financial assistance.

6. COUNCIL ITEMS – Council Member Bedolla reported on his attendance at the One Voice trip to Washington D.C. to see what opportunities are out there for the City and County.

Mayor Pro Tem Vargas reported on her attendance at the League of California Cities Summit and also provided a Valley Link Update. Mayor Pro Tem Vargas did park visits with residents and stated some residents are upset at the loss of trees at Legacy Fields.

Council Member Arriola reported on his attendance at the One Voice trip to Washington D.C. and also reported on the California Cities Executive Board Conference in Sacramento. Council Member Arriola announced working to have Tracy's inaugural Tracy Pride in October. Looking to have it the second weekend in October to coordinate with National Coming Out Day. Council Member Arriola requested the Pride Flag be raised during the weekend of Tracy Pride. Mayor Pro Tem Vargas seconded the request. Council Member Arriola stated he was invited through a program called Wider Bridge to develop a coalition of LGBTQ elected officials from around the country and has been invited to Israel to meet with the federal LGBTQ and their version of congress and will be gone in June. Council Member Arriola requested a diplomatic package from the City of Tracy to the Israeli government. Mayor Pro Tem Vargas seconded the request.

Council Member Davis reported on the One Voice trip to Washington D.C. Saturday attended American Soldier Play at the Grand Theatre. Attended Dream Flights event at the airport where veterans went up in World War II plane, and honored veterans for their service to the country and celebrated with the Victory Bombshells who cheered them on and West High JROTC that did a ceremony in honor of fallen soldiers.

Mayor Young stated she will provide a written report from Washington D.C. It was her 9th trip and she was appointed as main speaker. Reported on her attendance at the California Cities Executive Board Conference in Sacramento. Mayor Young announced the Memorial Day at Cemetery and War Memorial on May 30, 2022.

7. ADJOURNMENT – Time: 1:06 a.m., Wednesday, May 18, 2022.

ACTION: Motion was made by Mayor Pro Tem Vargas and seconded by Council Member Davis to adjourn. Roll call found all in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on May 12, 2022. The above are action minutes. A recording is available at the office of the City Clerk.

Mayor

ATTEST:

City Clerk

June 7, 2022

AGENDA ITEM 1.B

REQUEST

APPROVE SIDE LETTER AGREEMENTS BETWEEN THE CITY OF TRACY AND THE TRACY POLICE OFFICERS ASSOCIATION, TRACY POLICE MANAGEMENT ASSOCIATION, TRACY MID-MANAGERS BARGAINING UNIT, TRACY TECHNICAL AND SUPPORT SERVICES EMPLOYEE ASSOCIATION, GENERAL TEAMSTERS LOCAL NO. 439; AMEND SECTION 16.6 OF THE PERSONNEL RULES AND REGULATIONS TO ADD JUNETEENTH; AND AUTHORIZE THE CITY MANAGER TO APPROVE SIDE LETTER AGREEMENTS

EXECUTIVE SUMMARY

In 2021 Juneteenth (June 19) was proclaimed as a federal holiday and granted as a holiday in accordance with the terms of the Memorandum of Understanding (MOU) for each bargaining unit. In recognition of the holiday, staff requests approval of side letter agreements with Tracy Police Officers' Association (TPOA), Tracy Police Management Association (TPMA), Tracy Mid-Managers Bargaining Unit (TMMBU), Tracy Technical and Support Services Employee Association (TTSSEA), General Teamsters Local No. 439 (Teamsters) and an amendment to section 16.6 of the Personnel Rules and Regulations to memorialize Juneteenth (June 19) as a City recognized holiday.

DISCUSSION

On Thursday June 17, 2021, President Joe Biden proclaimed Juneteenth (June 19) a federal holiday. At that time, the MOUs for TPOA, Teamsters Local No. 439 I.B.T. and South County Fire Chief Officers Association (SCFCOA) recognized all holidays proclaimed by the Governor of the State of California or the President of the United States as a holiday in accordance with the terms of the MOU. To provide an equitable benefit for proclaimed holidays citywide, City Council approved proclaimed holiday language for the remaining units.

Juneteenth continues to be recognized as a proclaimed holiday by the federal government and by the City of Tracy. In honor and recognition of Juneteenth, staff recommends amending section 16.6 of the City of Tracy Personnel Rules and Regulations to add Juneteenth (June 19) as an authorized City holiday. Authorized holidays are also listed in the MOU for each bargaining unit and therefore staff recommends approval of a side letter agreement for TPOA, TPMA, TMMBU, TTSSEA and Teamsters to reflect the amended list of authorized holidays.

STRATEGIC PLAN

This agenda item supports the City's Governance Strategy and Business Plan, and specifically implements the following goals and objectives:

Governance Strategy

Goal 1: Further develop an organization to attract, motivate, develop, and retain a high-quality, engaged, high-performing, and informed workforce.

Objective 1b: Affirm organizational values.

FISCAL IMPACT

There is no fiscal impact as a result of this action.

RECOMMENDATION

Staff recommends that City Council approve, by resolution, side letter agreements between the City of Tracy and the Tracy Police Officers Association, Tracy Police Management Association, Tracy Mid-Managers Bargaining Unit, Tracy Technical and Support Services Employee Association, General Teamsters Local No. 439, amend section 16.6 of the Personnel Rules and Regulations to add Juneteenth; and authorize the City Manager to approve the side letter agreements.

Prepared by: Kimberly Murdaugh, Director of Human Resources

Reviewed by: Karin Schnaider, Director of Finance
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENTS

- A – Side Letter of Agreement between the City of Tracy and the Tracy Police Officers Association (TPOA) – Holidays
- B – Side Letter of Agreement between the City of Tracy and the Tracy Police Management Association (TPMA) – Holiday Pay
- C – Side Letter of Agreement between the City of Tracy and the Tracy Mid-Managers Bargaining Unit (TMMBU) – Proclaimed Holidays
- D – Side Letter of Agreement between the City of Tracy and the Tracy Technical and Support Services Employee Association – Paid Holidays
- E – Side Letter of Agreement between the City of Tracy and General Teamsters Local No. 439, IBT – Paid Holidays
- F – City of Tracy Personnel Rules and Regulations

**SIDE LETTER OF AGREEMENT BETWEEN THE CITY OF TRACY AND
TRACY POLICE OFFICERS ASSOCIATION
Holidays**

The City of Tracy and Tracy Police Officers Association (TPOA) agree to enter into this side letter to update the language set forth in section 10.1, 10.2 of the parties' Memorandum of Understanding (the "MOU"), which runs through June 30, 2023. The revised language in these sections of the MOU is effective June 7, 2022-June 30, 2023 and shall read as follows:

Section 10. Holidays

10.1 Paid Holidays for Employees on Monday through Friday Work Schedules

On January 1 and July 1 of each year, or prorated thereto, regular full-time employees shall be granted a bank of ~~fifty-two-fifty-six~~(5256) hours of holiday leave. Employees shall be compensated for holiday leave hours not used during a given six (6) month period at the holiday in-Lieu pay rate. Employees assigned to a Monday through Friday schedule will be required to use eight (8) hours of holiday leave for leave on a holiday observed by the City of Tracy.

10.2 Holiday In-Lieu Pay for Employees Working in a Seven (7) Day Operation

On January 1 and July 1 of each year, or prorated thereto, regular full-time employees shall be granted a bank of ~~fifty-two-fifty-six~~ (5256) hours of holiday leave. Employees shall be compensated for holiday leave hours not used during a given six (6) month period at the holiday in-Lieu pay rate. Requests for use of holidays shall be subject to Police Chief's approval.

FOR THE City of Tracy

Date: _____
Michael Rogers
City Manager

FOR THE Tracy Police Officers Association

Michael
Richards

Digital signature
Michael Richards
Date: 2022.05.20
05:39:09 -07'00'

Date: _____
Michael Richards
President of TPOA

**SIDE LETTER OF AGREEMENT BETWEEN THE CITY OF TRACY AND
TRACY POLICE MANAGEMENT ASSOCIATION
Holidays**

The City of Tracy and Tracy Police Management Association (TPMA) agree to enter into this side letter to update the language set forth in section 3.2 of the parties Memorandum of Understanding (the “MOU”), which runs through June 30, 2023. The revised language in these sections of the MOU effective June 7, 2022-June 30, 2023 shall read as follows:

3.2 Holiday Pay

On January 1 and July 1 of each year, or prorated thereto, regular full-time employees, shall be granted a bank of ~~fifty-two-fifty-six~~ (5256) hours of holiday leave. Employees shall be compensated for holiday leave hours not used during a given six (6) month period at the holiday in-Lieu pay rate. Requests to take a holiday off shall be subject to the Police Chief's approval.

FOR THE City of Tracy

Date: _____
Michael Rogers
City Manager

FOR THE Tracy Police Management

Association
Luis Mejia
Digitally signed by Luis
Mejia
Date: 2022.05.18
18:35:23 -07'00'

Date: _____
Luis Mejia
President of TPMA

**SIDE LETTER OF AGREEMENT BETWEEN THE CITY OF TRACY AND
TRACY MID-MANAGERS BARGANIING UNIT
Holidays**

The City of Tracy and Tracy Mid-Managers Bargaining Unit (TMMBU) agree to enter into this side letter to update the language set forth in section 8.11 of the parties' Memorandum of Understanding (the "MOU"), which runs through June 30, 2023. The revised language in these sections of the MOU effective June 7, 2022- June 30, 2023 shall read as follows:

8.11 Proclaimed Holidays

All holidays proclaimed by the Governor of the State of California or the President of the United States shall be granted as holidays. ~~Upon ratification of the MOU, employees shall receive eight (8) hours in their vacation bank in recognition of the first Juneteenth, which occurred on June 18, 2021.~~

FOR THE City of Tracy

Date: _____
Michael Rogers
City Manager

FOR THE Tracy Mid-Managers Bargaining

Unit
Ed Lovell
Digitally signed by Ed
Lovell
Date: 2022.05.23
11:32:04 -07'00'

Date: _____
Ed Lovell
President of TMMBU

**SIDE LETTER OF AGREEMENT BETWEEN THE CITY OF TRACY AND
TRACY TECHNICAL AND SUPPORT SERVICES EMPLOYEE ASSOCIATION**
Holidays

The City of Tracy and the Tracy Technical and Support Services Employee Association (TTSSEA) agree to enter into this side letter to update the language set forth in Section 7B of the parties' Memorandum of Understanding (the "MOU"), which runs through June 30, 2023. The revised language in this section of the MOU effective June 7, 2022 shall read as follows:

Section 7. Leave

B. Paid Holidays

- 1) All holidays proclaimed by the Governor of the State of California or the President of the United States shall be granted as holidays.
- 2) Regular full-time employees shall be entitled to observe all authorized holidays at full pay, not to exceed eight (8) hours for any one day.

The following are authorized holidays:

New Year's Day	January 1
Martin Luther King, Jr. Day	3rd Monday in January
President's Day	3rd Monday in February
Memorial Day	Last Monday in May
<u>Juneteenth</u>	June 19
Independence Day	July 4
Labor Day	1st Monday in September
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving Day	4th Friday in November
Christmas Eve	December 24
Christmas Day	December 25

FOR THE City of Tracy

Date: _____
Michael Rogers
City Manager

FOR THE Tracy Technical Support Services
Employees Association

Jade Amos
Date: 5/18/22
Jade Amos
President of TTSSEA

**SIDE LETTER OF AGREEMENT BETWEEN THE CITY OF TRACY AND
GENERAL TEAMSTERS LOCAL NO. 439, IBT
Holidays**

The City of Tracy and General Teamsters Local, No. 439, IBT (Teamsters) agree to enter into this side letter to update the language set forth in section 10.1 of the parties Memorandum of Understanding (the "MOU"), which runs through June 30, 2023. The revised language in these sections of the MOU effective June 7, 2022-June 30, 2023 shall read as follows:

10.1 Paid Holidays

Regular full-time employees, except as otherwise provided herein, shall be entitled to observe all authorized holidays at full pay, not to exceed eight (8) hours for any one day.

The following are authorized holidays:

New Year's Day	January 1
Martin Luther King, Jr. Day	3rd Monday in January
President's Day	3rd Monday in February
Memorial Day	Last Monday in May
<u>Juneteenth</u>	June 19
Independence Day	July 4
Labor Day	1st Monday in September
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving Day	4th Friday in November
Christmas Eve	December 24
Christmas Day	December 25
Floating Holidays (2)	

Two (2) Floating Holidays (16 hours of leave) will be credited to vacation balances on an annual basis each January. New employees shall be granted two (2) holidays or sixteen (16) hours, if hired between January and June; twelve (12) hours if hired between July and September and eight (8) hours if hired between October and December.

FOR THE City of Tracy

Michael Rogers
City Manager

Date: _____

FOR THE Teamsters Local No. 439 I.B.T

Gilbert Gomez
Business Representative

Date: 5-18-2022

CITY OF TRACY

PERSONNEL RULES AND REGULATIONS



Think Inside the Triangle™

Effective: November 1997
Revised: November 2009

TABLE OF CONTENTS

1. PURPOSE	1
1.1 Personnel Policy	1
1.2 Equal Employment Opportunity	1
1.3 Powers of the City Manager	2
1.4 Department Rules and Regulations	3
1.5 Application of Personnel Rules	3
1.6 Adoption of Personnel Rules	3
1.7 Amendment and Revision of Personnel Rules	3
1.8 Conflict of Personnel Rules	3
1.9 Rights of Management	4
1.10 Violation of Personnel Rules	4
2. DEFINITION OF TERMS	4
2.1 Actual Hours Worked	4
2.2 Advancement	4
2.3 Allocation	4
2.4 Applicant	4
2.5 Appointment	4
2.6 At Will	4
2.7 Base Salary	4
2.8 Candidate	5
2.9 Certification	5
2.10 Certified Employee Organization	5
2.11 Class or Classification	5
2.12 Class Series	5
2.13 Classification Plan	5
2.14 Compensation	5
2.15 Compensatory Time Off	5
2.16 Competitive Service	5
2.17 Competitive Examination	5
2.18 Continuous Examination	5
2.19 Continuous Service	6
2.20 Days	6
2.21 Demotion	6

2.22 Department	6
2.23 Department Head	6
2.24 Dismissal	6
2.25 Domestic Partner	6
2.26 Elective Office	6
2.27 Eligible Candidate	6
2.28 Employment Date	6
2.29 Employment List	6
2.30 Employment Status	6
2.31 Examination	6
2.32 Executive Management	7
2.33 FLSA	7
2.34 FLSA Exempt	7
2.35 FLSA Non-Exempt	7
2.36 Grievance	7
2.37 Incumbent	7
2.38 Layoff	7
2.39 Limited Term Position	7
2.40 Limited Service	7
2.41 Open Examination	7
2.42 Overtime Work	7
2.43 Part-time Position	7
2.44 Pay Range	8
2.45 Permanent Appointment or Permanent Status	8
2.46 Position	8
2.47 Probationary Appointment	8
2.48 Probationary Period	8
2.49 Promotional Appointment	8
2.50 Promotional Examination	8
2.51 Provisional Appointment	8
2.52 Provisional Employee	8
2.53 Reclassification	8
2.54 Recognized Employee Organization	8
2.55 Re-employment	9

2.56 Regular Employee	9
2.57 Regular Position	9
2.58 Rehire	9
2.59 Reinstatement	9
2.60 Resignation	9
2.61 Safety Sensitive	9
2.62 Salary Basis	9
2.63 Salary Evaluation Date	9
2.64 Seniority in City Service	9
2.65 Seasonal Position	10
2.66 Selection Procedure	10
2.67 Separation	10
2.68 Service Anniversary Date	10
2.69 Step Advancement	10
2.70 Step Advancement Date	10
2.71 Student Position	10
2.72 Suspension	10
2.73 Temporary Position	10
2.74 Termination	10
2.75 Transfer	11
2.76 Vacancy	11
2.77 Y-Rated	11
3. POSITION CLASSIFICATION	11
3.1 Classification Plan	11
3.2 Positions	12
3.3 Emergency or Temporary Positions	12
3.4 Classification Review	13
4. COMPENSATION PLAN	13
4.1 Compensation Plan Establishment	13
4.2 Compensation Plan Administration	14
4.3 Errors in Compensation	17
5. RECRUITMENT, APPLICATIONS AND APPLICANTS	17
5.1 Recruitment	18
5.2 Applications	18

5.3 Disqualification of Applicants	18
5.4 Notice of Rejection	19
5.5 Incomplete or Late Applications	19
6. EXAMINATIONS	19
6.1 Responsibility	19
6.2 Need for Examinations	20
6.3 Qualifications Appraisal Board	20
6.4 Rating	20
6.5 Preparation of Employment Lists	20
6.6 Notification of Examination Results	21
6.7 Protests/Appeals to Human Resources Director	21
6.8 Status of Examinations Being Protested orAppealed	22
7. ESTABLISHMENT AND THE USE OF EMPLOYMENT LISTS	22
7.1 Type of Lists	22
7.2 Use of Employment Lists	22
7.3 Employment List(s) Established by Examination	22
7.4 Eligibility for Promotional Examinations	23
7.5 Restoration of Names of Laid-off Employees to Employment Lists	23
7.6 Availability of Candidates	23
7.7 Removal of Names from Employment, Reinstatement or Re-employment Lists	23
7.8 Request to Fill Vacancies	24
7.9 Employment List Priority	24
7.10 Certification of Employment Lists	25
8. APPOINTMENTS	26
8.1 General Requirements for Appointment	26
8.2 Applicable Pay Upon Employment	27
8.3 Types of Appointments	28
8.4 Probationary Periods	29
8.5 Promotion of an Employee	29
8.6 Transfer of an Employee	30
8.7 Voluntary Transfers	31
8.8 Qualified Disabled Employees	31
8.9 Demotion of an Employee	31
8.10 Reclassification of an Employee's Position	32

9. OUTSIDE EMPLOYMENT AND USE OF CITY PROPERTY	33
9.1 Prohibited Activity	33
9.2 Outside Employment	33
9.3 Authorization of Outside Employment	34
9.4 Violations and Penalties	34
10. PERFORMANCE EVALUATIONS	35
10.1 Frequency	35
10.2 Personnel Files	35
11. DISCIPLINARY ACTION	35
11.1 Authority to Discipline	35
11.2 Grounds for Disciplinary Actions	36
11.3 Types of Discipline	37
11.4 Procedures for Disciplinary Action	38
12. DISCIPLINARY APPEAL PROCESS	39
12.1 Employee's right to Representation During Appeal Process	39
12.2 Appeal Process	40
13. GRIEVANCE PROCEDURE (Non-Disciplinary Matters)	40
13.1 Definition of Grievance	41
13.2 Eligibility to File a Grievance	41
13.3 Exclusion from the Grievance Procedure	41
13.4 Group Grievances	41
13.5 Procedure	41
13.6 Representation	43
13.7 Waiver of Steps or Time Limits	43
13.8 Waiver of Grievance	43
13.9 No Interruption of Work	44
13.10 No Retaliation	44
14. LAYOFF, DISPLACEMENT, AND RE-EMPLOYMENT	44
14.1 Notice	44
14.2 Lay Off Order Determination	44
14.3 Bumping	45
14.4 Lay Off List Preparation Procedure	45
14.5 Separations	45
14.6 Reemployment from Lay Off	46

15. WORK WEEK AND ATTENDANCE	46
15.1 Work Week	46
15.2 Attendance	46
15.3 Meals and Rest Periods	47
15.4 Timekeeping	47
16. VACATION AND HOLIDAYS	47
16.1 Vacation Accrual	47
16.2 Use of Vacation	48
16.3 Effect of Sick Leave on Vacation Leave	48
16.4 Compensation for City Work During Vacation Prohibited	49
16.5 Vacation Pay-out Upon Termination	49
16.6 Holidays	49
17. SICK LEAVE	50
17.1 Certification	50
17.2 Prohibited Activity	50
17.3 Eligibility	50
17.4 Accrual	50
17.5 Accumulation	50
17.6 Use	51
17.7 Integration of Benefits	51
17.8 Catastrophic Leave Program	51
18. LEAVES OF ABSENCE WITHOUT PAY	52
18.1 Authorization for Leave of Absence Without Pay	52
18.2 Leave of Absence Request	52
18.3 Return from Authorized Leave of Absence Without Pay	52
18.4 Authorized Leave of Absence Without Pay for Job Injury	52
18.5 Status of Employee on Authorized Leave of Absence Without Pay	53

19. OTHER LEAVES OF ABSENCE	53
19.1 Administrative Leave	53
19.2 Bereavement Leave	53
19.3 Family and Medical Leave	54
19.4 Jury Duty	54
19.5 Military Family Leave	54
19.6 Military Leave	54
19.7 Military Spouse Leave	55
19.8 Paid Family Leave	55
19.9 Pregnancy Disability Leave	55
19.10 School Activity Leave	55
19.11 Voting Leave	55
19.12 Witness Leave	55
20. EMPLOYEE TRAINING AND EDUCATION PROGRAMS	56
21. EMPLOYER - EMPLOYEE RELATIONS	56
21.1 Definitions	56
21.2 Designation of Municipal Employee Relations Officer	58
21.3 Employee Rights	58
21.4 City Rights	58
21.5 Meet and Confer in Good Faith – Scope	59
21.6 Incorporation in a Memorandum of Understanding	59
21.7 Compliance of Federal and State Laws	59
21.8 Advance Notice	59
21.9 Petition for Recognition	60
21.10 The Petition	61
21.11 Municipal Employee Relations Officer	61
21.12 Response to Petition	61
21.13 Notice	61
21.14 Elections	62
21.15 Certification	62
21.16 Election Procedures	62
21.17 Bargaining Unit Modifications	64
21.18 Denying the Request	64

21.19 Timing	65
21.20 Unit Disputes Involving Professional Employees	66
21.21 Rights and Responsibilities	66
21.22 Impasse Resolution Procedures	67
21.23 Agency Shop	68
21.24 Miscellaneous Provisions	68
22. MISCELLANEOUS	68

CITY OF TRACY

PERSONNEL RULES

1. PURPOSE

In order to establish a uniform procedure for dealing with personnel matters, the personnel system set forth in these Rules and Regulations (hereinafter "Rules") is hereby adopted. These Rules supersede any prior rules and regulations and may be changed only upon approval of the City Council.

Where an applicable memorandum of understanding between the City and a recognized employee organization contains provisions that are inconsistent with any of these Rules, the language contained in the Memorandum of Understanding shall govern.

The City Council authorizes the City Manager to implement administrative policies that shall be supplemental to these Rules.

Each employee shall be given a copy of these Rules and is responsible for reading and complying with these Rules.

These Rules may be amended from time to time. However, in order to be effective, the amendment must be in writing and approved by resolution of the City Council. Whenever such amendments affect the wages, hours or other terms or conditions of employment, they shall be subject to the meet and confer process as required by law.

In the event of an emergency, any part or all of these Rules may be suspended by order of the City Manager and such suspension shall remain in effect until the City Manager's order is withdrawn.

1.1 **Personnel Policy**

In accepting employment with the City each employee agrees to be governed by and to comply with ordinances, these Rules, the Administrative Policy and Procedures Manual, the rules, regulations and directives of the department in which employed, and the memorandum of understanding in effect between the City and the appropriate employee organization.

1.2 **Equal Employment Opportunity**

It is the policy of the City of Tracy to provide equal opportunity in employment for all persons to prohibit discrimination in employment. This policy of equal employment opportunity applies to and must be an integral part of every aspect of personnel policy and practice in the employment, development, advancement, and treatment of employees to the extent permitted by law.

1.2.1 This Equal Employment Opportunity policy applies to all applicants, officers, volunteers, and employees without exception.

1.2.2 The City shall not discriminate against qualified employees or applicants for

employment on the basis of actual or perceived race, color, religion, gender, national origin, ancestry, citizenship, age, marital status, physical disability, mental disability, medical condition, sexual orientation, or any other basis protected by law, or on the basis of a perception that an individual is associated with a person who has, or is perceived to have, any of these characteristics. The City shall afford equal employment opportunity to all qualified applicants or employees with respect to compensation and all terms and conditions of employment, including hiring, training, promotion, transfer, discipline, and termination.

- 1.2.3 Employees who believe they have experienced denial of equal employment opportunity or discrimination are encouraged to report this experience immediately to their supervisor or the Human Resources Director. The City shall promptly investigate the report under the Discrimination Complaints Procedure.

1.3 **Powers of the City Manager**

- 1.3.1 The City Manager is the chief administrative officer and the head of the administrative branch of the City Government. Whenever the term "City Manager" is used in these Rules, it shall include the City Manager or any person designated by him/her to carry out any function required by these Rules. When any officer or employee other than the City Manager is assigned a duty or responsibility under these Rules, such assignment is subject to the direction and control of the City Manager, and the City Manager shall have the right to perform such duty or responsibility or to assign it to any other officer or employee.
- 1.3.2 Subject to Section 2.08.060 of the Tracy Municipal Code, the City Manager has the power and authority to:
 - 1.3.2.1 Establish, when not in conflict with these Rules, such other policies, procedures, rules and regulations necessary for the control and supervision of the affairs of the City;
 - 1.3.2.2 Appoint and remove all Department Heads, officers and employees of the City, except those officers appointed by the Council;
 - 1.3.2.3 Approve all proposed appointments and removals of subordinate employees by all officers and Department Heads;
 - 1.3.2.4 Transfer, promote, demote, reemploy, reinstate, discipline, layoff, reduce in salary, suspend, or dismiss City employees, except for those officers appointed by the City Council.
- 1.3.3. The City Manager shall interpret, apply, administer and enforce the provisions of these Rules, any ordinances or resolutions relating to personnel matters, the employer-employee relations resolution, the memoranda of understanding, and any other pertinent regulations, directives and policies which relate to the City's personnel system.

1.3.4 The City Manager may delegate to the Human Resources Director any of the powers and duties conferred upon him/her under these or other City rules, regulations, resolutions or ordinances. The Human Resources Director, or his/her designee, shall be responsible for administration of these Personnel Rules.

1.4 **Department Rules and Regulations**

Department Heads may develop, implement and revise as necessary any departmental policies, procedures, rules and regulations pertaining to unique operational requirements and their effect upon departmental personnel as are needed for the full performance of duties and responsibilities and which are not contrary to these Rules.

1.5 **Application of Personnel Rules**

The provisions of these Rules shall apply to all offices, positions and employees in the Competitive Service of the City, except the following positions and except as otherwise indicated within a specific provision of these Rules:

- 1.5.1 Elected officials;
- 1.5.2 Members of appointed boards, commissions and committees;
- 1.5.3 Persons engaged under contract to render professional, scientific, technical or expert services for a definite period of time;
- 1.5.4 Volunteer personnel who receive no regular compensation from the City;
- 1.5.5 Where a particular rule or article expressly states it does not apply to certain employees and/or positions, or applies only to certain employees and/or positions.

1.6 **Adoption of Personnel Rules**

The Personnel Rules shall be established by resolution adopted by the City Council.

1.7 **Amendment and Revision of Personnel Rules**

Proposed amendments to/or revisions of the Personnel Rules shall be submitted to the City Council in writing by the Human Resources Director after approval of the City Manager.

1.8 **Conflict of Personnel Rules**

In the event that one or more provisions of these Rules contradict provisions included in memorandum of understanding currently in effect between the City and a formally recognized employee organization, the terms of the memorandum of understanding shall prevail. If there is a conflict between these Rules and a federal or state law, that law prevails. If there is a conflict between these Rules and an administrative regulation, these Rules prevail.

1.9 Rights of Management

The adoption of these Rules shall not be deemed a waiver or surrender of any management prerogative in relation to the organization or the necessity of any department or position.

1.10 Violation of Personnel Rules

Each employee is responsible to comply with these Rules and any amendments hereto. Violation of the provisions of these Rules shall be grounds for disciplinary action, up to and including dismissal.

2. DEFINITION OF TERMS

All words and terms used in these Rules and in any other resolution, ordinance, or administrative procedures dealing with personnel policies or procedures shall be defined as they are normally and generally defined in the field of personnel administration. For the purpose of convenience, however, the words and terms most commonly used are defined as follows:

2.1 Actual hours worked

All hours in which the employee actually performed work and does not include any paid or unpaid leave time, including but not limited to vacation and sick leave.

2.2 Advancement

A salary increase of one or more steps within the limits of the pay range established for a class.

2.3 Allocation

The official assignment of an individual position to its appropriate class in accordance with the duties performed and the authority and responsibilities exercised.

2.4 Applicant

Any person who has made application for a position.

2.5 Appointment

Employment of a person in a position

2.6 At will

The employee serves at the pleasure of the City Manager, who retains the authority to terminate any such employee at any time with or without cause. An "at will" employee has no right of appeal of discipline or termination.

2.7 Base Salary

The salary range and step established in the Compensation Plan, exclusive of any overtime, shift-differential, incentive or other excludable pay an employee may receive.

2.8 Candidate

Any person who has been accepted for participation in an examination.

2.9 Certification

The submittal to a Department Head of a listing of eligible candidates from an appropriate employment list, or names of those on a reinstatement or re-employment list.

2.10 Certified Employee Organization

An employee organization that has been certified by the City of Tracy as representing the majority of the eligible employees in an appropriately designated employee representation unit and shall be considered to represent all the employees of that unit.

2.11 Class or Classification

A group of positions sufficiently and substantially similar in duties, authority, responsibilities, and minimum qualifications for employment to permit combining them under a single title and the application of common standards of selection and compensation.

2.12 Class Series

Two or more classification levels which have similar duties and responsibilities, but are distinguished from each other by degree of difficulty or level of responsibility.

2.13 Classification Plan

The designation by resolution of the City Council of a title for each classification together with the specifications for each classification as prepared and maintained by the Human Resources Director.

2.14 Compensation

The salary, wage, allowances, and all other forms of valuable consideration earned by or paid to any employee by reason of said service in any position, but does not include any allowances authorized and incurred as incidents to employment.

2.15 Compensatory time off

Paid time off from work in lieu of overtime pay.

2.16 Competitive Service

All positions in the City service, except for the following positions, which are within the non-Competitive Service: Elective Offices, the City Manager, Assistant City Manager, City Attorney, Assistant City Attorney, and all Heads of Departments.

2.17 Competitive Examination

One or more selection procedures used to assess the relative qualifications of a group of applicants or candidates.

2.18 Continuous Examination

A competitive examination or a particular class which is designed to be either open or promotional, or both; and the examination consists of the same or comparable tests of fitness which may be administered periodically; and as a result of which names of eligible candidates may be added to an existing employment list for the duration of such list.

2.19 **Continuous Service**
Employment without interruption, and includes approved leaves of absence to serve in the armed forces of the United States, as provided by Section 395 of the Military and Veterans Code, as amended.

2.20 **Days**
Calendar days unless otherwise noted.

2.21 **Demotion**
The voluntary or involuntary movement of an employee from one class to another class having a lower maximum rate of pay.

2.22 **Department**
An organizational unit with responsibility for carrying out a function under the supervision of a Department Head.

2.23 **Department Head**
The head of an established office or department having supervision of such department and office.

2.24 **Dismissal**
The involuntary separation of an employee from the City service.

2.25 **Domestic Partner**
“Domestic partner” as defined in California Family Code Section 297.

2.26 **Elective Office**
All positions in the Exempt Service held by elected officials.

2.27 **Eligible Candidate**
A person who has earned a place on an employment list established by competitive examination.

2.28 **Employment Date**
For retirement, sick leave and other benefit purposes, the effective date of an employee’s initial appointment to a full-time or permanent part-time position within the Competitive Service.

2.29 **Employment List**
A list of names of persons who may be considered for employment with the City under specific conditions. Such lists may be designated as either a re-employment, reinstatement, promotion, or open employment list.

2.30 **Employment Status**
The type of an employee’s appointment, such as regular, probationary, or limited service.

2.31 **Examination**
The selection procedures used to measure the knowledges, skills and abilities of the persons applying for positions within the Competitive Service.

2.32 Executive Management

The group of employees comprised of the City Manager, City Attorney, Assistant City Manager and all Department Heads.

2.33 FLSA

The Fair Labor Standards Act.

2.34 FLSA Exempt

All employees who meet one or more of the duties test exemptions from overtime under the FLSA (e.g. executive, administrative, professional) and who are paid on a salary basis. FLSA exempt employees are not eligible for overtime compensation.

2.35 FLSA Non-Exempt

Employees who are eligible for FLSA overtime compensation.

2.36 Grievance

Defined in Section 13 of these Rules.

2.37 Incumbent

A person legally occupying a position in the City Service.

2.38 Layoff

The termination of an employee from City service for reasons of economy, efficiency, reorganization or other non-disciplinary reason.

2.39 Limited Service

Those types of positions which do not provide full-time employment throughout a fiscal year. The kinds of positions assigned to the Limited Service include temporary, part-time, student, and seasonal positions. Appointment to such positions are noncompetitive and incumbents do not acquire status in the class to which assigned by virtue of such employment. Limited service positions are "at will" and may be terminated with or without cause and without right of appeal.

2.40 Limited Term Position

A position in the competitive or non-Competitive Service which is created for a limited term or for projects funded entirely

2.41 Open Examination

A competitive examination for a particular class in which applications are invited from all qualified persons, regardless of whether or not they are employed by the City.

2.42 Overtime Work

All actual hours worked by a non-exempt employee in excess of forty (40) hours in the employee's designated workweek, except as otherwise designated by an applicable MOU, as otherwise designated for employees on an approved flexible work schedule, or as designated under the FLSA.

2.43 Part-Time Position

A type of limited service position to which a person is employed in a regularly budgeted position who works less than full-time.

2.44 Pay Range

A series of base salary steps to which a class may be assigned.

2.45 Permanent Appointment or Permanent Status

The type of status granted an employee who has successfully completed an official probationary period for a particular class and in a regular position in the Competitive Service.

2.46 Position

A combination of duties and responsibilities assigned to a single employee and performed on either a full-time or part-time basis. A position may be occupied or vacant.

2.47 Probationary Appointment

The initial appointment of an employee into a position that begins a probationary period.

2.48 Probationary Period

The final stage of the recruitment, examination and selection process where a new or promoted employee is required to demonstrate satisfactory or better performance of the position's duties. During this period, the employee may be dismissed at any time without cause and without right of appeal or hearing.

2.49 Promotional Appointment

The advancement of an employee from a position in one classification to a position in another classification having a higher maximum salary range.

2.50 Promotional Examination

A competitive examination of a particular class which is only available to current employees who meet the qualifications for the class or are otherwise permitted to take such an examination.

2.51 Provisional Appointment

Appointment of a person possessing the minimum qualifications last established for a particular class other than eligibility by examination and who has been appointed to a position in that class in the absence of available eligible candidates.

2.52 Provisional Employee

An employee appointed to fill a position vacancy for a limited time period when no valid eligibility list exists for that position. Provisional employees are "at will," and their appointment may be terminated at any time with or without cause and without right of appeal.

2.53 Reclassification

The permanent reassignment of a position to another classification due to the material change of the job duties of a position.

2.54 Recognized Employee Organization

An employee organization that has been formally acknowledged by the City as the employee organization that represents the employees in an appropriate representation unit.

2.55 Re-employment

The reappointment of a former employee (from a layoff re-employment list) who had a permanent appointment with the City at the time of layoff.

2.56 Regular Employee

The employment of a person in an authorized full-time position following successful completion of a probationary period in an authorized full-time position in the Competitive Service.

2.57 Regular Position

A full-time position in the Competitive Service which is established without any limitation as to time.

2.58 Rehire

The reappointment of a former employee who does not have re-employment or reinstatement rights at the time of returning to the payroll.

2.59 Reinstatement

The probationary appointment of an employee after the employee who resigned in good standing from a permanent regular position or the return of an employee from a non-disciplinary demotion to a position which the employee held not more than one year previously. In either case reinstatement must occur not more than one (1) year from the date of separation. Such reinstatement maybe done so without further competitive examination.

2.60 Resignation

The voluntary separation of an employee from City employment.

2.61 Safety Sensitive

A position or duty of a position that the City has designated as "safety sensitive" for purposes of implementing its Drug and Alcohol policy.

2.62 Salary Basis

Compensation in a predetermined amount that is not reduced, regardless of the quality or quantity of work actually performed, except as required by the City's principles of public accountability, for partial-day absences or as otherwise set forth in the FLSA.

2.63 Salary Evaluation Date

The date on which a probationary or regular employee's performance is evaluated and the date upon which the employee is eligible, on the basis of job performance for a prescribed period, for a merit salary increase within the established salary range.

2.64 Seniority in City Service

Seniority in City service is based on the employee's number of continuous years in City measured from the employee's original hire date. Seniority in classification is based on the number of continuous years of service in the present or higher classification.

2.65 Seasonal Position

A position of limited service status which is recurrent and does not provide full time employment. Seasonal employees are “at will” and may be terminated at any time with or without cause and without right of appeal.

2.66 Selection Procedure

The process by which employment decisions are made, including but not limited to application screening, written tests, oral interviews, performance tests, background investigations, assessments of physical or mental condition, and probation periods.

2.67 Separation

The voluntary or involuntary termination of employment from City service. Separation may include death, dismissal, layoff, resignation, retirement, or work completion.

2.68 Service Anniversary Date

The original date of hire as a full-time employee for purposes of accruing benefits and determining years of service with the City.

2.69 Step Advancement

The merit-based increase of an employee’s salary to a higher salary level within the established salary range for the employee’s classification.

2.70 Step Advancement Date

The effective date of an employee’s merit-based salary increase.

2.71 Student Position

A type of limited service position to which an employee who is also a student pursuing a course of study may be employed part-time during an academic school year and full-time during school vacations and holidays. Employees holding such positions are “at will” and may be terminated at any time with or without cause and without right of appeal.

2.72 Suspension

The temporary separation without pay of an employee from the Competitive Service for disciplinary purposes.

2.73 Temporary Position

A type of limited service position to which a person is appointed on a temporary basis and which is not an authorized regular position or a regular position for a limited period of time, either full-time or part time. Temporary employment that is limited to not more than 999 hours in any fiscal year. This time period includes all time spent in one or more positions.

2.74 Termination

Involuntary separation of an employee from City service.

2.75 **Transfer**

The reassignment of an employee from one position to another position in the same classification or another classification having the same maximum salary range, involving the performance of basically similar duties, and requiring substantially the same minimum qualifications.

2.76 **Vacancy**

A duly created position which is not occupied and for which monies have been appropriated.

2.77 **Y-Rated**

Employee's existing salary is frozen until adjustments to the employee's salary cause it to fall within a new salary range.

3. POSITION CLASSIFICATION3.1 **Classification Plan**

The City Council, upon recommendation of the Human Resources Director in consultation with the City Manager, shall create and adjust classes of positions in the City service. These classes shall be known as the "Classification Plan."

3.1.2 *Implementation of the Classification Plan*

The Human Resources Director, in consultation with the City Manager and Department Heads, shall recommend a Classification Plan for all classifications in the Competitive Service that includes but is not limited to the following for each classification:

- The classification title;
- A description of typical duties and responsibilities;
- A statement of the desirable training, experience and other qualifications of applicants for the classification;
- Whether the classification or any of its duties are safety-sensitive.
- Whether the classification is FLSA exempt

The Human Resources Director shall ensure that all positions within the same classification are substantially similar with respect to duties, authority, decision-making, character of work, and schedules of compensation.

3.1.3 *Interpretation of Class Specifications*

The class specifications are descriptive and explanatory and not restrictive. They are intended to indicate the kinds of positions allocated to the various classes and should not be construed as limiting the assignment of duties and responsibilities to any position. The use of a particular expression or an illustration as to duties should not be interpreted to exclude others not mentioned that are of similar kind of level of responsibility. The specification for each class should be considered in its entirety and in relation to other classes in the Classification Plan. Consideration should be given to the general duties, specific tasks, responsibilities, qualifications desired, and relation to other positions, as affording together a picture of the kind of employment the class is designed to embrace.

3.1.4 *Periodic Updates*

From time to time the Human Resources Director shall review the Classification Plan to ensure that it is accurate and make amendments to reclassify, add positions or classifications, or make other changes as necessary or appropriate.

3.1.5 *Adoption by City Council*

The Classification Plan shall become effective only upon adoption by resolution of the City Council. Upon adoption, the Classification Plan shall take immediate effect unless otherwise specified.

3.1.6 *Amendments*

The classification or position descriptions may be abolished or amended from time to time by City Council action when deemed in the best interest of the City service. In addition, new classification or position descriptions may be added to the City's Classification Plan. If new positions are added to the City services, such positions shall be allocated to an appropriate class by the Human Resources Director.

3.1.7 *Assignment of Classifications to Bargaining Units*

Assignment or reassignment of classifications to employee units of representation shall be at the sole discretion of the City Manager and in accordance with the Employer-Employee Relations Rule.

3.2 **Positions**

In accordance with these Rules, any position may be assigned, reallocated or transferred to a different class by the Human Resources Director, in consultation with the City Manager and affected Department Head, whenever there is a need of such action because of change in duties or responsibilities of the position. All positions shall be included in the same class if:

- 3.2.1 They are sufficiently similar in respect to duties and responsibilities so that the same descriptive title may be used; and
- 3.2.2 Substantially the same requirements as to education, experience, knowledge, and ability are required of incumbents; and
- 3.2.3 Substantially the same tests of capacities and fitness may be used in choosing qualified appointees; and
- 3.2.4 The same pay range or salary rate applies

3.3 **Emergency or Temporary Positions**

Whenever, in the judgment of the Human Resources Director in consultation with the City Manager, it is necessary for a department to employ a person or persons on an emergency or temporary basis in a type of position for which there is no classification provided in the Classification Plan, then the Human Resources Director, in consultation with the Department Head(s) and City Manager, may authorize such

positions and shall fix the amount of compensation, and may determine the minimum qualifications for such additional employees, and shall limit in advance the period of time the position may be allowed up to a maximum of 999 hours in a fiscal year.

3.4 **Classification Review**

Review of the classification of a position may occur in the following circumstances:

- One or more new positions are under consideration for possible establishment;
- Due to a change in organization or methods, a major change of the duties or responsibilities of an existing position is made which may require the reallocation of such position;
- A new class is created to which a position may more appropriately be allocated;
- Due to the abolishment or combination of an existing position or class, an amendment to the Classification Plan is required.

The procedure for classification review is as follows:

- 3.4.1 The Department Head shall report the significant facts relating to such possible changes in writing to the Human Resources Director.
- 3.4.2 The Human Resources Director, upon written request of an employee and his/her department head, may undertake an inquiry of the classification of any position.
- 3.4.3 Upon either of the above initiations, the Human Resources Director shall make a study of the assigned duties and responsibilities of any such position and the qualifications required, and of the relationships of such positions to other classes of positions in the Classification Plan.
- 3.4.4 On the basis of such investigation, the Human Resources Director shall then make a change in the allocation of the position; or reallocate the position to a more appropriate class in the existing Classification Plan; or determine a new class to which the position would be allocated, whichever the Human Resources Director deems is the appropriate action. Whenever a position is reclassified or reallocated, the existing position is to be deleted and a new position created in the class to which the position is to be assigned.

4. COMPENSATION PLAN

4.1 **Compensation Plan Establishment**

The City of Tracy is committed to maintaining fiscal integrity and high standards of accountability to the public in the expenditure of funds provided by taxpayers. The City establishes its compensation system in accordance with the principles of public accountability.

The Human Resources Director shall prepare a Compensation Plan that includes the following:

- a. The salary ranges for all classifications in the Competitive Service, showing the minimum and maximum rates of pay;
- b. A designation of the position as full-time, part time or temporary;
- c. A designation of the position as paid on an hourly or salary basis.

These rules do not preclude the creation of separate management pay plans that, if adopted by the Council, must be administered in accordance with the procedures adopted for such plan(s) by the City Council.

On a periodic basis, the Human Resources Director may survey benchmark classifications. Survey results shall be considered as one of the pieces of information used as a guideline in establishing or modifying compensation for a particular position or classification.

The Human Resources Director shall also determine whether any modifications are necessary due to recruitment and retention issues, changes to positions or classifications, including changes to exempt or non-exempt status, resulting from his/her periodic review of the Classification Plan.

The Human Resources Director shall submit any modifications to the Compensation Plan to the City Manager for recommendation to City Council for adoption.

4.2 Compensation Plan Administration

The authorized pay ranges for the respective classes of positions with such amendments as may be adopted by the City Council from time to time by resolution shall be applied as follows:

4.2.1 *Increases Within the Pay Range*

Normally, and as a general rule, upon progress and productivity, employees in the Competitive Service or those occupying an Appointive position shall be considered for a step advancement according to the following general plan:

4.2.1.1 *Steps.* The letters A, B, C, D, E, etc. respectively, denote the various salary steps in the pay range.

4.2.1.2 *Step A.* Step “A” shall typically be paid upon initial employment into a five (5) step pay range. If the employee possesses exceptional training or experience, that employee may start at a step B with the approval of the Department Head. Appointments at any step greater than B require prior authorization from the City Manager.

4.2.1.3 *Step Advances.* At the completion of the applicable probationary period of employment, employees appointed at Step A are eligible for a step increase. Police Officers appointed at Step A whose probationary period is eighteen (18) months are eligible for a step increase after (twelve) 12 months. If employed at other than Step “A” in a five (5) step pay range for the class, then consideration for advancement to the next salary step will take place twenty-four (24) semi-weekly pay periods (approximately one year) following the date

of hire. All step advances will be effective to the beginning of the closest pay period at that time. Additional step advances will be on an annual basis thereafter until the attainment of Step E.

All step advances shall be based on satisfactory performance as shown from the evaluation by the employee's Supervisor. Denial of step increases shall be based on documented performance evaluations. Increases of more than one step for superior performance may be provided upon recommendation by the Department Head and approval of the Human Resources Director.

4.2.1.4 *Step at Promotion.* When employees are promoted, they shall normally receive the first step in the salary range for their new position. However, if such step results in a salary increase of less than 5 percent, they shall receive a minimum 5 percent increase, provided that in no event shall the new salary be above Step E of the promoted class. The City Manager may authorize an appointment to a position at any higher salary step in the pay range upon the recommendation by the Human Resources Director in consultation with the Department Head.

4.2.1.5 *Special Salary Adjustments.* Notwithstanding anything in these Rules to the contrary, in order to correct gross inequities or to reward outstanding achievement and performance, the City Manager may, upon recommendation of the Department Head and the Human Resources Director, adjust the salary step of an incumbent of a particular position to any step within the pay range for the class to which the position is allocated. If a special salary step adjustment is authorized, it shall coincide with the beginning date of a pay period.

4.2.1.6 *Calculation of Service Anniversary Dates and/or Step Advancement Dates.* Service Anniversary dates shall be established as of the effective date of employment into a regular full time position. Step Advancement Dates shall be established as of the effective date of the most recent step advancement, promotion, or reinstatement in the City service, or the effective date of a special salary adjustment as provided in Section 4.2.1.5 of these Rules. Service anniversary dates of those reemployed shall be established as provided by Section 8.2.2 of these Rules. All step advancements shall be effective the first day of the pay period following the step advance date, unless that date falls on the first day of a pay period.

4.2.1.7 *Applicable Salary Rates Following Pay Range Increases and Decreases.*

4.2.1.7.1 *Same Relative Step.* Where a pay range for a given class is revised upward, the incumbents of positions in classes affected shall have their existing salary adjusted to the same relative step in the new pay range (Step B to Step B,

Step C to Step C, etc.) and their next step advancement date shall not be changed.

4.2.1.7.2 *Retention of Salary and “Y” Rates.* When a pay range is adjusted downward, incumbents may, on approval of the City Manager, be assigned a “Y”-rate designation to hold the employee at the current salary rate, without increases, until such time as the salary range for the new classification is the same or exceeds the amount of the “Y”-rating. Any such “Y” rate shall be indicated by a capital “Y” following the salary each time it appears on personnel records or transactions. Said “Y” rate shall be canceled on vacancy of the position.

4.2.1.7.3 *Pay Range Change on Step Advancement Date.* In the event that a pay range change becomes effective on an employee’s step advancement date, the employee shall first receive any within-range adjustment to which entitled and then receive the corresponding step adjustment.

4.2.1.7.4 *Pay Range Change on Date of Promotion.* In the event that a pay range change becomes effective on the date an employee is promoted to a higher class, the employee shall first receive any corresponding step adjustment to which entitled in the lower class, and then the next higher step promotional adjustment as provided in Section 8.5.1 of these Rules.

4.2.2 *Trainee Salary Range. (added August 8, 2009 per resolution 2009-142)*

At the recommendation of a Department Head, concurrence by the Human Resources Director, and approval by the City Manager, City of Tracy non-sworn classifications within the competitive service may be under filled by a special class of Trainee under a training program or on-the-job training assignment. Such training program or on-the-job training assignment will provide expectations and milestones for an employee to reach during the training period in order for said employee to acquire the full range of required skills and abilities within a reasonable and specified period of time. The salary paid such employees shall be ten percent (10%) below the salary range provided herein for employees in the classification for which training is being given. The title of such employees shall be the job title provided herein dash (-) Trainee.

If an employee transfers into a Trainee class, and the employee’s former salary range falls between the new class’ actual and Trainee (-10%) salary ranges, the Department Head may recommend and seek approval to set the transferred employee’s Trainee salary according to the following criteria:

- 1) The employee’s salary placement must be an amount between the new class’ actual and “Trainee” (-10%) salary ranges; and

- 2) The employee's salary placement cannot exceed the employee's former salary.

4.2.3 *Retirement/Resignation Notification Incentive. (added September 15 per resolution 2009-XXX)*

The City may offer a Retirement/Resignation Notification Incentive in any fiscal year in which the City Manager deems such an incentive is necessary to assist with workforce planning or potential workforce reduction efforts. The incentive will be provided to those employees who notify the City during a designated incentive offer period of their retirement/resignation effective no later than the end of that particular fiscal year or earlier date as determined by the City Manager.

Each employee shall receive the same incentive amount during the incentive offer period as designated by the City Manager. The amount of the Retirement/Resignation Notification Incentive shall not exceed \$1,000 per employee. It will be available only to CalPERS member employees who notify the City of their intent to retire or resign and completely separate their employment with the City of Tracy by the end of the specified fiscal year or earlier date as determined by the City Manager.

Employees must fill out a Retirement/Resignation Notification Incentive Application and submit it to the Human Resources Department by the deadline specified. Once the application is signed and submitted by the employee, the City will deem the application to be an irrevocable letter of intent to retire or resign and payment shall be made to the individual employee.

4.3 Errors in Compensation

Each employee shall review each of his/her paychecks to ensure the employee was paid correctly. If the employee believes an error or irregularity has occurred, the employee must immediately call it to the attention of his/her supervisor who shall in turn notify the Finance and Administrative Services Director. The City shall document all errors in compensation and the affected employees shall sign an acknowledgement for any corrections made.

In the event of any underpayment of which the City becomes aware, the employee shall receive any amount due him/her on the next regular pay check.

In the event an employee receives an overpayment by the City, the employee shall reimburse the City for the total overpayment and the City may obtain reimbursement by payroll deduction(s). Typically, such repayment shall occur over a schedule equal to the amount of time over which the overpayment occurred.

5. RECRUITMENT, APPLICATIONS AND APPLICANTS

It is the policy of the City of Tracy to recruit and select the most qualified individuals for positions in the City's service. Recruitment and selection shall be conducted in a manner that will ensure open competition, provide equal employment opportunity, and prohibit discrimination or favoritism because of race, religion, sex, color, national origin, age, serious medical condition, disability, politics, sexual orientation, gender identity, and ancestry.

5.1 **Recruitment**

Positions to be filled in the Competitive Service shall be publicized by distributing announcements to those City divisions, surrounding government entities or other publication/advertising sources as deemed advisable and appropriate within the discretion of the Human Resources Director and in consultation with the affected Department Head(s). The Human Resources Department shall prepare an official bulletin announcing any proposed examination. The notice shall be posted in public view at the City Hall and other City facilities. The notice shall be posted for at least ten (10) working days prior to the closing date for receipt of applications. The notice may be posted for less time for a promotional only recruitment. The examination announcement shall contain all information of importance for consideration by potential applicants, including whether the examination is to be promotional only, open, both promotional and open, or continuously open.

When the City seeks only promotional candidates, distributions will be limited to internal sources. Additionally, when distribution of a job announcement would detrimentally delay the filling of a position the City, in its sole discretion, may opt to fill the position temporarily from immediately available sources.

5.2 **Applications**

Official application forms shall be available in the City's Human Resources Department. Applications shall be made on forms provided by the Human Resources Department. All applications must be submitted on or before the filing deadline stated in the job announcement. If in the best interest of the City, the Human Resources Director may permit a letter, resume or other indication of interest to be accepted pending receipt of a properly completed application.

When necessary to meet continued requirements for filling positions due to non-availability of applicants for a classification or position or due to an increased vacancy rate or due to increased City needs, the closing date for any selection process may be indefinite and applicants may be tested continuously in such manner and at such times and places as may be provided by the City. Applicants who fail to achieve a passing score in such an open continuous examination may not compete again until the lapse of ninety (90) days between the first and second testing and one hundred and twenty (120) days between the second and third such testing, unless stipulated to the contrary on the job announcement. The City may exclude such applicants from further testing at its discretion.

5.3 **Disqualification of Applicants**

The Human Resources Director may disqualify any applicant either before or after examination for any of the following causes:

- a. The applicant did not properly complete the application;
- b. The application indicates on its face that the applicant does not possess the minimum qualifications for the position;

- c. The applicant is unable to perform the essential functions of the position sought, with or without reasonable accommodations;
- d. The applicant is currently using illegal drugs;
- e. The applicant has been convicted of a crime that may have an adverse impact on the applicant's ability to perform the job for which the applicant is applying;
- f. The applicant is not legally permitted to work within the United States;
- g. The applicant has made false statement of any material fact or practiced or attempted to practice deception or fraud in making application for employment; or
- h. For any material cause which in the judgment of the Human Resources Director would render the applicant unsuitable for the position, including a prior resignation from City service, termination from City service, or significant disciplinary action.

5.4 **Notice of Rejection**

The Human Resources Department shall mail a notice of any rejection to the mailing address provided by the applicant on the application. Any disqualified applicant may protest his or her rejection as provided by Section 6.7 of these Rules.

5.5 **Incomplete or Late Applications**

Incomplete or improperly completed applications may be returned to the applicant for additional information and/or completion provided the time limit for receiving applications has not expired. Such applications may be resubmitted and accepted by the Human Resources Director. Acceptance in this case will be based on such applications being initially received on or before the previously announced final date for filing. Applications received after the announced final date for filing may be accepted by the Human Resources Director. Acceptance in this case will be based on a reasonable explanation being given by the applicant which is satisfactory to the Human Resources Director. Such acceptance must take place prior to any scheduled examination for the class in question.

6. EXAMINATIONS

6.1 **Responsibility**

The Human Resources Director, in consultation with the Department Head, will determine the manner and methods, and by whom examinations shall be given. All examinations and background checks will be job-related and consistent with a business necessity.

Examinations shall be competitive and may consist of written tests, oral tests, performance tests, evaluations of prior training and performance, experience and education, interviews, style assessments, file review, or any combination thereof. The Human Resources Director shall be responsible for the selection of examination for classes of positions within the City's service.

6.2 Need for Examinations

The Human Resources Director shall schedule examinations as necessary. If there is a vacancy or one is anticipated, or if a provisional appointment is made, an examination will be conducted as soon as practicable to establish or supplement an employment list.

6.3 Qualifications Appraisal Board

In examinations where appropriate, the education, experience, skills, personal qualifications, and other pertinent information about the candidate may be evaluated by a Qualifications Appraisal Board. The weight to be given the evaluation of the above shall be determined by the Human Resources Director. The Qualifications Appraisal Board may be composed entirely of City employees, provided that such persons are neither the manager/supervisor for the positions being examined, nor are currently the immediate supervisor of a candidate. If possible, at least one of the members of the Appraisal Board shall be technically familiar with the character of the work of the class for which the candidates are being examined.

6.4 Rating

In all examinations, the minimum grade or standing for which eligibility may be earned shall be based upon all factors in the examination, including educational requirements, experience, and other qualifying elements as shown in the application of the candidate or other verified information. At the discretion of the Human Resources Director, failure in one part of the examination may be grounds for declaring the applicant as failing in the entire examination, or as disqualified for subsequent parts of an examination. The Human Resources Director may also designate any part of an examination as qualifying only, and no numerical weight need be assigned to passing scores in said part.

6.5 Preparation of Employment Lists

Eligibility lists shall be established and certified by the Human Resources Director or his/her designee following all applicable examinations. If the examination was given on both a promotional and open basis, the names of candidates shall be distinguished under the corresponding heading, "Promotional List" or "Open List". The listing of eligible names shall be in alphabetical order and grouped within the following blocks, as determined by the Human Resources Department after review of qualifications and/or testing results.

Block A shall contain the names of those candidates found to be most qualified.

Block B shall contain the names of those candidates found to be well qualified.

Block C shall contain the names of those candidates found to be qualified, but not as fully qualified as those placed in Blocks "A" or "B".

6.6 **Notification of Examination Results**

Every applicant taking part in the examination process shall be given written notice of the results. Any claim of error in rating or grading, must be submitted to the Human Resources Director no later than ten (10) days after the effective date of the eligibility list, to be considered for correction. Applicants shall be provided timely access to all information reasonably necessary to determine if an error in rating or grading has occurred. However, applicants may be prohibited from inspecting examination papers if review of such materials is prohibited by the consulting agency that prepared the examination. Applicants cannot have access to the rating sheets of the individual raters, but upon request may have access to a composite description of the rating sheets. Corrections of errors in grading shall be made within the discretion of the Human Resources Director. Applicants have no further right of appeal of examination results.

6.7 **Protests/Appeals to Human Resources Director**

6.7.1 *Rejection of Application.* Within five (5) working days of the date of the notice of disqualification, an applicant may file an appeal in writing with the Human Resources Director. Such an appeal shall contain information in sufficient detail to enable the Human Resources Director to reevaluate the applicant. Within ten (10) working days of receipt of the appeal, the Human Resources Director shall review the issues involved and render a decision in writing to the appellant.

6.7.2 *Protest of Written Test Items*

6.7.2.1 *Item Protests.* Within ten (10) calendar days of the examination date, a candidate may submit a written protest or objection to any item in the examination. Protests should cite authorities or references in support and/or reason for challenge to keyed items in sufficient detail to enable the Human Resources Director to understand the objection and to complete any research which is necessary to evaluate the soundness of the protest. Protests based purely on personal opinion without cited authority shall not be considered by the Human Resources Director.

6.7.2.2 *Determination of Item Protests.* Upon the receipt of test or item protests, the Human Resources Director shall commence to review the basis for the protests, consulting with such authorities as appropriate and make a determination if the items shall stand as keyed, be eliminated from the test, or that the key be modified and the test shall be scored or restored accordingly. In any case, the person filing the protest shall be notified in writing of the Human Resources Director's decision.

6.7.3 *Disqualification/Final Ratings.* A candidate or eligible may appeal in writing to the Human Resources Director within five (5) working days after being

notified by mail to the last known address of disqualification or final ratings in any examination. Within ten (10) working days of the receipt of such an appeal, the Human Resources Director shall commence to review the issue. When the Human Resources Director has reached a decision, the appellant shall be notified by mail to the last known address of the Human Resources Director's decision.

6.8 Status of Examinations Being Protested orAppealed

Normally, scoring of written tests will not be completed pending disposition of protests. As the needs of the service may require the City to fill vacancies from employment lists, tests may be scored and other parts of the examination, certification, and appointment process completed prior to receipt of or answer to protests. Appointments so made are not subject to change even if subsequent test rescoreing should alter the established order of the employment lists.

7. ESTABLISHMENT AND THE USE OF EMPLOYMENT LISTS

7.1 Types of Lists

The following types of employment lists shall be established by examinations with the type of employment list to be established determined by the Human Resources Director.

- 7.1.1. *Promotional Employment List*- If there are less than three (3) applicants on a promotional eligibility list, the Human Resources Director, in consultation with the Department Head, may declare the list invalid and announce a new recruitment and examination period. In the alternative, the Human Resources Director may make a temporary appointment until eligible candidates can be certified after appropriate examination.
- 7.1.2. *Open Employment List* - If less than five (5) names of qualified applicants are available for a new appointment, the Human Resources Director may declare the list invalid and announce a new recruitment and examination period.

7.2 Use of Employment Lists

Employment lists shall be valid and in effect for a period of one (1) year. An eligibility list may be extended upon the recommendation of the Department Head and by action of the Human Resources Director for additional six-month periods, but in no event shall a list remain in effect for more than two (2) years.

7.3 Eligibility for Promotional Examinations

All candidates for promotion must currently work in City services, have worked the equivalent of one-half year (1040 hours) within the past five consecutive years, and must possess the minimum qualifications as set forth in the specifications of the class to which the promotion is sought.

7.4 **Employment Lists Resulting from Continuous Examinations**

The Human Resources Director may initiate a continuous examination for a class or add to an existing open or promotional employment list by re-announcing and conducting a continuous examination. Candidates on such an employment list shall be placed in the appropriate block of names as determined by their relative ratings for a period of one (1) year.

7.5 **Restoration of Names of Laid-off Employees to Employment Lists**

The names of employees who are laid-off or demoted for lack of work, or lack of funds, shall be restored to the same employment list from which the original appointment was made, and in the same block of candidates as when the original appointment was made, provided the original list is still valid.

7.6 **Availability of Candidates**

It shall be the responsibility of candidates or those on re-employment or reinstatement lists to notify the Human Resources Department of any change of address or other change affecting availability for appointment. The Human Resources Department may circulate employment, reinstatement, or re-employment lists or use other methods to determine the availability of candidates and may indicate the conditions under which appointment may be offered. Candidates or those on reinstatement lists who decline to be considered or indicate unwillingness to accept employment under the offered conditions will be deemed to be not further considered for that position.

7.7 **Removal of Names from Employment, Reinstatement or Re-employment Lists**

The Human Resources Director may remove the name of any eligible candidate from an employment, reinstatement, or re-employment list for any of the following reasons:

- 7.7.1 *Disqualification.* As stipulated in Section 5.3 of these Rules.
- 7.7.2 *No Response.* On evidence that the eligible candidate cannot be located by postal authorities at the last known address, failure to reply within five (5) working days from the date the letter was mailed requesting information as to availability for appointment, or failure to notify the Human Resources Department of any change of address resulting in the return of letters without forwarding by the United States Post Office, will be considered sufficient evidence. On submission of a request therefore, giving acceptable reasons as to why the notice was not returned or change of address not filed, the Human Resources Director may restore the name of an eligible to the appropriate list.
- 7.7.3 *Request of Eligible Candidate.* Upon receipt of a written statement from the eligible candidate requesting his/her name be removed from the employment, reinstatement, or reemployment list.

- 7.7.4 *Third-Waiver.* If three offers of regular full-time employment in the class for which the employment, reinstatement, or re-employment list was established have been declined by the eligible candidate.
- 7.7.5 *Failure to Accept Appointment Offer.* If the person selected has been granted at least two (2) weeks to assume the position, and fails to do so, this failure to appear may be cause to remove that person from the employment, reinstatement, or re-employment list.
- 7.7.6 *Removal from Promotional Employment List Automatic Upon Termination.* If an eligible candidate on a promotional employment list resigns from the City service or is dismissed for cause, the candidate's name shall automatically be dropped from such list. If an open list from which the candidate was originally hired exists and is still valid, the person who resigns from City service may request that his/her name be placed on the open list.
- 7.7.7 *Unfit for Duty.* If an eligible candidate is physically or mentally unable to perform the essential functions of the job, with or without reasonable accommodation.
- 7.7.8 *Any other lawful reasons.*

7.8 **Request to Fill Vacancies**

Whenever a position in the Competitive Service is to be filled, the Department Head shall notify the Human Resources Director by submitting a Request to Hire form. The Human Resources Director shall advise the Department Head as to the availability of persons for employment in the position.

7.9 **Employment List Priority**

Subject to the provisions of Section 14.6 of these Rules, priority for consideration for appointment to a regular position shall be given to the various employment lists in the following order: re-employment lists, reinstatement lists, promotional lists, and open lists; however, reinstatement lists may be used instead of any employment list except a re-employment list.

- 7.9.1 *Re-employment Lists.* A re-employment list for any class, shall consist of the names of employees who have permanent status in that class and who have been issued an Official Notice of Layoff and have been laid-off, or in lieu of layoff, have been demoted, transferred or resigned from a position in the same class prior to the effective date of their layoff. All names shall be placed on the re-employment list in reverse order of the designated date of layoff. That is, the person who was laid-off, or who demoted, transferred, or resigned in lieu of layoff most recently shall be placed highest on the list. Employees whose positions have been reclassified to a class having a lower maximum salary, but who have not been demoted for cause, shall have their names placed on the re-employment list in order of their service in the class from which their position was reclassified. Names placed on a re-employment list

shall remain on such a list for no more than two (2) years from the date of layoff; demotion, transfer or resignation in lieu of layoff; or the reclassification of the position to a class having a lower maximum salary.

7.9.2 *Reinstatement Lists.* The Department Head may, with the approval of the Human Resources Director, reinstate any person who has either resigned in good standing from a position in which the former employee had permanent status to a position in the same class, or return an employee to a class in which status was held prior to the employee's acceptance of a non-disciplinary demotion, provided that such reinstatement is accomplished within one (1) year of the date of resignation or non-disciplinary demotion. Such reinstatement action may, at the discretion of the Human Resources Director, take precedence over any employment lists, except a re-employment list. Any person so reinstated shall be subject to a new probationary period of the same length as established for new appointees to a position in the class. The order of names on a reinstatement list for a class shall be in order of their resignation or non-disciplinary demotion, with the most recent being last.

7.9.3 *Promotional Lists.* Promotional lists shall consist of the names of employees who have been successful in an examination designated as a promotional examination. Names of all eligible candidates shall be placed in alphabetical order within an appropriate block on the promotional list according to their scores. Names of employees requesting an approved lateral transfer may also be placed on the promotional list.

7.9.4 *Open Lists.* Open lists shall consist of the names of persons who have been successful in an examination designated as an open examination. The names of all eligible candidates shall be placed in alphabetical order within an appropriate block on the open list according to their scores.

7.10 **Certification of Employment Lists**

When requests for certification of employment list(s) are received, certification shall be made to the Department Head by the Human Resources Department in conformance with the following provisions:

7.10.1 *Re-employment List Certification.* If a re-employment list exists for the class, the highest name on such a list shall be certified for a vacancy to be filled. If more than one vacancy is to be filled, then one more of the highest names shall be certified for each vacancy. In the event that employees on the re-employment list have the same designated date of layoff, ties shall be broken using the criteria specified in Section 14.2 of the Personnel Rules. The principals governing availability of candidates and removal of names from re-employment lists shall be as provided in Sections 7.7 of the Personnel Rules.

7.10.2 *Reinstatement List Certification.* If a reinstatement list exists for the class, all names on such a list shall be certified in addition to an appropriate certification from promotional or open employment lists.

7.10.3 *Promotional List Certification.* Subject to the provisions of Section 14.6, if no re-employment list for a class exists, then the names from the promotional list(s) for the class shall be certified.

7.10.4 *Open List Certification.* If no re-employment or promotional list exists for a class, then names from the open list(s) for the class shall be certified. Lists shall be provided to departments according to block. Priority consideration shall be provided to A Block candidates over B Block Candidates and B Block candidates over C block candidates. The open list(s) shall include all names contained in Blocks “A”, “B”, and “C” for such list(s).

If a vacancy exists in a classification for which there is no existing eligibility list, an appropriate eligibility list may be prepared for the classification from one or more existing related eligibility lists. For this purpose, the eligibility list may be selected from the classes for which the selection process and qualifications are comparable to or higher than those required for the class for which the vacancy exists.

8. APPOINTMENTS

The City Manager or his/her designee shall make an appointment by extending a conditional offer of appointment to an applicant. If the applicant accepts the offer of appointment, the appointment shall be deemed completed, subject to successful completion of any required pre-employment examination(s) or assessments. If the applicant does not accept the offer of appointment within the time period designated by the City Manager or his/her designee, the offer shall expire and the offer of appointment shall be deemed declined by the applicant. However, an offer of an appointment to a City position and acceptance of that appointment does not create a contract of employment between the City and appointee. City employment is not held by contract, but rather is governed by these Rules and Council resolutions.

8.1 General Requirements for Appointment

8.1.1 *Pre-Employment Screenings*

As part of the pre-employment procedure, applicants may be required to supply references and submit to a thorough background check, including LiveScan fingerprinting. Safety employees shall be subject to investigation in accordance with Department of Justice and/or Police Officer Standards and Training requirements. In the case of employees handling money or other valuables in the course of their duties, a credit check may be done in accordance with applicable law.

All offers for appointment to a position in the Competitive Service shall be contingent upon the appointee passing appropriate medical and/or psychological examination and testing to determine whether the candidate can perform the essential functions of the job, with or without reasonable accommodation. Such pre-employment screenings may also include screening for illegal drug use. If the examination reveals that the appointee cannot perform the essential functions of the job, with or without reasonable accommodation, or that the person uses illegal drugs, the person may be disqualified from consideration for employment.

If a candidate is disqualified from appointment to a position for failing to meet the medical and psychological standards for the job class, the candidate may file a written request to review the disqualification. Such request must be submitted to the Human Resources Director no later than five (5) working days after the postmarked date of the notification or disqualification. The candidate may submit medical evidence supporting his/her claim that he/she should not have been disqualified. Submittals shall be accepted for a period of fifteen days, commencing with the date of notification of disqualification. In case of a genuine dispute, the City may require the candidate to be examined by a physician or medical evaluator of the City's choice. Any such examination shall be paid for by the City. The City shall make the final determination based on this examination. If the disqualification is upheld, the candidate has no further right of appeal of the City's determination.

8.2 Applicable Pay Upon Employment

Those appointed to a position in the City service shall be paid the designated rate of pay or salary for the class.

- 8.2.1 *Pay for New Employees.* Step "A" shall typically be paid upon initial employment into a five (5) step pay range. If the employee possesses exceptional training or experience, that employee may start at a step B with the approval of the Department Head. Appointments at any step greater than B require prior authorization from the City Manager.
- 8.2.2 *Pay on Re-employment.* Upon the appointment of an employee from a re-employment list as provided by Section 7.9.1 of these Rules, the employee shall receive not more than the salary step in the pay range the person received prior to layoff and the person's step advance date shall be adjusted to credit City service since the most recent salary step advancement, but the employee shall not be credited for the period of separation from City employment. If the re-employment results from a reallocation of a position to a class having a lower maximum salary, the salary upon re-employment into the higher class shall be the employee's present salary or the step in the pay range the employee received prior to the reallocation, whichever is higher, and there shall be no change in the employee's step advance date.
- 8.2.3 *Pay upon Rehire.* Upon the rehire of a former employee into the same class as the employee occupied prior to separation, such a person shall receive the same salary step in the pay range for the class as was received prior to separation. If rehired into a related lower class, credit shall be given for prior service in determining the salary step for employment in the lower class. If rehired into a higher class than previously occupied, the Rules regarding pay upon promotion shall apply. The employment date for a person rehired into a position shall be established based upon the date of such rehire.
- 8.2.4 *Pay upon Reinstatement.* Upon the reinstatement of an employee as provided by Section 7.9.2 of these Rules, the employee shall receive not more than the same salary step in the pay range the employee previously received prior to

termination or non-disciplinary demotion and new employment and step advance dates for the employee shall be established based upon the date of such reinstatement.

8.3 Types of Appointments

8.3.1 *Limited Service Appointments.* Such appointments may, but need not be, made from employment lists. Any person on an employment list who accepts a Limited Service appointment shall nevertheless retain his/her place on such employment list. Employees holding limited service appointments shall be compensated on a straight hourly basis for the actual number of hours worked, unless otherwise provided by the Human Resources Director. The rate of pay shall be determined by the City's compensation plan and shall be within the salary range for the specified position.

Employees in limited services appointments shall work on a schedule determined by the City. These positions may be eliminated and/or replaced with full time positions as determined by the City. Employees holding limited services appointments are "at will" and may be terminated at any time with or without cause and without right of appeal.

No limited service employee shall be eligible for a salary adjustment except as provided in a Council approved compensation plan.

However, Department Heads may make recommendation to the City Manager salary adjustments at an earlier date if circumstances warrant such adjustment.

For the purpose of calculating City service time, part-time hours worked may be converted to equivalent full-time hours.

8.3.2 *Provisional Appointments.* All Department Heads and other appointing authorities shall, whenever possible, notify the Human Resources Director of impending or anticipated vacancies in their departments sufficiently in advance so as to allow for the establishment of an appropriate employment list. However, when the demands of the service are such that it is not practicable to give such notification and when no employment list exists or existing lists are insufficient and if it is not practicable to delay appointment until a new employment list can be prepared and certified, the Department Head may, with the approval of the Human Resources Director, make a provisional appointment to a regular position. As soon as practicable after a provisional appointment has been made, the Human Resources Director shall cause an examination to be prepared, and all positions filled provisionally shall be filled by an appointment from an employment list as soon as feasible.

Persons holding provisional appointments are "at will" and may be terminated from those provisional appointments at any time with or without cause and without right of appeal. However, if such employee has attained permanent status in a different position within City service, the employee's provisional appointment has been terminated, the employee may revert back to the previously-held position.

8.3.3 *Emergency Appointments.* To meet the immediate requirements of an emergency condition, such as major fire, flood, earthquake, or other public calamity that threatens public life or property, the City Manager may employ such persons as may be needed for the duration of the emergency without regard to the personnel ordinance, these Rules, or other rules and regulations affecting appointments. Such employees serve at the will of the City Manager and may be dismissed with or without cause and without any right of appeal.

8.4 **Probationary Period.**

Any person appointed to a position in the Competitive Service, except for the positions listed below, shall be placed on probation for a period of six (6) months unless otherwise specified in a Memoranda of Understanding or other Council approved resolution. The probationary period for appointments to Police Communications Operator, Fresh Water Treatment Plant Operator, Waste Water Treatment Plant Operator, and Fire Engineer shall be for one (1) year and the probationary period for entry level class of Police Officer shall be for eighteen (18) months. The probationary period for all promoted employees shall be six (6) months. With the approval of the Human Resources Director and upon written notice to the probationer, the probationary period may be extended up to six (6) months for those on a six-month probation period and up to one (1) year for any appointments to a Peace Officer. The probationary period shall be considered a part of the recruitment, examination and selection process and shall not include the time served under any limited service or provisional appointment, but shall date from the time of appointment to a regular position after certification. Leaves of absence or assignment out of the class totaling more than thirty (30) calendar days, for any reason, shall not be counted toward completion of the probationary period. During the probation period, the employee may be rejected by the Department Head in consultation with the Human Resources Director at any time without cause and without right of appeal or hearing.

8.5 **Promotion of an Employee.**

The appointment of any employee to a position in a class which has a higher maximum salary than the employee's present position constitutes a promotion. Such an appointment to a position in the Competitive Service shall be made from an employment list established for the class with the higher maximum salary. If no appropriate employment list exists, then a provisional appointment may be made as provided by Section 8.3.2 of these Rules.

8.5.1 *Applicable Pay Following Promotion.* In the case of the promotion of any employee in the City service, such employee shall be entitled to receive the rate of compensation in the entrance step of the pay range for the class to which the employee has been promoted. In cases of promotion where the pay range overlaps, the employee shall be placed at such step in the pay range of the higher class as to provide at least five percent (5%) more basic salary than the employee receives in the lower class. Provided, however, that the application of this provision does not exceed the highest salary step in the authorized pay range for the higher class. The City Manager may authorize an

appointment to a position at any higher salary step in the pay range upon the recommendation by the Department Head, as outlined in 8.2.1 (Pay for New Employees). Effective on the date of the promotion, a new salary evaluation date shall be established for purposes of eligibility for consideration for future salary step advances within the pay range of the higher class. In the event the promotion occurs on the employee's salary evaluation date, such employee shall first receive any within-range increase to which the employee is otherwise entitled in the lower class, and then the promotional salary adjustment as provided above.

8.5.2 *Status of Employee Following Promotion.* When a promoted employee (excluding at will employees) successfully completes the probationary period for a class he/she then gains permanent status in the new class and gives up permanent status in the former class. Any employee who does not successfully complete the probationary period in the promoted class, may return to the position and status held prior to promotion providing there is a vacancy, unless the reason for rejecting the employee during the probationary period from a position to which promoted would have been sufficient to cause dismissal from the former position as well. If no vacancy exists, the employee will be placed number one on the re-employment list.

8.6 **Transfer of an Employee.**

A Department Head may, in consultation with the Human Resource Director, at any time and for any reason, transfer an employee from one position to another position in the same or comparable classification with the same or comparable qualifications and without loss of compensation. If such transfer involves a change from one department to another, both Department Heads should be consulted before the action shall be considered effective. An appropriate personnel action form shall be completed and shall include the effective date of the transfer. Whenever possible, an employee being considered for transfer shall be notified within a reasonable period in advance of the effective date of such contemplated transfer and his/her wishes with respect to this action shall be taken into account to whatever extent practicable, consistent with the interest of efficient operations of the departments concerned.

8.6.1 *Applicable Pay Rates Following Transfer.* In the case of the transfer of any employee from one position to another in the same class or to another class to which the same pay range is applicable, the employee shall remain at the same salary step and shall retain the salary same evaluation date.

8.6.2 *Status of Employee Following Transfer.* A transfer of a permanent employee from a position in one class in the Competitive Service to a position in another Competitive Service class having related duties and responsibilities and the same maximum salary shall be made only upon written approval of the Human Resources Director that the employee possesses the qualifications for employment in the new class. In such case, no further competitive examination is required and the employee shall assume permanent status in the class to which assigned. However, an employee currently serving a probationary period shall not be transferred to a position in another class for

which an employment list exists, unless directed by the Human Resources Director. In such case, the employee shall start a new probationary period effective on the date of the transfer.

8.7 **Voluntary Transfers**

Employees who desire a transfer may submit a request for voluntary transfer to their Department Head for consideration. The Department Head may deny the transfer request in his/her sole discretion. If an employee voluntarily transfers to another position in the same or comparable classification and is not successful, the employee may, at the discretion of the Department Head(s), return to his/her former position if that position has not been filled. The employee's salary evaluation date shall remain the same as it was before the transfer.

8.8 **Qualified Disabled Employees**

The City may initiate a transfer of a qualified disabled employee to another position as a reasonable accommodation for the employee's disability. Such transfers may have priority over any candidates on an existing eligibility list.

8.9 **Demotion of an Employee**

An employee may be demoted at his/her request, as a result of reduction in force, for disciplinary reasons, or for other cause. In all cases, the Department Heads concerned, in consultation with the Human Resources Director, shall approve the demotion and notify the employee in writing.

A demoted employee shall be required to serve a probationary period in the lower classification unless the lower classification is in the same class series or the employee completed probation in the lower classification. In the event the demoted employee does not pass probation, the employee shall be terminated from employment without right of appeal. The effective date of a demotion shall establish a new salary evaluation date.

An employee may request a voluntary demotion to a lower classification in which the employee meets the minimum qualifications. The request shall be in writing and submitted to the Department Head for consideration. The Department Head may approve or deny the demotion request in his/her sole discretion. If approved, the employee shall sign an acknowledgement of voluntary demotion and reduction of salary and benefits.

If an employee voluntarily demotes to another position in the same or comparable classification, the employee's salary evaluation date shall remain the same as it was prior to the demotion.

8.9.1 *Applicable Pay Following Demotion.* An employee who is demoted to a class in the City service with a lower maximum salary shall be assigned to a salary step in the lower pay range according to the following rules:

- 8.9.2 *Disciplinary Demotion.* If a disciplinary demotion, any designated step in the lower pay range which is at least one (1) step less than the dollar amount received in the pay range for the class from which demoted. A new salary evaluation date shall be established as of the effective date of demotion.
- 8.9.3 *Non-Disciplinary Demotion.* If a non-disciplinary demotion, that salary step in the pay range for the lower class which the employee would have received had the employee's service in the class from which demoted been continuous in said lower class. The employee's previous salary evaluation date shall be retained.
- 8.9.4 *Status of Employee Following Demotion.* If the demotion involves an employee with permanent status in the Competitive Service, then the demoted employee shall assume permanent status in the class to which demoted and give up permanent status in the class from which demoted only if the findings of the Human Resources Director are that the employee meets the qualifications of the class to which demoted. If the employee does not have permanent status in the higher class or in a class comparable to the class to which the employee is demoted, the employee shall serve a new probationary period in the demoted position.

8.10 **Reclassification of an Employee's Position**

An employee may be reclassified without competitive exam if the Human Resources Director determines the employee has met the minimum qualifications of the new classification and has performed the duties of the reclassified position for a considerable length of time. Reclassification shall not be used for the purpose of avoiding competitive selection processes.

The employee's salary evaluation date shall not change as a result of the reclassification. When a position is reclassified from one existing class to another existing or new class under Section 3.4. of these Rules, the following shall apply to the incumbent:

- 8.10.1 *Applicable Pay Following Reclassification.* If a position is reclassified to a class having the same maximum salary, the salary and the salary evaluation date of the incumbent shall not change. If a position is reclassified to a class which has a higher maximum salary, the salary shall be adjusted in accordance with Sections 4.2.1.7.4 and 8.5.1 of these Rules. If a position is reclassified to a class with a lower pay range, the salary of the incumbent shall not change. If such salary is greater than the maximum salary of the lower class, the incumbent be assigned a "Y" rate designation as provided in Section 4.2.1.7.2 of these Rules.
- 8.10.2 *Status of Incumbents in Reclassified Positions.* Whenever reclassification occurs, an employee occupying the position may be retained in the position after it has been reclassified without further competitive examination, provided that the Human Resources Director in consultation with the Department Head, finds that:

- 8.10.2.1 The reclassification results from an official recognition of a change in duties and responsibilities which has already occurred.
- 8.10.2.2 The addition of duties and responsibilities (justifying allocation to a different classification) was not the result of planned management action.
- 8.10.2.3 The performance of the duties and responsibilities of the incumbent has been satisfactory.
- 8.10.2.4 The incumbent possesses the knowledge, skills, and abilities of the qualifications of the different class.
- 8.10.2.5 The incumbent has permanent status in the class to which the position was formerly allocated.

8.10.3 *Retention of Status.* No person having permanent status, who, in addition to regular duties, is given additional or new duties by a Department Head shall lose permanent status in the class to which the employee held prior to the assignment of such additional or new duties.

9. OUTSIDE EMPLOYMENT AND USE OF CITY PROPERTY

9.1 Prohibited Activity

Full-time employees are expected to devote full time to assigned duties as a City employee. An employee shall not engage in any employment, activity or enterprise which is inconsistent, incompatible or in conflict with City job duties, functions or responsibilities, nor shall an employee engage in any outside activity which will directly or indirectly contribute to the lessening of effectiveness as a City employee. No employee shall engage in any type of activity relating to an employee organization during such time an employee is on duty, except as expressly provided in these Employer-Employee Relations Rules, Memorandum of Understanding, or by law.

9.2 Outside Employment

Employees may not engage in any employment or activities that create a conflict of interest, is unethical, or otherwise interferes with their City employment.

A City employee shall not perform any work, service, or consultation for compensation outside of City employment where any part of his/her efforts will be subject to approval by any officer, employee, board, or commission of the City of Tracy, unless approved in the manner prescribed by these Rules.

Employees occupying competitive services positions, who hold or wish to hold jobs outside their normal City employment must make a request to engage in outside employment and submit the request to the Human Resources Director or his/her designee. Department Heads who wish to engage in outside employment shall submit

such requests to the City Manager. Outside employment shall not be permitted if it conflicts in any manner with the employee's duties and responsibilities with the City or is prohibited by law.

In making a determination as to whether an activity creates a conflict or ethical question, the Human Resources Director shall consider, among other pertinent factors, whether the activity involves:

- a. Receipt or acceptance by the employee of any money or other consideration from anyone other than the City for the performance of an act that the employee would be required or expected to render in the regular course of City employment;
- b. The performance of an act or work which may later be directly or indirectly subject to the control, inspection, review, audit or enforcement by such employee or other City employees;
- c. Conditions or factors which might, directly or indirectly, lessen the efficiency of the employee in regular City employment or conditions in which there is a substantial danger of injury or illness to the employee;
- d. The use for private gain or advantage of City time, facilities, equipment and supplies, prestige, influence, or information obtained through one's City office or employment. No City-owned facilities, equipment or supplies, including autos, trucks, instruments, tools, supplies, machines, badges, identification cards, or other items which are the property of the City shall be used by an employee for personal or non-City business reasons except upon prior written approval of the City Manager;
- e. The solicitation of future employment with a business or individual doing business with the City over which the employee has some control or influence in the course of performing official duties.

9.3 Authorization of Outside Employment

Notice of authorization of outside employment shall be in writing to the employee involved, with a copy placed in the employee's personnel file. Denial of authorization of outside employment determination may be subject to the Grievance Procedure as set forth in Section 13 of these Rules.

9.4 Violations and Penalties

Any violation of these provisions regarding outside employment shall constitute grounds for disciplinary action up to and including termination.

10. PERFORMANCE EVALUATIONS

10.1 Frequency

Department Heads or their designees shall make a report of performance of each employee after completion of a probationary period and annually thereafter. Unless

changed in accordance with these Rules, these evaluation dates shall constitute the employee's salary evaluation date for purposes of eligibility for a merit salary increase. The employee shall continue to receive performance evaluations on said date even after the employee has reached the top of the applicable salary range. In addition, a performance evaluation may be prepared at any other time at the discretion of the employee's supervisor.

The employee shall receive a copy of the performance evaluation and shall have an opportunity to discuss said evaluation with his/her supervisor. The employee may also submit written comments or rebuttal to the evaluation which shall be part of the complete document to be placed in the employee's personnel file

10.2 **Personnel Files**

The City shall maintain an official personnel file for each of its employees. Personnel files contain such personnel records as may be deemed necessary for the administration of labor and employment relations in the City.

Personnel files shall be made available to employees for inspection within a reasonable time after an employee's request and without loss of pay, provided that employees shall make arrangements with their supervisor if the inspection occurs on duty.

The City may preclude inspection of certain information in accordance with the law, such as background and other pre-employment information and materials relating to confidential investigations.

The City shall maintain separate files for injury reports, confidential medical records, grievances, discrimination complaints and other matters in accordance with applicable laws.

11. **DISCIPLINARY ACTION**

11.1 **Authority to Discipline**

Employees who hold non-probationary appointments, and are not at will, shall not be disciplined without good cause. At will and probationary employees are subject to dismissal without cause. For purposes of this section, disciplinary action shall be defined to include one or more of the following: oral warnings, written reprimands, suspensions, demotions, reductions in pay and dismissal. Oral and written reprimands may be initiated at the supervisor/division manager level. Disciplinary action more serious than a written reprimand must be initiated at the Department Head level in consultation with the Human Resources Director. The Human Resources Director shall be notified of any contemplated disciplinary action prior to the time it is taken, provided that in emergency situations or other instances when prior notification is not practicable, the Human Resources Director may be notified as soon as possible subsequent to the time the action is taken.

11.2 **Grounds for Disciplinary Action**

Good cause for disciplinary action exists not only when there has been an improper act or omission by an employee in the employee's official capacity, but when any conduct by an employee brings discredit to the City, affects the employee's ability to perform his or her duties, causes other employees not to be able to perform their duties, or involves any improper use of the employee's position for personal advantage or the

advantage of others. Good cause may include non-disciplinary reasons such as, the employee's unwillingness or inability, due to mental or physical disability, to perform the duties of the position for an indefinite period. The type of disciplinary action shall depend on the seriousness of the offense and the relevant employment history of the employee. Causes for disciplinary action against an employee may include, but shall not be limited to, the following:

- 11.2.1 Misstatements or omissions of fact in completion of the employment application or to secure appointment to a position with the City;
- 11.2.2 Furnishing knowingly false information in the course of the employee's duties and responsibilities;
- 11.2.3 Inefficiency, incompetence, carelessness or negligence in the performance of duties;
- 11.2.4 Violation of safety rules;
- 11.2.5 Violation of any of the provisions of these personnel rules and regulations, department rules and regulations, City policies, ordinances or resolutions;
- 11.2.6 Inattention to duty;
- 11.2.7 Tardiness or overstaying lunch periods;
- 11.2.8 Being under the influence of an intoxicating beverage or non-prescription drug or prescription drugs not authorized by the employee's physician, while on duty or on City property;
- 11.2.9 Disobedience to proper authority, refusal or failure to perform assigned work, to comply with a lawful order, or to accept a reasonable and proper assignment from an authorized supervisor;
- 11.2.10 Any violation of the City's Discrimination or Harassment Policies;
- 11.2.11 Unauthorized soliciting on City property;
- 11.2.12 Unauthorized absence without leave; failure to report after leave of absence has expired or after a requested leave of absence has been disapproved, revoked or canceled; or any other unauthorized absence from work;
- 11.2.13 Conviction of a felony, or a misdemeanor involving moral turpitude, or a violation of a federal, state or local law which negatively impacts the employee's ability to perform his/her job or brings discredit to the City. (For purposes of this section, a misdemeanor conviction does not include a conviction based on a plea of nolo contendere);
- 11.2.14 Discourteous or offensive treatment of the public or other employees;
- 11.2.15 Falsifying any City document or record;

- 11.2.16 Misuse of City property; improper or unauthorized use of City equipment or supplies; damage to or negligence in the care and handling of City property;
- 11.2.17 Fighting, assault and/or battery;
- 11.2.18 Working overtime without authorization;
- 11.2.19 Theft or sabotage of City property;
- 11.2.20 Sleeping on the job, except as specifically authorized for twenty-four (24) hour duty personnel;
- 11.2.21 Accepting bribes or kickbacks;
- 11.2.22 Gambling on the job;
- 11.2.23 Engaging in outside employment which conflicts with an employee's responsibilities;
- 11.2.24 Intimidation or interference with the rights of any employee;
- 11.2.25 Outside work or any other activity or conduct which creates a conflict of interest with City work, which causes discredit to the City, negatively impacts the effective performance of City functions or is not compatible with good public service or interests of the City service;
- 11.2.26 Abusive or intemperate language toward or in the presence of others in the work place;
- 11.2.27 Failure to obtain and/or maintain minimum qualifications for a position, including licenses or certificates;
- 11.2.28 Any other conduct of equal gravity to the reasons enumerated above as determined by the City.

11.3 **Types of Discipline**

Any authorized supervisory employee may propose disciplinary action for cause against an employee under his/supervision in accordance with the procedures outlined in these Rules. In general, the City shall adhere to the principles of progressive discipline.

- 11.3.1 *Oral Reprimand* - Verbally notifies the employee that his/her performance or behavior must be improved. Oral warnings are generally given by supervisors when counseling has failed to produce the desired changes. The warning defines the areas in which improvement is required, sets up goals leading to this improvement, and informs the employee that failure to improve will result in more serious action. Although the supervisor makes a note of the content of the warning or sends a confirming memo to the employee, no record is placed in the employee's permanent personnel file unless subsequent action is necessary. Oral reprimands are not subject to the disciplinary appeal procedure set forth in these Rules (except as provided by law for police

officers and firefighters).

- 11.3.2 *Written Reprimand* - Official notification to the employee that there is cause for dissatisfaction with the employee's services and that further disciplinary measures may be taken if said cause is not corrected. Written reprimands should be given in consultation with the Human Resources Director. Written reprimands shall be made a part of the employee's official personnel record and may be considered as pertinent evidence or information in any hearing. Written reprimands are not subject to the disciplinary appeal procedure set forth in these Rules (except as provided by law for police officers and firefighters).
- 11.3.3 *Suspension without pay* - Shall be a temporary separation from City service. Certain suspensions are subject to the disciplinary appeal procedure set forth in these Rules.
- 11.3.4 *Reduction in Step within range as a disciplinary measure* - Is the withdrawal of step advancements granted for merit, efficiency, and length of service. Reduction in pay shall become effective on the effective date of the disciplinary action. Reduction may be made on permanent or temporary basis. Certain reductions of pay are subject to the disciplinary appeal procedure set forth in these Rules.
- 11.3.5 *Demotion without consent* - Shall be a reduction in classification to a classification having a lower maximum salary with reduction in salary as provided in Section 8.9.2 of these Rules. Demotion without consent may be made to the classification having the lowest maximum salary in the classification series or a classification series comparable to that within which the employee's position is located. Demotion may be made on a permanent or temporary basis. Demotions are subject to the disciplinary appeal procedure set forth in these Rules.
- 11.3.6 *Dismissal* - The termination of an employee from the City service. Dismissals are subject to the disciplinary appeal procedure set forth in these Rules.

11.4 **Procedures for Disciplinary Action**

In the absence of a process in a Memoranda of Understanding, employees shall be governed by the following provisions:

Written Notice/Pre-Discipline Meeting/Final Action

The City shall issue a written notice of discipline, describing the intended discipline, the basis for the discipline, and attaching any documents upon which the discipline is based. The City shall provide the employee an opportunity to respond to the disciplinary action, either orally or in writing, within 10 calendar days of such written notice of discipline. If the employee chooses to respond orally, the Human Resources Director shall designate a City official who shall convene a meeting to hear the employee's response. If the employee chooses to respond in writing, the written response shall be logged in the employee's personnel file. No further appeal shall be permitted. In the case of a written reprimand, the employee may respond by

submitting a written rebuttal to be logged in the employee's personnel file, but no oral response or appeal is permitted.

For discipline that is greater in severity than a suspension of five (5) working days, (or the equivalent reduction in pay) the City shall issue a notice of intent to impose discipline, describing the intended discipline, the basis for the discipline and attaching any documents upon which the discipline is based. The notice shall state that the employee has a right to respond, either orally or in writing, before discipline is imposed. The City shall set the pre-discipline meeting approximately one (1) week from the date of the notice, unless a different time and date is set by mutual agreement.

For discipline that is greater in severity than a suspension of five (5) working days, (or the equivalent reduction in pay) the Human Resources Director shall designate a City official who is disinterested in the matter who shall convene a meeting to review the employee's response before imposing discipline. The employee shall be entitled to a representative of his/her choice; provided, however, that the inability of a particular representative to attend the meeting shall not be cause for requiring a continuance of the meeting. At the meeting, the employee shall be provided the opportunity to respond to the charges and to present any new information for consideration by the City.

At some reasonable time, but no longer than thirty (30) calendar days, after the employee has been provided an opportunity to respond to the charges, the City shall issue a final notice of discipline. The notice shall notify the employee of his/her right of appeal.

12. DISCIPLINARY APPEAL PROCESS

12.1 Employee's Right to Representation During Appeal Process

At any step in the disciplinary appeal procedure, the employee concerned may choose to represent himself/herself or may be represented by that certified employee organization which has been recognized by the City for that representation unit to which the employee's classification is assigned, or by legal counsel. The employee concerned shall be personally present at all stages of the disciplinary appeal process unless that employee specifically waives the right in writing.

12.2 Appeal Process (for discipline greater than 5 day suspension or reduction in pay)

For discipline that is greater in severity than a suspension of five (5) working days (or equivalent reduction in pay), employees shall have the right to appeal from the final notice of discipline. The notice of appeal must be received within seven (7) calendar days from the date of the final notice of discipline, or the right to proceed to the next appeal level under these Rules shall be forfeited and the discipline shall become final.

12.2.1 *Hearing Officer Selection* - The appeal shall be heard by an independent hearing officer. The hearing officer shall be selected from among a list of names not to exceed ten (10) names provided by the California State Mediation and Conciliation Service, or from a similar body mutually agreed to between the parties. After a toss of a coin to decide which party shall strike first, the

representative of the City and the employee (or the employee's representative) shall alternately strike one name from the list until one name remains and such person shall act as the hearing officer. This procedure shall be followed until there is an available arbitrator.

12.2.2 *Costs* - The costs of the hearing officer shall be borne by the City unless the employee's union has brought the appeal on the employee's behalf, in which case the costs of the hearing officer will be shared equally by the City and the union. Either party may request that the hearing be transcribed, and the requesting party shall bear the expense of the transcript and court reporter's fees. If the transcript is jointly requested by both parties, both parties will share equally in the expense of the transcript and court reporter's fees.

12.2.3 *Hearing Officer Authority* - The hearing officer shall have the authority to convene the hearing, receive evidence through testimony and documents and make findings of fact and conclusions about the discipline. Within sixty days (60) of the close of the hearing, the hearing officer shall serve a recommended decision on the City Manager and the employee. The hearing officer's decision must contain detailed findings of fact relating to the disciplinary charges. The decision may include a recommendation regarding outcome, but the final decision regarding discipline rests with the City Manager. After consideration of the hearing officer's recommended decision, the City Manager shall issue a final decision in writing. The City Manager's decision may be reviewed by administrative writ of mandamus within the time frames established by California law.

12.2.4 *Waiver of Steps or Time Limits*. Notwithstanding any provision in this section, any time limit or stage of procedure specified in this section may be waived upon consent of all parties involved.

13. GRIEVANCE PROCEDURE FOR NON-DISCIPLINARY MATTERS

In the absence of an applicable Memorandum of Understanding, this grievance procedure shall apply. This procedure is intended to ensure that every reasonable effort will be made to resolve problems as near as possible to the point of origin.

13.1 **Definition of “Grievance”**

Subject to the exclusions listed in this Rule, a grievance is defined as any dispute involving the interpretation, application, or alleged violation of 1) the specific express terms of a current Memorandum of Understanding (MOU), between the City and a recognized employee organization, or 2) a specific express term of these Rules.

13.2 **Eligibility to File a Grievance**

Only full-time employees in regular non-probationary appointments who are adversely affected by an act or omission of the City are eligible to file a grievance.

13.3 **Exclusion from the Grievance Procedure**

The following matters are excluded from the definition of a “grievance”:

- 13.3.1 Requests for changes in wages, hours, or working conditions;
- 13.3.2 The content of employee evaluations or performance reviews, except those that result in a loss of benefits to the employee;
- 13.3.3 Challenges to reclassification, layoff, transfer, denial of reinstatement;
- 13.3.4 Challenges to examinations or appointment to positions;
- 13.3.5 Challenges to this grievance procedure.

13.3.6 Disciplinary Actions

13.4 Group Grievances

In the event more than one employee is directly involved with an issue, they may, at any step in the grievance procedure, name one of their number to carry the grievance through the procedure as a group grievance and be represented by that employee organization which has been recognized by the City for that representation unit to which their classification(s) is/are assigned. In a group grievance, that named employee directly concerned shall be personally present at all stages.

13.5 Procedure

It is the City's intent to deal with and settle complaints and grievances informally and at the nearest practical organizational level and as promptly and fairly as possible. Whenever feasible, complaints and grievances will be handled during the regularly scheduled working hours of the parties involved.

The grievance procedure shall consist of the following steps:

13.5.1 *Informal Grievance Procedure*

A grievance must be filed within thirty (30) calendar days of the act(s) or omission(s) giving rise to the grievance. Failure to file the grievance within this time period shall result in denial of the grievance as null and void. Within thirty (30) working days of the act(s) or omission(s) giving rise to the grievance, the grievant must discuss the grievance with his/her immediate supervisor, who shall investigate and attempt to

resolve the matter. The supervisor shall give the grievant an oral or written reply within ten (10) working days after the discussion. If the grievant is not satisfied with the reply, he/she may proceed to the Formal Grievance Procedure.

13.5.2 *Formal Grievance Procedure*

13.5.2.1 *Level 1 Review*

Any grievance not resolved by the Informal Grievance Procedure, may be submitted in writing by the grievant to his/her supervisor along with a copy to the Human Resources Director, no later than ten (10) working days after the date of the supervisor's written reply. A

grievance may be submitted directly to the Human Resources Director or, if the grievance started at a level above the supervisor or Department Head, the grievance may be submitted at the higher level. The written grievance must contain the following information:

1. Name of grievant and job title;
2. Department/Section in which grievant works;
3. The specific act or omission that gave rise to the alleged violation, misinterpretation, or misapplication and the date or dates of the alleged act or omission;
4. The specific provision(s) of the Memorandum of Understanding, City Policy or Personnel Rules alleged to have been violated, misinterpreted, or misapplied;
5. A list of the documents, witnesses or other evidence that support the grievance;
6. Desired solution or remedy;
7. Name of the grievant's representative, if any;
8. Signature of the grievant or representative and date signed.

Within ten (10) working days thereafter, the supervisor shall schedule a meeting with the grievant to work at resolving the grievance. The supervisor shall give the grievant a written reply within ten (10) working days after the meeting and shall file a copy with the Human Resources Director. If the grievant is not satisfied with the response, he/she may proceed to Level 2.

13.5.2.2. *Level 2 - Department Head Review*

Any grievance not resolved at Level 1 may be submitted to the Department Head no later than ten (10) working days after the date of the supervisor's written reply. The grievant shall provide the Department Head with a copy of the Level 1 response. Within ten

(10) working days thereafter, the Department Head shall schedule a meeting with the grievant to work at resolving the grievance. The Department Head shall give the grievant a written reply within ten (10) working days after the meeting and shall file a copy with the Human Resources Director. If the grievant is not satisfied with the response, he/she may proceed to Level 3.

13.5.2.3. *Level 3 – City Manager Review*

Any grievance not resolved at Level 2 may be submitted to the City Manager no later than ten (10) working days after the date of the Department Head's written reply. The grievant shall provide the City Manager with a copy of the Level 1 and Level 2 responses. Within ten (10) working days after receipt of the

grievance and the Level 1 and Level 2 responses, the City Manager or his/her designee, at his/her discretion, may conduct an informal hearing involving the parties to the dispute. The City Manager's decision shall be final and binding.

13.6 Representation

The grievant is entitled to representation of his/her choice at any point in the grievance procedure. If the representative is a fellow employee, that employee shall receive time off from his/her work assignment for the time of the grievance meeting or hearing plus reasonable travel time. The grievant must inform the Human Resources Director whether he/she will be represented at any meeting regarding the grievance, along with the identity of the representative, at least forty-eight (48) hours prior to the grievance meeting.

13.7 Waiver of Steps or Time Limits

Notwithstanding any provision in this section, any time limit or level of procedure specified in this section may be waived upon consent of all parties involved.

13.8 Waiver of Grievance

Failure by the grievant to appeal his/her grievance to the next level within the specified time limits of this rule shall constitute a waiver of the right to pursue the grievance further, unless the City has granted an extension of time to a definite date. Failure by the City to respond to the grievance within any of the specified time lines shall entitle the grievant to appeal to the next level of review.

Additionally, failure on the part of an employee or his representative to appear for any scheduled meeting without notification may, in the City's discretion, result in the City's denial of the grievance.

13.9 No Interruption of Work

During the determination of a grievance herein, the employees involved in pursuing the grievance are required to continue their normal work schedule, unless the Human Resources Director directs otherwise.

13.10 No Retaliation

Employees shall not be penalized or retaliated against in any way for using the grievance procedures, or testifying as a witness in a grievance proceeding.

14. LAYOFF, DISPLACEMENT AND REEMPLOYMENT

14.1 Notice

Should the City Manager determine that reductions in force are necessary due to lack of work, reorganization or for financial reasons, layoffs may be directed. In the event of layoffs, the City shall provide affected employees with as much notice as possible.

14.2 Layoff Order Determination

In determining the order of layoffs, the following rules shall be followed:

No permanent employee shall be laid-off while there are temporary employees serving in the same or allied class or position in the City service unless that employee has been offered the temporary work. Layoffs shall be made in accordance with California Government code §45100 and the criteria set forth below:

- (a) Layoffs shall be by job classification, according to reverse order of seniority, as defined by total City service.
- (b) The employee to be laid-off may displace the least senior employee in a lateral or lower classification in which he/she previously held permanent status, provided the displaced employee has less total City service. Total City service means as a regular full-time employee.
- (c) An employee may demote or transfer to a vacant position in a classification for which he/she possesses the necessary skills, as determined by the minimum qualifications and job specifications for the position.
- (d) The name of each laid-off employee shall be entered, in order of seniority, on a Reemployment List for twenty-four (24) months.
- (e) A former employee appointed from a Reemployment List shall have restored all rights accrued prior to being laid-off, such as sick leave, vacation credits, and credit for years of service. However, such recalled employees shall not be eligible for benefits for which he/she received compensation at the time of, or subsequent to, the date he/she was laid-off.

14.3 Bumping

“Bumping” means the displacement of an employee from his/her position by an employee in a higher classification who formerly held the same position and has received notice of layoff.

The laid-off employee must be able to perform the essential job functions of the former position and possess the minimum qualifications of the position as specified by the current job classification specification.

The City shall notify laid-off employees in writing of the position and classification into which he/she may bump, if any. Following such notification, the employee must notify the Human Resources Director in writing of his/her intent to exercise the bumping rights within seven (7) calendar days of the date of the written notice. Failure to provide such notification shall be deemed a waiver of bumping rights by the employee.

Where there is more than one employee in a position available for bumping, the determination of which employee will be bumped, if any, will be based on seniority.

Any displaced employee shall be considered as laid-off for the same reason as the person who displaced them and shall in the same manner be eligible to displace

another employee based on the criteria specified above.

14.4 Layoff List Preparation Procedure

When a Competitive Service position within a classification is abolished, the following general procedure shall be followed:

- 14.4.1 Limited Service employees will be released before an employee in the same classification with probationary or permanent status.
- 14.4.2 The Human Resources Director shall prepare a layoff list of all those Competitive Service employees (including those who are on Leave of Absence) and vacancies within the classification in which a reduction in the number of positions is to occur.

14.5 Separations

All employees who separate from City service, that is, whose employment with the City terminates through separation for cause, layoff, resignation, or retirement must:

- 14.5.1 Return all City property to the Human Resources Director or the immediate supervisor prior to receiving the final paycheck.
- 14.5.2 Clear any existing financial obligations with the City.
- 14.5.3 If applicable, file a Form 700 with the City Clerk.

In addition, employees who resign or retire shall adhere to the following procedures before they will be deemed to have separated in good standing:

- 14.5.4 Submit a written notification stating the intent to resign or retire and the proposed effective date to their immediate supervisor.
- 14.5.4 Provide a minimum notice of two weeks. The City encourages employees who become aware of their pending separation from the City to let the Human Resources Director know as far in advance as possible.

14.6 Reemployment from Lay-off

Employees who were laid-off may be reinstated within twenty-four (24) months to their former position, if vacant, or to a vacant position in the same classification, without being subject to the application requirement.

15. WORK WEEK AND ATTENDANCE

Department Heads shall assign daily hours of work (or shifts) for employees within departments, as required to meet operational requirements, or the employees' applicable Memorandum of Understanding. The Department Head may change an employee's work period, week, or hours at any time to meet the requirements of the City. Changes shall be made in accordance with applicable Memorandum of Understanding.

Any foreseeable absence or deviation from regular working hours desired by an employee shall be cleared in advance through the employee's supervisor, and such absences shall be noted on the employee's time sheet.

15.1 Work Week

Unless otherwise designated by the Department Head, the work week for City employees on a 5/8 schedule (eight hours a day for five days) shall be from Sunday through the following Saturday; for City employees on a 9/80 schedule (nine hours Monday through Thursday, eight hours alternate Friday, and alternate Fridays closed) shall be Friday halfway through the work day through the following Friday halfway through the work day. These designated work weeks may be changed only as a result of major changes in operations, payroll procedures or as otherwise necessary in order to deliver services as efficiently and economically as possible. The work week for a 4/10 schedule and a 12 hour schedule will be designated by the Department Head.

15.2 Attendance

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees are also expected to remain at work for their entire work schedule, except when required to leave on authorized City business or some other authorized leave. All departments shall keep daily attendance records of employees, which shall be reported on the employee's timesheet.

Employees who anticipate an absence from all or a portion of their regular work schedule and wish to request a form of accrued leave time or unpaid leave time should follow the procedures provided in these Rules or Memoranda of Understanding for the particular type of leave that they are requesting.

Employees who are unexpectedly unable to report for work as scheduled on any particular day must call their immediate supervisor no later than their scheduled time to begin work for that day, or as otherwise required by the Department. If the employee's immediate supervisor is not available, then the employee must notify the Department Head or his/her designee. Employees shall inform their supervisor of the expected duration of any late arrival or absence. Employees who call later than their scheduled time to begin work for their assigned shift shall be deemed to have an unauthorized tardy or absence in violation of this attendance policy. Abuse or misrepresentation of any form of accrued or paid or unpaid leave time will be grounds for discipline.

Failure on the part of an employee, who is absent without notification or authorization, to return to duty within twenty-four (24) hours after a notice to return to duty has been delivered to their last known telephone number and/or address will constitute an automatic resignation effective as of the last day an employee worked. If, within ten (10) days of said notice, the employee can show good cause for the failure to return to duty, the Human Resources Director, in his/her discretion may, with approval of the City Manager, reverse the resignation. In the event that an employee's absence is deemed an "automatic resignation" in accordance with this Rule, the employee shall have the same right to appeal afforded to employees who are terminated for cause under these Rules. However, an employee's absence without notification or

authorization for twenty-four (24) hours or more shall be deemed just cause for termination.

15.3 Meals and Rest Periods

Employees shall receive a thirty (30) to sixty (60) minute meal period that shall not be compensated, with the exception of safety personnel such as police officers and firefighters. During the meal period, the employee shall be relieved of duties. If the employee is authorized in advance and performs work during the meal period, the employee shall be compensated for such time. Meal periods may not be used to shorten the workday unless the employee obtains express prior approval from his/her supervisor.

Employees shall have a ten (10) minute rest period for each half of their shift, as scheduled by the supervisor. The rest period may be interrupted or cancelled if necessary to complete work and shall be compensated time. The rest periods shall not be combined or used to shorten the workday.

15.4 Timekeeping

All employees must sign and accurately record all hours worked and any leave taken on their timesheets. Employees must immediately report any errors on a timesheet that has already been submitted to their supervisor.

16. VACATION AND HOLIDAYS

16.1 Vacation Accrual

Unless otherwise specified in a Memorandum of Understanding or Council approved resolution, each full-time employee shall accrue vacation at the following rate for continuous service performed in pay status as follows:

Miscellaneous Employees

0 through 5 years of service:	96 hours per year of vacation
6 through 10 years of service:	136 hours per year of vacation
11 through 15 years of service:	176 hours per year of vacation
16 or more years of service:	192 hours per year of vacation

Sworn Police Employees

0 through 5 years of service:	96 hours per year (4 hours/pay period)
6 through 10 years of service:	144 hours per year (6 hours/pay period)
11 through 15 years of service:	160 hours per year (6.67 hours/pay period)
16 or more years of service:	8 additional hours per year up to a maximum of twenty-eight (28 days) or two hundred and twenty-four (224) hours maximum annual accrual.

Sworn Fire Employees

(Employees on a forty (40) hour work week)

0 through 5 years of service:	96 hours per year
6 through 10 years of service:	136 hours per year
11 through 15 years of service:	176 hours per year
16 through 20 years of service	192 hours per year

20 or more years of service: 8 additional hours per year

Sworn Fire Employees

(Employees on a fifty-six (56) hour work week)

0 through 5 years of service:	12 hours per month
6 through 10 years of service:	18 hours per month
11 through 15 years of service:	21 hours per month
16 through 20 years of service:	24 hours per month
20 or more years	1 additional hours/month

16.2 Use of Vacation

After completion of six (6) months of continuous service, an employee may take vacation leave at any time, subject to approval by the employee's Department Head or his/her designee. Approvals shall be based upon work load, staffing coverage, seniority, timing of the request, and any other work-related factors appropriate for consideration by the Department Head. Vacation shall be taken in increments of one-quarter (.25) hour or more. The Department Head, with concurrence of the Human Resources Director, may authorize an employee to take vacation leave prior to completion of six (6) months of continuous service.

16.3 Effect of Sick Leave On Vacation Leave

In the event an employee becomes ill during a vacation period, such time shall not be charged as vacation leave if the following conditions are met:

16.3.1. *Employee Sick Leave Requirements.* The employee complies with the same notice requirements as required when the employee is not on leave, including notice to the employee's supervisor no later than the start of the employee's regular work shift. If the employee becomes ill after the start of the work

shift, then the employee must promptly provide notice on the same day the illness begins. Sick leave shall only be granted for those days on which notice is given; and

16.3.2 *Return to work requirements.* The employee, upon return to work, submits a doctor's certificate for each day the employee was absent from work.

16.4 Compensation for City Work During Vacation Prohibited

No person shall be permitted to work for compensation for the City in any capacity, except compensation for mandated court appearance, call back or special duty assignments, during paid vacation time. Exceptions may be made for Reserve Firefighters.

16.5 Vacation Pay-Out Upon Termination

A regular or probationary employee whose employment with the City terminates shall be paid for that part of his/her vacation accumulation that remains unused at the time of termination. Payment for unused vacation shall be made at the rate of pay in effect for such employees at time of termination.

Unless otherwise provided by State Law, when termination is caused by the death of the employee, said pay for unused vacation shall be paid to the beneficiary the

employee has designated. Such designation shall be in writing, signed by the employee and filed with the Human Resources Office. In the event an employee has not designated a beneficiary, the payment shall be made to the estate of the employee.

16.6 Holidays

16.6.1 *Authorized Holidays.* Every full-time probationary and regular employee shall be entitled to the following paid holidays each calendar year and such other days as may be designated by action of the City Council:

- a. January 1 (New Year's Day)
- b. The third Monday in January (Martin Luther King Day)
- c. The third Monday in February (Presidents' Day)
- d. The last Monday in May (Memorial Day)
- e. June 19 (Juneteenth)
- f. July 4 (Independence Day)
- g. The first Monday in September (Labor Day)
- h. November 11 (Veteran's Day)
- i. Thanksgiving Day
- j. The Friday after Thanksgiving Day
- k. December 24 (Christmas Eve)
- l. December 25 (Christmas Day)

16.6.2 *Holidays Falling During Vacation.* When a day designated and observed by the City as a holiday occurs on a day on which an employee is taking vacation, such employee shall not be charged as using vacation for that day. The employee's compensation for that day shall be holiday pay and he/she shall not be paid or charged for vacation, except for the additional hour(s) for those employees on a 9/80, 4/10, or other schedule.

16.6.3 *Employee absent from work immediately preceding a holiday.* Employees who are absent from work on the work day immediately preceding a holiday due to unpaid leave of any form shall not receive reimbursement for the missed holiday.

17. SICK LEAVE

Sick leave shall be requested only in cases of actual personal sickness or disability, medical or dental treatment, or as authorized in Section 17.6. The employee requesting sick leave shall notify his/her supervisor or Department Head prior to the start of the employee's regular work shift. Sick leave with pay shall not be allowed unless the employee has met and complied with the provisions of these Rules and Regulations and his/her Department Head has approved such payment. Accrued and unused sick leave shall not be paid out when the employee separates from City employment.

17.1 Certification

The Department Head may request, in his/her discretion, that the employee produce a certificate issued by a licensed physician or other satisfactory proof of illness before sick leave is granted. The Department Head may also direct an employee to attend a physical examination by a City-retained licensed physician, at City expense, to ascertain whether the employee is fit to perform the duties of his/her position.

17.2 Prohibited Activity

Any employee who is absent from work on a leave as provided in Section 17 or who is absent after requesting such leave shall not engage in work or other activities at any time which would be in conflict with the inability to report for work and to perform the duties assigned.

17.3 Eligibility

Regular and probationary employees shall be eligible to accrue sick leave upon commencement of City employment. Limited service or provisional employees who have worked more than 999 hours in a fiscal year shall be eligible to accrue sick leave after their work has exceeded 999 hours in a fiscal year unless otherwise expressly provided in writing.

17.4 Accrual

Sick leave shall be accrued at the rate of eight (8) hours per calendar month for each calendar month that an employee has worked regularly scheduled hours and/or has been on an authorized paid leave.

17.5 Accumulation

Accrued sick leave may be accumulated without limit.

17.6 Use

- 17.6.1 *Sick Leave.* Sick leave may be requested and used as approved by the Department Head or Human Resources Director. Pay for approved sick leave shall be authorized until the employee's accumulated sick leave hours have been exhausted and at such time the employee shall receive no further pay for sick leave. An employee shall be granted time off chargeable to sick leave for a visit to a doctor or dentist.
- 17.6.2 *Use of Sick Leave for Family Member.* In cases of illness of a family member, employees are entitled to use up to one-half of the employee's sick leave entitlement for the year to attend to the illness of a spouse, domestic partner, parent or child, in accordance with state law. Additional family sick leave usage for special circumstances may be granted on a case-by-case basis at the discretion of the Department Head with the concurrence of the Human Resources Director.
- 17.6.3 *Use of Sick Leave toward Retirement.* An employee may not use sick leave to extend a retirement (either disability or service retirement) or separation date, unless specifically provided for in an applicable Memorandum of Understanding, or as required by law.

17.7 Integration of Benefits

If an employee is on sick leave and is receiving State Disability Insurance (SDI) or temporary Disability payments (including Workers' Compensation payments), the employee may continue to receive full pay from the City by requesting that the maximum weekly disability benefits be supplemented by the use of sick leave benefits. To exercise this option, the employee shall tender his/her SDI payments or temporary disability payments to the City and the City shall then continue to issue paychecks and deduct the value of the difference between those payments and the employee's regular pay from the employee's sick leave accruals.

Part-time and temporary employees are covered by and shall receive the benefits provided by the Workers' Compensation Insurance Plan of the City but shall not be eligible for any other benefits in this section except for those outlined in the Limited Service Compensation and Benefit Plan in effect at the time.

17.8 Catastrophic Leave Program

An employee may be eligible to receive donations of paid vacation leave to be included in the employee's sick leave balance if she/he or an immediate family member has suffered a catastrophic illness or injury which prevents the employee from being able to work. Catastrophic illness or injury is defined as a critical medical condition that is considered to be terminal, a long-term major physical impairment or disability. (The definition of immediate family member and the usage of sick leave shall be in accordance with the respective MOU.) This program will be administered in accordance with the City's Catastrophic Leave Procedure.

18. LEAVES OF ABSENCE WITHOUT PAY

18.1 Authorization for Leave of Absence Without Pay

At the sole discretion of the City, an employee may be granted a leave of absence without pay. An employee's request for leave of absence without pay may be granted by the Department Head for a period of up to three (3) working days. The Department Head must notify the Human Resources Director of any such requests as soon as reasonably possible.

Upon recommendation of the Department Head and the Human Resources Director, requests for leaves of absence without pay may be granted by the City Manager for a period of up to one year.

The City may fill the position with a temporary employee during the term of the leave of absence or undertake any other appropriate measures to address workload needs.

18.2 Leave of Absence Request in Excess of Three (3) Days

Employees requesting a leave of absence without pay must submit the request in writing to their Department Head, and the request should state the reason for the request and the anticipated beginning and ending dates of the leave. The Department Head shall submit the request along with his or her recommendation to the Human Resources Director. The Human Resources Director shall evaluate the request and make a recommendation to the City Manager. The City Manager shall make a decision and transmit in writing the decision to the employee. The decision of the City Manager shall be final and is not subject to grievance or appeal.

18.3 Return from Authorized Leave of Absence Without Pay

When an employee intends to return from an authorized leave of absence without pay, the employee shall contact the Department Head as soon as possible but not less than three (3) working days prior to the planned day of return. The Department Head shall promptly notify the Human Resources Director of the employee's intention. Upon an employee's notification that he/she intends to return after a leave of absence without pay, the City shall make reasonable effort to do so. Failure of an employee to abide by this notification procedure or to report for work promptly at the date of leave expiration shall be grounds for discipline up to and including termination.

Employees returning from leave because of illness or disability must first submit to the Human Resources Director a release to work from a physician that satisfactorily certifies the employee can perform the essential functions of the position to which he/he desires to return, with or without accommodation. Further, the employee may be subject to an examination by a City retained licensed physician, at City expense, to ascertain whether the employee is fit to perform the duties of his/her position.

18.4 Authorized Leave of Absence Without Pay for Job Injury

The City Manager may grant a leave of absence without pay for a period of time to any employee who is disabled by job injury or illness. Such leave may be terminated by the City Manager when it is determined that the employee is disabled for an extended period of time and unable to perform the duties of his/her.

18.5 Status of Employee on Authorized Leave of Absence Without Pay

18.5.1 *Break in Service.* Authorized leave of absence without pay shall not be construed as a break in service, and rights accrued at the time the leave is granted shall be retained by the employee. However, vacation credits, sick leave credits, holidays, health benefits, and retirement benefits, increases in salary, and other similar benefits shall not accrue to a person granted such leave during the period of absence unless otherwise expressly provided for in a Council-approved action. Employees in such status may be required to pay for all fringe benefits, such as health plan premiums, during the period of their leave without pay.

18.5.2 *Employee Return to Work.* An employee returning after an authorized leave of absence without pay shall retain the same status and shall be placed at the same salary step in the pay range currently in effect for the class as the employee received when the authorized leave of absence without pay commenced. Time spent on such leave without pay shall not count toward service within the pay range and the employee's salary anniversary date shall be set forward a period of time equal to the employee's total absence as adjusted to the beginning of the closest pay period.

18.5.3 *Return from Authorized Leave of Absence without Pay for Military Duty.* Notwithstanding provisions of Section 18.5, 19.5 & 19.6 of these Rules, the applicable sections of the Federal and State military leave laws shall apply in determining benefits for those employees returning from an authorized leave of absence without pay for military duty.

19. OTHER LEAVES OF ABSENCE

19.1 Administrative Leave

The City, in its discretion, may place an employee on administrative leave with or without pay. Employees on such leave shall be available and are subject to the City's instructions during their normal working hours.

19.2 Bereavement Leave

The City shall grant leaves of absence with pay when a member of the employee's or employee's spouse or domestic partner's immediate family dies. "Immediate family" means parent, current spouse or domestic partner, child, stepchild, grandparent, grandchild, brother, sister, step-sibling, mother, father, step-parent, sister, son or daughter-in-law. The City, in its discretion, may require some proof that a death in the family has occurred.

In the case of death within the immediate family of an employee, such employee shall be entitled to remain absent from duty with pay in order to attend the funeral or memorial service for up to five (5) consecutive work days for each such bereavement.

In the event of the death of a relative, not a member of the immediate family, absence from duty shall be allowed not to exceed one (1) day.

19.3 Family and Medical Leave (FMLA/CFRA)

In accordance with federal and state laws and regulations, the City shall provide family and medical leave, which is unpaid leave, to eligible employees. "Family and Medical Leave" under this Rule refers to leave pursuant to the Family and Medical Leave Act of 1993 ("FMLA") and the California Family Rights Act ("CFRA"). Employees with any questions or requests for information about family and medical leave should consult the Human Resources Department and the City's FMLA/CFRA policy.

19.4 Jury Duty

Regular employees, probationary employees and limited services employees who have worked at least 1000 hours in a fiscal year and/or are enrolled in the PERS Retirement System who are required to report for jury duty shall be granted leave for such purpose, upon presentation of the jury notice to the Department Head. Said employees shall receive full pay for the time served on a jury, provided the employee remits to the City all fees as soon as received by the employee for such duties. Compensation for mileage or subsistence allowances shall not be considered as a fee and shall be retained by the employee. If an employee is required to report to jury duty within 2 1/2 hours of the scheduled start of the workday, the employee is not required to report to work at the start of the workday, but shall report directly to jury duty. If an employee is released from jury duty with more than one-half of his work day remaining, the employee is required to report to work to complete the regularly scheduled workday.

19.5 Military Family Leave

In accordance with the Family and Medical Leave Act (FMLA), eligible employees may use their twelve (12) weeks of FMLA leave for any "qualifying exigency" arising out of a family member's active military duty. Eligible employees are also permitted to take up to twenty-six (26) weeks of leave in a single twelve (12) month period to care for a family member who sustains a serious illness or injury while on active military duty.

19.6 Military Leave

19.3.1 *Military Leave With Pay.* Shall be granted in accordance Federal and State law. An employee entitled to military leave shall give his/her Department Head an opportunity, within the limits of military regulations, to determine when such leave shall be taken. Prior to taking such leave, an employee shall present a copy of his/her military orders to the Department Head. The Department Head shall promptly advise the Human Resources Director of such military orders. The employee's work schedule may be temporarily changed by the Department Head to accommodate the leave and department workloads, in accordance with applicable law. Benefits shall continue to accrue to the employee to the extent required by law. Employees on military leave shall be granted promotional opportunities and reinstatement after return from military leave in accordance with applicable law. The City offers employees on military leave the option to continue health benefits.

19.3.2 *Leave Accrual.* As required by law, the City will continue leave accruals during paid military leave and make contributions under retirement plans.

19.7 Military Spouse Leave

In accordance with California Military & Veterans Code section 395.10, eligible spouses and domestic partners of active members of the military are entitled to up to ten (10) days of unpaid leave when their spouse or domestic partner, who is in active military service, is on qualified leave.

19.8 Paid Family Leave (PFL)

Employees who are covered by State Disability Insurance (SDI) are eligible for Paid Family Leave (PFL) benefits while taking care of family member(s). These benefits are paid by the State Employment Development Department.

19.9 Pregnancy Disability Leave (PDL)

Any employee who is disabled because of pregnancy, childbirth, or a related medical condition may be entitled to pregnancy disability leave (PDL). The rules for PDL are contained in the City's Pregnancy Disability Leave Policy

19.10 School Activity Leave

Employees who are parents, guardians or grandparents of a child in kindergarten through grade 12 may take up to forty (40) hours per year, not to exceed eight (8) hours per month, to participate in the child's school activities. The employee shall use accrued vacation or compensatory time for this leave. Prior notice of the need for this leave shall be given to the supervisor.

19.11 Voting Leave

Time off with pay to vote in any general, direct primary or presidential primary election shall be granted as provided by state law. Employees shall give their supervisors prior notice of the need to take such time off. Paid leave for the purpose of voting shall not exceed one (1) hour.

19.12 Witness Leave

An employee who is subpoenaed to appear in court in a matter regarding an event or transaction which he/she perceived or investigated in the course of his/her employment with the City shall be allowed to do so without loss of compensation, unless it is the employee's own lawsuit.

An employee subpoenaed to appear in court in a matter unrelated to his/her official capacity, or who is appearing in court in a matter initiated by the employee, shall be permitted time off without pay, or if the employee chooses, to use accrued vacation for this purpose.

The employee may be required to present the subpoena to his/her Department Head.

20. EMPLOYEE TRAINING AND EDUCATION PROGRAMS

Employees are encouraged (but not required) to further their education by taking accredited courses which satisfy any of the following criteria: are related to the employee's present position with the City; related to the employee's potential development with the City; part of a program leading to a degree related to the employee's present position or potential for development; or required to obtain a high school diploma.

An employee who participates in an educational program may be reimbursed for courses taken on the employee's own time and at his/her expense in accordance with the City's Tuition Reimbursement Policy and Procedure.

21. EMPLOYER - EMPLOYEE RELATIONS

The purpose of this section is to implement the Meyers Milias Brown Act, Government Code Sections 3500 et seq., ("MMBA") by providing orderly procedures for the administration of employer-employee relations between the City and its employee organizations and for resolving disputes regarding wages, hours, and other terms and conditions of employment.

21.1 Definitions

For purposes of this section, the following terms shall have the meanings indicated:

- 21.1.1 *Appropriate Unit.* A unit established pursuant to Section 21.9.
- 21.1.2 *City.* The City of Tracy, a municipal corporation, and where appropriate herein, "City" refers to the City Council, the governing body of said City or any duly authorized management employee as herein defined.
- 21.1.3 *Confidential Employee.* An employee who is privy to decisions of City management affecting employer-employee relations.
- 21.1.4 *Consult or Consultation in Good Faith.* To communicate orally or in writing for the purpose of presenting and obtaining views or advising of intended actions.
- 21.1.5 *Employee.* Any person regularly employed by the City except those persons appointed directly by the City Council, elected by popular vote or temporary or contract employees.
- 21.1.6 *Employee Organization.* Any organization which includes employees of the City and which has as one of its primary purposes representing such employees in their employment relations with the City.
- 21.1.7 *Employer-Employee Relations.* The relationship between the City and its employees and their employee organization, or when used in a general sense, the relationship between City management and employees or employee organizations.

21.1.8 *Impasse.* a) a deadlock in the discussions between an employee organization and the City over any matters which they are required to meet and confer in good faith, or over the scope of such subject matter; or b) any unresolved complaint by an affected employee organization, advanced in good faith, concerning a decision of the Municipal Employee Relations Officer made pursuant to section 21.5.

21.1.9 *Majority Representative.* An employee organization, or its duly authorized representative, that has been granted formal recognition by the Municipal Employee Relations Officer as representing the majority of employees in an appropriate unit.

21.1.10 *Management Employee.* Any employee having significant responsibilities for formulating and administering City policies and programs, including but not limited to the City Manager and Department Heads. Any employee having authority to exercise independent judgment to hire, transfer, suspend, lay-off, recall, promote, dismiss, assign, reward, or discipline other employees. The exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

21.1.11 *Mediation or Conciliation.* The efforts of an impartial third person, or persons, functioning as intermediaries, to assist the parties in reaching a voluntary resolution to an impasse, through interpretation, suggestion and advice. Mediation and conciliation are interchangeable terms.

21.1.12 *Meet and Confer in Good Faith.* (Sometimes referred to herein as “meet and confer” or “meeting and conferring”). Performance by duly authorized City representatives and duly authorized representatives of an employee organization (recognized as the majority representative) of their mutual obligation to meet at reasonable times and to confer in good faith regarding matters within the scope of representation, including wages, hours, and other terms and conditions of employment, in an effort to: a) reach agreement on those matters within the authority of such representatives and b) reach agreement on what will be recommended to the City Council on those matters within the decision making authority of the City Council. This does not require either party to agree to a proposal or to make a concession.

21.1.13 *Municipal Employee Relations Officer.* The City’s principal representative in all matters of employer-employee relations designated pursuant to Section 21.2, or his/her duly authorized representative.

21.1.14 *Peace Officer.* As defined in Section 830, California Penal Code.

21.1.15 *Professional Employee.* Employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including, but not limited to, attorneys, engineers, planners, architects, and various types of physical, chemical, and biological scientists.

21.1.16 *Recognized Employee Organizations.* An employee organization which has been acknowledged by the Municipal Employee Relations Officer as an employee organization that represents employees of the City. The rights

accompanying recognition are either:

- 21.1.16.1 *Formal Recognition.* The right to meet and confer in good faith as the majority representative in an appropriate unit; or
- 21.1.16.2 *Informal Recognition.* The right to consultation in good faith by all recognized employee organizations.
- 21.1.17 *Scope of Representation.* All matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment. City Rights (Section 21.4) are excluded from the scope of representation.

21.2 Designation of Municipal Employee Relations Officer

- 21.2.1 The City Manager or his/her designee shall be the City's Municipal Employee Relations Officer and shall be the City's principal representative in all matters of employer-employee relations, with authority to meet and confer in good faith on matters within the scope of representation including wages, hours and other terms and conditions of employment.

The Municipal Employee Relations Officer is authorized to delegate these duties and responsibilities.

21.3 Employee Rights

Employees of the City shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations including, but not limited to, wages, hours, and other terms and conditions of employment. Employees of the City also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the City (except as provided for in California Government Code 3502.5 - Agency Shop). No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the City or by any employee organization because of his/her exercise of these rights.

21.4 City Rights

The rights of the City include, but are not limited to, the exclusive right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work.

21.5 Meet and Confer in Good Faith – Scope

- 21.5.1 The City, through its representatives, shall meet and confer in good faith with representatives of formally recognized employee organizations with majority representation rights regarding matters within the scope of representation including wages hours and other terms and conditions of employment within the appropriate unit.
- 21.5.2 The City shall not be required to meet and confer in good faith on any subject preempted by Federal or State law or by the City ordinances and resolutions, nor shall it be required to meet and confer in good faith on Employee or City Rights as defined in Sections 21.3 and 21.4. Proposed amendments to this Rule are excluded from the scope of meeting and conferring.

21.6 Incorporation into a Memorandum of Understanding

When the meeting and conferring process is concluded between the City and a formally recognized employee organization representing a majority of the employees in an appropriate unit, all agreed upon matters shall be incorporated in a written memorandum of understanding signed by the duly authorized City and majority representatives.

As to those matters within the authority of the City Council, the Memorandum of Understanding shall be submitted to the City Council for approval.

21.7 Compliance with Federal and State Laws

The City Council may adopt such Rules and Regulations necessary or convenient to implement the provisions of this Rule and the MMBA.

Nothing in this Section shall be construed to deny any person or employee the rights granted by Federal and State laws and City Code provisions.

The rights, powers and authority of the City Council in all matters, including the right to maintain any legal action, shall not be modified or restricted by this Section.

The provisions of this Section are not intended to conflict with the provisions of the MMBA.

21.8 Advance Notice

Reasonable written notice shall be given to each recognized employee organization affected of any ordinance, rule, resolution or regulation directly relating to matters within the scope of representation proposed to be adopted by the City Council or by any board or commission of the City, and each shall be given the opportunity to meet with the Municipal Employee Relations Officer.

In cases of emergency when the City or any board or commission of the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the City or the board or commission of the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.

21.9 Petition for Recognition

There are two levels of employee organization recognition - formal and informal. The recognition requirements of each are set forth below.

21.9.1 *Formal Recognition – The Right to Meet and Confer in Good Faith as Majority Representative:* An employee organization that seeks formal recognition for purposes of meeting and conferring in good faith as the majority representative of employees in an appropriate unit shall file a petition with the Municipal Employee Relations Officer containing the following information and documentation:

- (1) Name and address of the employee organization.
- (2) Names and titles of its officers.
- (3) Names of employee organization representatives who are authorized to speak on behalf of its members.
- (4) A statement that the employee organization has, as one of its primary purposes, representing employees in their employment relations with the City.
- (5) A statement whether the employee organization is a chapter or local of, or affiliated directly or indirectly in any manner with, a regional or state, or national or international organization, and, if so, the name and address of each such regional, state or international organization.
- (6) Certified copies of the employee organization's constitution and by-laws.
- (7) A designation of those persons, not exceeding two in number, and their addresses, to whom notice sent by regular United States mail will be deemed sufficient notice on the employee organization for any purpose.
- (8) A statement that the employee organization recognizes that the provisions of Section 923 of the California Labor Code are not applicable to City employees.
- (9) A statement that the employee organization has no restriction on membership based on race, color, creed, sex, national origin, disability or medical condition, age, or sexual orientation.
- (10) The job classifications or titles of employees in the unit claimed to be appropriate and the approximate number of member employees therein.
- (11) Authorization cards demonstrating support for the petition, signed by 30% or more of the employees within the bargaining unit, that are dated no later than six (6) months earlier than the date of the petition, and which appear authentic to the party reviewing them who may be the Municipal Employee Relations Officer or a mutually agreed upon disinterested third party.
- (12) A request that the Municipal Employee Relations Officer recognize the employee organization as the majority representative of the employees in the unit claimed to be appropriate for the purpose of meeting and conferring in good faith on all matters within the scope of representation.

21.9.2 *Informal Recognition – The Right to Consult in Good Faith:* An employee organization that seeks recognition for purposes of consultation in good faith shall file a petition with the Municipal Employee Relations Officer containing the following information and documentation:

- (1) All of the information enumerated in 21.9.1 of this Section.
- (2) A statement that the employee organization has in its possession written proof, dated within six (6) months of the date upon which the petition is filed, to establish that employees have designated the employee organization to represent them in their employment relations with the City. Such written proof shall be submitted for confirmation to the Municipal Employee Relations Officer or to a mutually agreed upon disinterested third party.
- (3) A request that the Municipal Employee Relations Officer recognize the employee organization for the purpose of consultation in good faith.

21.10 The Petition

The petition, including all accompanying documents, shall be verified, under oath, by the Executive Officer and Secretary of the organization that the statements are true. All changes in such information shall be filed forthwith in like manner.

21.11 Municipal Employee Relations Officer

The Municipal Employee Relations Officer shall grant recognition, in writing, to all employees organizations who have complied with either Section 21.9.1 or 21.9.2 for purposes of consultation in good faith for its members. Employee organizations seeking formal recognition as majority representative must, in addition, establish to the satisfaction of the Municipal Employee Relations Officer that it represents a majority of the employees in the manner prescribed in Section 21.9. No employee may be represented by more than one recognized employee organization for the purposes of this Resolution.

21.12 Response to Petition

Within 30 days after receiving a petition, the Municipal Employee Relations Officer shall determine whether the petition contains the necessary elements demonstrating the requisite showing of interest. If the petition is defective in some respect, the Municipal Employee Relations Officer may reject and return it, with a brief explanation. Alternatively, the Municipal Employee Relations Officer may retain the petition, and permit the petitioner to alleviate the deficiencies promptly.

21.13 Notice

After the Municipal Employee Relations Officer determines that a petition meets the requirements under this Rule, the Officer shall provide notice that a petition has been filed to all employees in the bargaining unit at issue, all recognized employee organizations, and the City Council.

21.14 Elections

Unless otherwise provided by State Law, elections shall be conducted in accordance with the provisions herein.

21.15 Certification

The Municipal Employee Relations Officer shall provide notice of the election outcome to all affected employee organizations and the Council. For certification petitions, the Council shall certify the prevailing organization, if any, as the exclusive bargaining representative for the bargaining unit(s) at issue.

21.16 Election Procedures

The following procedures are applicable to elections, except as specified herein.

21.16.1 *Third-party Election.* Elections will be conducted by a third party as designated by the Municipal Employee Relations Officer. The Municipal Employee Relations Officer may take reasonable measures, not in conflict with this Rule or applicable law, to ensure the integrity of elections.

21.16.2 *Municipal Employee Relations Officer Discretion.* The Municipal Employee Relations Officer has the discretion to refer the election matter at issue to a neutral agency such as the State Mediation and Conciliation Services (SMCS), or the Public Employee Relations Board (PERB), for handling.

21.16.3 *Supported Petition.* In order for an election to be held, petitions to certify or decertify a recognized bargaining representative, or to rescind an agency shop provision, must be accompanied by cards showing that the petition at issue is supported by thirty percent (30%) or more of the bargaining unit employees.

21.16.4 *Challenges.* Challenges to certification petitions may be initiated by other employee organizations. If the challenging organization meets these requirements, the organization will also be included in the election. The requirements are:

21.16.4.1 *Challenging Organization:* The challenging organization provides the information contained in this Rule.

21.16.4.2 *Percent of Signed Cards.* The challenging organization produces cards demonstrating that at least ten percent (10%) of employees in the bargaining unit subject to the petition support the challenge.

21.16.4.3 *Time Period.* The challenge must be initiated within 30 days after the Municipal Employee Relations Officer gives notice of a petition for certification.

21.16.5 *Authenticity.* The authenticity of cards and signatures shall be verified by a neutral party designated by the Municipal Employee Relations Officer.

21.16.6.1 *Secret Ballot.* Elections will be conducted by secret ballot. Over fifty percent 50% of the employees in the bargaining unit must participate in the election in order for the election to be certified. Elections will be determined by majority vote of those employees

casting votes.

21.16.7 *No Representation Choice.* Ballots shall contain the choice of “no representation”.

21.16.7.1 *No Majority Result.* If no representative receives a majority of the votes, the Municipal Employee Relations Officer shall conduct a runoff election between the two (2) choices receiving the most votes.

21.16.8 *Costs.* Except for initial elections regarding certification of an exclusive bargaining representative, costs of elections shall be borne equally among the City Council and the employee organizations appearing on the ballot, to the extent permitted by law.

21.16.8.1 *Decertification election.* Elections concerning the proposed decertification of an exclusive bargaining representative may be held no sooner than twelve (12) months following the date the Council certified and recognized the bargaining representative as the exclusive bargaining representative for the employee organization(s) at issue. A decertification petition alleging that the incumbent recognized employee organization no longer represents a majority of employees in an established unit may be filed with the Municipal Employee Relations Officer only during the thirty (30) day period commencing one-hundred and twenty (120) days prior to the termination date of an MOU then having been in effect less than three (3) years. For MOUs in effect three (3) years or longer, decertification petitions may be filed during the month of January in every year the MOU is in effect.

21.16.8.2 *Rescinding Agency Shop.* No more than one vote to rescind an agency shop agreement may be taken during the life of a MOU that provides for agency shop.

21.16.12 *Granting Recognition.* Notwithstanding the procedures in this Rule, the Council shall grant exclusive recognition to an employee organization based on a signed petition, authorization cards, or union membership cards showing that a majority of the employees in an employee organization determined appropriate by the Municipal Employee Relations Officer desire the representation, unless another labor organization has previously been lawfully recognized as exclusive or majority representative of all or part of the same unit. Exclusive representation shall be determined by a neutral third party selected by the Municipal Employee Relations Officer and the employee organization who shall review the signed petition, authorization cards, or union membership cards to verify the exclusive or majority status of the employee organization. In the event the parties cannot agree on a neutral third party, the parties shall utilize the services of the SMCS. In the event the neutral third party determines, based on a signed

petition, authorization cards, or union membership cards, that a second labor organization has the support of at least 30% of the employees in the unit in which recognition is sought, the neutral third party shall order an election to establish which labor organization, if any, has majority status.

21.17 Bargaining Unit Modifications

Bargaining unit modifications may be initiated by the Municipal Employee Relations Officer, by a group of employees, or by a recognized employee representative. Modifications to existing bargaining units must be supported by some legitimate reason.

21.17.1 *Municipal Employee Relations Officer Initiated Unit Modification.* The Municipal Employee Relations Officer may initiate a modification of its unit structure, including the creation of new units, or the reallocation of classifications from one bargaining unit to another bargaining unit. The Municipal Employee Relations Officer shall provide notice to all affected employee organizations, and to each employee who may be affected by the proposed change. Before implementing any modification or reallocation, the Municipal Employee Relations Officer shall provide the opportunity to meet and confer (or consult), to the extent required by law, with affected, recognized employee representatives.

21.17.2 *Employee and Union Initiated Modifications.* An employee, group of employees, or a recognized employee organization may request that a unit be modified, or that one or more classifications be reallocated to a new or existing bargaining unit. The Municipal Employee Relations Officer shall provide notice to all affected employee organizations upon receipt of such a request. The request must be accompanied by authorization cards, dated no later than 6 months earlier than the request, showing that at least 40% of the employees in the new proposed unit, or 30% of the employees in the classification(s) proposed to be reallocated to another bargaining unit, support the request.

21.18 Denying the Request

The Municipal Employee Relations Officer may exercise discretion to deny the request in the event the criteria listed in section 21.9 of this Rule indicates to the Municipal Employee Relations Officer that the modification or reallocation is inappropriate. The Municipal Employee Relations Officer shall provide written notice of the rejection to all recognized employee representatives promptly after such determination.

21.18.1 *Consistent Modifications.* If the Municipal Employee Relations Officer determines that the modification or reallocation is consistent with the criteria listed, the Municipal Employee Relations Officer shall further process the request. If the Municipal Employee Relations Officer determines that a new unit or reallocation is appropriate, the Municipal Employee Relations Officer shall provide notice to all recognized employee representatives. If no protest is filed within 30 days, the

Municipal Employee Relations Officer shall promptly reassign affected classifications to the new unit, or reallocate the classifications to an existing bargaining unit. In the event of an assignment to a newly created bargaining unit, the Municipal Employee Relations Officer shall also notify the employees of their rights under this Rule, including the right to select a representative of their choice for the purpose of meeting and conferring regarding wages, hours and working conditions under the MMBA.

21.18.2 *Protests.* Within 30 days of notice regarding the Municipal Employee Relations Officer's determination to modify a bargaining unit, or reallocate classifications, an affected recognized employee representative may submit a protest to the Municipal Employee Relations Officer's office. The protest must include the following in order to be considered.

21.18.2.1 *Data.* The name, address, e-mail address, and telephone number of the protesting representative.

21.18.2.2 *Facts.* The facts and arguments supporting the protest.

21.18.2.3 *Resolution.* The proposed resolution.

21.18.3 *Response.* Upon receipt of a protest, the Municipal Employee Relations Officer shall meet and confer to the extent required by law. If there is no resolution, the dispute shall be submitted to the SMCS for mediation. If the SMCS is unable to achieve a resolution, the matter shall be referred to the Municipal Employee Relations Officer for final written decision and notice to all affected parties. After issuing a decision, the Municipal Employee Relations Officer may reassign or reallocate the classifications at issue.

21.19 Timing

Unless required by law, unit modifications or reallocations may not be initiated sooner than 12 months following the date of City Council adoptions of any memorandum of understanding which covers the classifications proposed to be reallocated or moved from the bargaining unit.

21.20 Unit Disputes Involving Professional Employees

In the event of a dispute on the appropriateness of a unit of representation for professional employees, upon request of any of the parties, the dispute shall be submitted to the SMCS for mediation or for recommendation for resolving the dispute. Professional employees, for the purposes of this section, mean employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including, but not limited to, attorneys, physicians, registered nurses, engineers, architects, teachers, and the various types of physical, chemical, and biological scientists.

21.21 Rights and Responsibilities

- 21.21.1 *Meet and Confer.* An exclusive bargaining representative shall have the right to meet and confer in good faith with authorized City representatives regarding wages, hours, and working conditions within the scope of representation. If an agreement is reached, the parties shall jointly prepare a written MOU, which shall not be binding, and present it to the Council. If the Council adopts the written MOU, it shall become binding on the parties. The City is under no obligation to meet and confer with an employee organization unless it has been certified as a recognized employee representative.
- 21.21.2 *Current Information.* Recognized employee representatives have the responsibility to inform the Municipal Employee Relations Officer, in writing, of any changes in the information specified in section 21.9 of this Rule, and the Council may rely on its information on file for purposes of notice under this resolution and the MMBA.
- 21.21.3 *Release Time.* During the period of meet and confer regarding a memoranda of understanding, recognized employee representatives shall be entitled to a reasonable number of representatives who may receive paid release time during the period when formal negotiations are occurring at the table. The precise number shall be subject to the parties' discussions and the Municipal Employee Relations Officer's approval at the outset of negotiations. Employee representatives shall cooperate with the Municipal Employee Relations Officer on a reasonable schedule, and the employees released for negotiations shall notify their supervisors, obtain their consent (which shall not be unreasonably withheld) and ensure that the dates scheduled for negotiations do not adversely affect City operations. Paid release time may not be authorized for activities such as soliciting membership, internal union elections, campaigning for office or other political activity, organizing efforts, or for any other purpose not authorized by this Rule or an MOU.
- 21.21.4 *City Resources.* Use of City resources, and use of City Council facilities, including without limitation; stationery, computers, mail, e-mail, copy machines, and fax machines, for Union business is prohibited.
- 21.21.5 *Dues and Other Authorized Payroll Deductions.* Recognized employee representatives may sponsor payroll deduction programs for membership

dues, charitable causes, and benefit premiums and contributions. In order to participate, each affected employee must submit a written authorization on a form prescribed by the Municipal Employee Relations Officer. Deductions shall comply with City administrative procedures.

21.21.6 *Appeals.* An employee or labor organization aggrieved by any adverse action taken pursuant to this Employee-Employer Relations Rule may submit an appeal to the Municipal Employee Relations Officer. The Municipal Employee Relations Officer may adopt reasonable procedures, after appropriate meet and consult, to resolve such appeals. To be considered, an appeal must be filed within 30 days of when the aggrieved party knew or should have known of the alleged violation. Failure to file an appeal within the 30 day time limit shall constitute a waiver of any challenge to the action at issue. Appeals must contain specific allegations that the employer violated a specific provision of this Rule or applied the Rule in a manner that violates an applicable law. Appeals must be submitted and appeal procedures exhausted before resorting to any other forum, so that the underlying facts may be gathered, an appropriate record may be created, and the Municipal Employee Relations Officer is provided a reasonable opportunity to correct or remedy complaints. No other grievance or appeal process may be used to address issues covered by this Rule.

21.22 Impasse Resolution Procedures

21.22.1 *Impasse Meeting.* If impasse is reached during negotiations concerning an MOU, either party may declare an impasse by submitting a written letter formally declaring an impasse. The declaration of impasse must contain all of the following elements:

- 21.22.1.1 *Tentative Agreements.* A list of all tentative agreements, if any.
- 21.22.1.2 *Disputed Issues.* A list of all disputed issues.
- 21.22.1.3 *Last and Final Offer.* For each disputed issue, the declarant's last and final offer. The party against whom the impasse is declared shall submit a formal response within 7-working days of notice of impasse, and shall meet within 7-working days thereafter.

21.22.2 *Mediation.* Upon and after impasse, either party may request that the dispute be submitted to mediation, and the other party must participate in good faith upon request, or submit a letter within 7-working days of the request specifically declining to participate in mediation. The costs of mediation shall be borne equally. Mediation shall be conducted by a mediator supplied by the SMCS, or by some other mutually agreed upon mediator. Mediation shall be

confidential. The mediator shall not make public recommendations or issue any decision concerning the issues. If no agreement is reached after an opportunity for mediation, the matter may be referred to the City Council for final determination.

21.22.3 *Miscellaneous.* The impasse resolution section shall not apply to economic disputes involving employees governed by different impasse resolution procedures imposed by lawful statute. This impasse resolution section shall only cover bargaining impasses regarding comprehensive memoranda of understanding (MOUs), and it does not cover day-to-day issues subject to meet and confer/meet and consult; or Council actions that may be subject to meet and confer/meet and consult requirements.

21.23 Agency Shop

If made, agency shop arrangements must accord with all requirements of California Government Code section 3502.5.

21.24 Miscellaneous Provisions

21.24.1 *Savings and Separability.* This Rule is intended to comply with all applicable state and federal laws, and it should be interpreted and applied to harmonize with all such law, reserving the broadest legal measure of authority to the Council. In the event a court of competent jurisdiction determines that some provision is inconsistent with applicable and binding law, then that provision shall be severed and all remaining portions of the Rule shall continue in full force and effect. Upon request by the Municipal Employee Relations Officer, a recognized bargaining representative will meet and consult promptly in an effort to resolve any amendments that are necessary or advisable in light of changes to existing law, or interpretations of the law that impact this Rule.

22. MISCELLANEOUS

These rules and regulations shall only become effective when they are adopted by the City Council. Upon adoption they shall supersede any and all City-wide and/or departmental personnel management policies, rules, regulations, and procedures previously adopted, except those adopted by order of a department manager which are not in conflict with these Rules.

Any and all provisions contained in a Memorandum of Understanding (MOU) in effect at the time of adoption of these Rules, and which may be in conflict with the provisions of these Rules, shall remain in effect and supersede these Rules until such time as the conflicting provisions of the MOU may be modified, through the meet and confer process, to conform to these Rules. No existing MOU shall be modified, and no new MOU shall be entered into, which would establish provisions that would be in conflict with these Rules unless expressly identified by the City Manager and recommended to the City Council for review and approval.

These Rules do not create a “contract” of employment between the City and any employee. Public employment is statutory, not contractual.

If any part of these Rules is determined to be unconstitutional or illegal, such part shall be severed from these rules and the remaining Rules shall be given full force and effect. The City shall comply with changes in state and federal law, and shall amend these Rules as necessary for consistency. The term “City” as used in these rules refers to the City of Tracy. Responsibilities and rights of the City under these rules are exercised by the City Manager, and may be delegated by the Manager in his/her discretion.

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022-_____

APPROVE SIDE LETTER AGREEMENTS BETWEEN THE CITY OF TRACY AND THE TRACY POLICE OFFICERS ASSOCIATION, TRACY POLICE MANAGEMENT ASSOCIATION, TRACY MID-MANAGERS BARGAINING UNIT, TRACY TECHNICAL AND SUPPORT SERVICES EMPLOYEE ASSOCIATION, GENERAL TEAMSTERS LOCAL NO. 439; AMEND SECTION 16.6 OF THE PERSONNEL RULES AND REGULATIONS TO ADD JUNETEENTH; AND AUTHORIZE THE CITY MANAGER TO APPROVE SIDE LETTER AGREEMENTS

WHEREAS, Juneteenth was proclaimed as a federal holiday by President Joe Biden on June 19, 2021 and continues to be observed by the City of Tracy as a proclaimed holiday in accordance with the terms of the current Memorandum of Understanding (MOU) for each bargaining unit; and

WHEREAS, Section 16.6 of the City of Tracy Personnel Rules and Regulations lists the holidays authorized by the City; and

WHEREAS, Council desires to formally recognize Juneteenth as a City authorized holiday; and

WHEREAS, Amending the contract language for Tracy Police Officers' Association (TPOA) and Tracy Police Management Association (TPMA) is necessary to reflect the adjusted number of holidays in lieu hours inclusive of the Juneteenth holiday; and

WHEREAS, Amending the contract language for Tracy Mid-Managers Bargaining Unit (TMMBU), Tracy Technical and Support Services Employee Association (TTSSEA) and the General Teamsters Local No. 439 (Teamsters) is necessary to reflect the addition of the Juneteenth holiday; and

WHEREAS, The City has met and conferred with the bargaining units regarding the contents of the side letters; and

WHEREAS, The City desires to grant authority to the City Manager to approve the side letter agreements; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby approves the side letters attached as Exhibit A between the City of Tracy and the Tracy Police Officers' Association, Exhibit B between the City of Tracy and the Tracy Police Management Association, Exhibit C between the City of Tracy and the Tracy Mid-Managers Bargaining Unit, Exhibit D between the City of Tracy and the Tracy Technical and Support Services Employee Association and between the City of Tracy and the General Teamsters Local No. 439, authorize amendment to section 16.6 of the Personnel Rules to add Juneteenth (June 19) and authorize the City Manager to approve the side letter agreements.

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of the
City of Tracy, California

June 7, 2022

AGENDA ITEM 1.C

REQUEST

APPROVE AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT (PSA) WITH RAFTELIS FINANCIAL CONSULTANTS, INC. FOR COMPLETION OF THE WASTEWATER REVENUE AND RATE ANALYSIS

EXECUTIVE SUMMARY

City Council approved a PSA with Raftelis Financial Consultants, Inc. (Consultant) on February 18, 2020, to complete a wastewater revenue and rate analysis. City and Consultant have been coordinating since that time to complete this analysis. Additional services are needed from the Consultant to complete the analysis. The added Scope of Work will include the Consultant scheduling more meetings as part of the project management because of the need to incorporate recent increases in operational and maintenance costs. These increases are due to the rising cost of transportation and supplies such as chemicals and purchased equipment logistics. Additionally, the Consultant will provide further budgets, CIP, and Model iterations, as well as Prop 218 Notice preparation.

DISCUSSION

On February 18, 2020, City Council approved a PSA with the Consultant for completion of the wastewater revenue and rate analysis for a not to exceed amount of \$55,828. Since then, the Consultant and the City have been working together to complete this analysis. The analysis is based upon the latest revenues, expenses, and the need for capital expenses.

The analysis has been updated several times due to ongoing unprecedented increases in the cost of equipment, chemicals, and capital projects. Additional services are needed from the consultant to complete the analysis. In addition, the consultant will prepare a Proposition 218 public notice, which was not part of the original scope of work.

The Consultant submitted a proposal to complete the additional work for a not to exceed amount of \$26,935, on a time and material basis. Staff has reviewed the proposal and found it reasonable. Staff will continue to monitor all services spent on the wastewater revenue and rate analysis.

STRATEGIC PLAN

This recommendation meets Council Strategic Priorities under Governance by ensuring short- and long-term financial sustainability.

FISCAL IMPACT

The additional cost of services of \$26,935, per this amendment No. 1 to the PSA, will be borne by the Wastewater Enterprise Fund.

RECOMMENDATION

Staff recommends that the City Council approve Amendment No. 1 to the Professional Services Agreement with Raffelis Financial Consultants, Inc., for a not to exceed amount of \$26,935 for completion of the Wastewater Revenue and Rate Analysis Study.

Prepared by: Kul Sharma, Utilities Director

Reviewed by: Karin Schnaider, Finance Director
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENT

A – Amendment No. 1 to Professional Services Agreement

**CITY OF TRACY
AMENDMENT NO. 1 TO
PROFESSIONAL SERVICES AGREEMENT
WITH RAFTELIS FINANCIAL CONSULTANTS, INC
FOR
WASTEWATER REVENUE AND RATE ANALYSIS**

This Amendment No. 1 (**Amendment**) to the Professional Service Agreement Wastewater Revenue and Rate Analysis is entered into between the City of Tracy, a municipal corporation (**City**), and Raftelis Financial Consultants, Inc. a North Carolina corporation (**Consultant**). City and Consultant are referred to individually as "**Party**" and collectively as "**Parties**."

Recitals

- A.** The City and Consultant entered into a Professional Services Agreement (**Agreement**) for the Wastewater Revenue and Rate Analysis, which was approved by the City Council on February 18, 2020, under Resolution No. 2020-025.
- B.** A contract amendment is needed because the wastewater rate study which commenced in February of 2020, has taken longer than anticipated. Consultant has exceeded the number of meetings attended in original agreement. The rate model was modified to incorporate various operating and capital budgets. Preparation time for Proposition 218 public notice is needed and was not included in original proposal.
- C.** This Amendment is being executed pursuant to Resolution No. _____ approved by Tracy City Council on _____, 2022.

Now therefore, the Parties mutually agree as follows:

1. Incorporation by Reference. This Amendment incorporates by reference all terms set forth in the Agreement, unless specifically modified by this Amendment. The terms which are not specifically modified by this Amendment will remain in effect.

2. Terms of Amendment.

- A.** The following language shall be added to Section 1. SCOPE OF WORK of the Agreement:
"In addition to Exhibit A, Consultant shall perform the services described in Exhibit A-1 attached and incorporated by reference. Consultant is responsible for completing all tasks identified in Exhibits A and A-1."
- B.** The following language shall be added in Section 3. COMPENSATION of the Agreement:
"For the additional services performed pursuant to Exhibit A-1, City shall pay Consultant a not-to-exceed amount of \$26,935 at the billing rates set forth in Exhibit B-1. Exhibit B-1 hereto shall supplement Exhibit B of the Agreement."

3. Modifications. This Amendment may not be modified orally or in any manner other than by an agreement in writing signed by both parties, in accordance with the requirements of the Agreement.

4. Severability. If any term of this Amendment is held invalid by a court of competent jurisdiction, the Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.

5. Signatures. The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

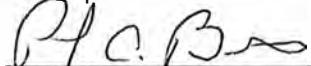
By: _____
Nancy D. Young
Title: Mayor
Date: _____

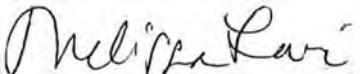
Attest:

By: _____
Adrienne Richardson, City Clerk

Consultant

Raftelis Financial Consultants, Inc., a North Carolina Corporation

By: 
President & CEO
Date: 5/25/2022

By: 
Vice President
Date: 5/25/2022

Approved as to form

By: _____
Bijal M. Patel, City Attorney

Exhibits:

A-1 – Additional Scope of Work
B-1 – Proposed Fee

Exhibit A-1
Scope of Work

The wastewater rate study which commenced in February of 2020, has taken longer than anticipated. Additional services under this contract amendment will include:

- Additional meeting attendance by the Consultant, which was originally set for four but will be increased to eight.
- Necessary modification of the rate model to incorporate various operating and capital improvement budgets.
- Preparation of the Proposition 218 public notice material.

Exhibit B-1
Proposed Fees

Tasks	Number of In- Person Meeting						Total Fees & Expenses
		PM	SC	GD	CORP	Total	
1. Additional Meetings	2	23	15			38	\$11,855
2. Additional Budgets, CIP and Model Iterations		8	14			22	\$5,580
3. Prop 218 Notice Preparation		6	10	9		25	\$5,330
4. Revise model with new budget and reserve balances		4	13			17	\$4,170
Total Estimated Meetings / Hours	2	41	52	9	0	102	
Hourly Billing Rate		\$285	\$220	\$130	\$80		
Total Professional Fees		\$11,685	\$11,440	\$1,170	\$0	\$24,295	
PD - Project Director, Sudhir Pardiwala, PE						Total Fees	\$24,295
PM - Project Manager, Steve Gagnon, PE (AZ)						Total Expenses	\$2,640
TR - Technical Reviewer, Theresa Jurotich, PE, PMP						Total Fees & Expenses	\$26,935
SC - Staff Consultants							
GD- Graphics Design							

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022-_____

**APPROVE AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES
AGREEMENT (PSA) WITH RAFTELIS FINANCIAL CONSULTANTS, INC. FOR
COMPLETION OF THE WASTEWATER REVENUE AND RATE ANALYSIS**

WHEREAS, City Council approved a PSA with Raftelis Financial Consultants, Inc. (Consultant) on February 18, 2020, to complete a wastewater revenue and rate analysis; and

WHEREAS, additional services are needed from the Consultant due to recent cost increases for equipment, supplies and capital projects; and

WHEREAS, in addition to completion of the wastewater revenue and rate analysis, Consultant will prepare a Proposition 218 public notice; and

WHEREAS, additional work included in this amendment will be completed with a not to exceed amount of \$26,935; and

WHEREAS, additional funding will be borne by the Wastewater Enterprise Fund; and now, therefore, be it

RESOLVED: That the City Council of the City of Tracy, by resolution approve Amendment No. 1 to the Professional Services Agreement with Raftelis Financial Consultants, Inc. for completion of the Wastewater Revenue and Rate Analysis.

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council
of the City of Tracy, California

June 7, 2022

AGENDA ITEM 1.D

REQUEST

AUTHORIZE THE SUBMISSION OF A UNITED STATES DEPARTMENT OF JUSTICE COMMUNITY ORIENTED POLICING SERVICES GRANT APPLICATION FOR A PROJECTED AMOUNT OF \$1,240,942 FOR THE HIRING OF TWO POLICE OFFICERS WITH THE PROJECTED CITY MATCH FUNDS OF \$990,942, APPROVE AN ADDITIONAL \$90,000 FOR PROJECTED OVERTIME AND OTHER COSTS NOT COVERED BY THE GRANT FUNDS, AND AUTHORIZE THE CITY MANAGER TO ACCEPT THE \$250,000 GRANT, IF AWARDED.

EXECUTIVE SUMMARY

The City of Tracy has the opportunity to apply for grant funding through the United States Department of Justice (DOJ) Community Oriented Policing Services (COPS) office for the 2022 COPS-Hiring Program (CHP). The grant opportunity is competitive and there is no guarantee the City will be awarded the grant. Grant funding will require a City match commitment. Staff is seeking Council's support for the grant application submittal and Council authorization to accept the grant, if awarded.

DISCUSSION

This grant, if awarded, would provide supplementary funding for two sworn officer positions in the upcoming FY 2022/23 budget.

Tracy Police Department has sought grant funding sources to aid in increasing sworn officer positions within the City of Tracy. Additional officers are needed to handle the growing population, increased calls for service related to quality of life issues, and new enforcement measures for cannabis compliance and commercial traffic enforcement.

Adding officers will address the community needs and requests and will support Council strategic priorities for both Public Safety and Quality of Life by promoting a responsive public safety program to include increased civic engagement, partnerships, community involvement, education, prevention, intervention, and suppression. Additional officers will also aid in promoting positive change and progress within the community.

The specifications of the COPS grant are as follows:

- Term is 36 months;
- Calculated individually, from the time of hire of each officer;
- Must pay for newly hired officers, hired after the grant award is accepted;
- Will not allow for supplanting of current positions;
- Allows applicant cities to request a number of officers that equals no more than 5% of their current authorized sworn force;
- If awarded, would pay a maximum federal share of \$125,000 per officer position, for the entire 36 month term. Therefore, \$125,000 per officer, multiplied by two is \$250,000 for the total grant funding for the entire term of the grant;
- The City is required to maintain the two positions for at least twelve months at the end of the grant term.

STRATEGIC PLAN

This agenda item relates to the Council's Strategic Plan in the area of Public Safety.

FISCAL IMPACT

The grant award requires a City match requirement. The City would be required to commit approximately \$990,942 over the three-year grant term. The funding source for the matching funds will be the General Fund.

The terms of the grant also require the City to fund the two positions for twelve months beyond the end of the grant term, projected to be FY 2025/26.

Additional expenses not covered by the grant may include specialty pays, overtime, equipment, and uniform allowance. The exact costs will not be known until after the new officers are hired. For estimation purposes, expenses in these areas are projected to be \$30,000 per year, or \$90,000 during the three-year grant term.

RECOMMENDATION

That the City Council, by resolution, authorize the submission of a United States Department of Justice Community Oriented Policing services grant application for a projected amount of \$1,240,942 for the hiring of two police officers with the projected City match funds of \$990,942, approve an additional \$90,000 for projected overtime and other costs not covered by the grant funds and authorizing the City Manager to accept the \$250,000 grant, if awarded.

Prepared by: Beth Lyons-McCarthy, Support Operations Division Manager

Reviewed by: Sekou Millington, Chief of Police
Karin Schnaider, Director of Finance
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022- _____

AUTHORIZING THE SUBMISSION OF A UNITED STATES DEPARTMENT OF JUSTICE COMMUNITY ORIENTED POLICING SERVICES GRANT APPLICATION FOR A PROJECTED AMOUNT OF \$1,240,942 FOR THE HIRING OF TWO POLICE OFFICERS WITH THE PROJECTED CITY MATCH FUNDS OF \$990,942, APPROVING AN ADDITIONAL \$90,000 FOR PROJECTED OVERTIME AND OTHER COSTS NOT COVERED BY THE GRANT FUNDS, AND AUTHORIZING THE CITY MANAGER TO ACCEPT THE \$250,000 GRANT, IF AWARDED

WHEREAS, the Tracy Police Department has learned of a grant funding opportunity through the United States Department of Justice (DOJ) Community Oriented Policing Services (COPS) office with an award opportunity of \$250,000, over a period of three (3) years; and

WHEREAS, The City of Tracy is in need of additional police officers due to the growing population, increased calls for service related to quality of life issues, and new enforcement measures for cannabis compliance and commercial traffic enforcement; and

WHEREAS, Additional officers will address community needs and will support City Council strategic priorities for both Public Safety and Quality of Life by promoting a responsive public safety program to include increased civic engagement, partnerships, community involvement, education, prevention, intervention, and suppression; and

WHEREAS, The grant award would provide aid in funding two (2) sworn police officer positions, which would increase the number of officers available to respond to calls for service, address quality of life issues within the community, and assist with the Police Department's focus on commercial traffic enforcement; and

WHEREAS, The grant award requires that the City match the federal funding with \$990,942, spread over the three (3) years of the grant term; and

WHEREAS, The City's projected match funds of \$990,942 incorporates all salary and benefits for the two (2) officers to include step increases; and

WHEREAS, An additional \$90,000 is needed for projected overtime and other costs not covered by the grant funds; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby authorizes the submission of a United States Department of Justice Community Oriented Policing Services grant application for a projected amount of \$1,240,942 for the hiring of two (2) police officers with the projected City match funds of \$990,942, approving an additional \$90,000 for projected overtime and other costs not covered by the grant funds, and authorizing the City Manager to accept the \$250,000 grant, if awarded.

* * * * *

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of
the City of Tracy, California

June 7, 2022

AGENDA ITEM 1.E

REQUEST

APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH VERONICA TAM AND ASSOCIATES, INC. FOR THE HOUSING ELEMENT UPDATE

EXECUTIVE SUMMARY

State law requires an update of the City's Housing Element by December 31, 2023. City staff recommends that the City Council approve an Agreement with Veronica Tam and Associates, Inc. to work with the City to prepare the Housing Element Update.

DISCUSSION

In accordance with Government Code Section 65588, the City of Tracy's General Plan Housing Element should be reviewed and revised by December 31, 2023. This periodic update is required every eight years.

On December 14, 2021, the City published a Request for Proposals for the Housing Element update in order to retain a qualified consultant to prepare the update and guide the City through the State Department of Housing and Community Development (HCD) review process. Two proposals were submitted, with consultant service cost estimates of \$209,570 and \$325,502.

The proposal submitted by Veronica Tam and Associates, Inc. (VTA) best demonstrates the competence and professional qualifications necessary for the preparation of the Housing Element update. Michael Baker International will be a sub-consultant to VTA to provide technical analysis and CEQA clearance. VTA is an effective, highly regarded consulting firm focusing on housing planning and community development. They successfully completed nearly 60 Housing Elements for jurisdictions throughout California in the previous round, including the City of Tracy's, acquiring a deep familiarity with Tracy's housing issues, including the City's Growth Management Ordinance. For the current update cycle, VTA has worked on over 30 Housing Elements, so far, developing valuable experience in navigating HCD's interpretation of new State laws.

The proposed Housing Element update scope of work is contained in the proposed Professional Services Agreement (PSA), Attachment A. As required by State Housing Law (Government Code Section 65580 - 65589.11), the project will include community outreach and engagement; a housing needs analysis; identification of housing resources and opportunities, a housing constraints analysis; an update to housing goals, policies and objectives; Planning Commission and City Council workshops and hearings; and preparation of the Housing Element.

The cost estimate for VTA's consultant services is \$209,570. These consultant costs will be paid by grant funds awarded to the City by the State HCD during the past year. The cost estimate assumes limited CEQA review that would tier off existing environmental documents, no major land use designation changes to accommodate the Regional Housing Needs Allocation (RHNA), and no separate technical analyses such as traffic or

air quality. If a CEQA Negative Declaration is required, as anticipated, an additional \$2,598 will be required for San Joaquin County Clerk and Department of Fish and Wildlife filing fees. If rezoning property (and amending the General Plan designation) or additional related CEQA documentation becomes necessary to achieve the City's required land inventory of available sites for housing, additional City costs may be required.

STRATEGIC PLAN

While required by State law, this Housing Element update also relates to the City's Economic Development Strategy, Goal Number 6: Pursue smart growth strategies for balanced growth in the City.

FISCAL IMPACT

Within the past year, the City of Tracy was awarded State SB 2 (Senate Bill 2), LEAP (Local Early Action Planning), and REAP (Regional Early Action Planning) grant funds totaling \$797,075. The grants are available for planning projects related to supporting housing development. The funds have been budgeted for the City's Transit-Oriented Development/Downtown Specific Plan Project (\$350,000), workforce/affordable housing regulation and policy updates (\$200,000), and the update of the General Plan Housing Element (up to \$247,075). Sufficient revenue is available through these grants to pay the estimated consultant costs of the proposed PSA (\$209,570) and the CEQA filing fees (\$2,598). City staff time and costs for this project are included in the Development Services Department budget.

RECOMMENDATION

Staff recommends that the City Council approve the Professional Services Agreement with Veronica Tam and Associates, Inc. to complete the Housing Element Update project.

Prepared by: Alan Bell, Senior Planner

Reviewed by: Bill Dean, Assistant Director of Development Services
Karin Schnaider, Director of Finance
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENTS

Attachment A – Veronica Tam and Associates Proposed Professional Services Agreement

**CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT WITH
Veronica Tam and Associates Housing Element Update**

This Professional Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Veronica Tam and Associates, Inc. a California Corporation (**Consultant**). City and Consultant are referred to individually as "Party" and collectively as "Parties."

Recitals

- A.** Government Code Section 65588 requires periodic review and revision to the City's General Plan Housing Element, the next update, of which, is due by December 31, 2023.
- B.** On December 14, 2021, the Development Services Department published a Request for Proposals for the Housing Element Update project and subsequently received two timely proposals.
- C.** The proposal submitted by Consultant best meets the City's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the Housing Element Update project.
- D.** After negotiations between the City and Consultant, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.
- E.** State grant funds previously awarded to the City (SB 2, LEAP, and REAP grants) will fund the consultant costs of this Agreement.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Consultant shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Consultant's Authorized Representative: Veronica Tam. Consultant shall not replace its Authorized Representative, nor shall Consultant use or replace any subcontractor or subconsultant, without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor/subconsultant may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Consultant shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Consultant in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Consultant. Consultant shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on May 18, 2022 and end when all work is completed as described in Exhibit "A", unless terminated in accordance with Section 6.

3. Compensation. City shall pay Consultant on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Consultant's total compensation under this Agreement shall not exceed \$209,570. Consultant's billing rates shall cover all costs and expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Consultant shall submit monthly invoice(s) to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1 If Consultant is providing services in response to a development application, separate invoice(s) must be issued for each application and each invoice shall contain the City's designated development application number.

3.2.2 Consultant's failure to submit invoice(s) in accordance with these requirements may result in the City rejecting said invoice(s) and thereby delaying payment to Consultant.

3.3 Payment. Within 30 days after the City's receipt of invoice(s), City shall make payment to the Consultant based upon the services described on the invoice(s) and approved by the City.

4. Indemnification. Consultant shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Consultant's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

(The duty of a "design professional" to indemnify and defend the City is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, under Civ. Code § 2782.8.)

The provisions of this section survive completion of the services or the termination of this Agreement, and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Consultant shall, throughout the duration of this Agreement, maintain insurance to cover Consultant, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$2,000,000 general aggregate and \$1,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Consultant in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Consultant shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Consultant's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Consultant shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Consultant shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Consultant shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Consultant shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Consultant's Obligation. Maintenance of insurance by the Consultant as specified in this Agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Consultant may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Consultant. Upon termination, Consultant shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Consultant for this Agreement. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Consultant that cannot be settled after engaging in good faith negotiations, City and Consultant agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8. Ownership of Work. All original documents prepared by Consultant for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the

completion of Consultant's services, or upon demand from the City. No such documents shall be revealed or made available by Consultant to any third party without the City's prior written consent.

9. Independent Contractor Status. Consultant is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Consultant is not City's employee and Consultant shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Consultant is free to work for other entities while under contract with the City. Consultant, and its agents or employees, are not entitled to City benefits.

10. Conflicts of Interest. Consultant (including its employees, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Consultant maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Consultant's conflicting interest.

11. Rebates, Kickbacks, or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

12. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

City of Tracy
Attn: Alan Bell, Senior Planner
333 Civic Center Plaza
Tracy, CA 95376

To Consultant:

Veronica Tam and Associates
Veronica Tam
107 S. Fair Oaks Ave., Ste 212
Pasadena, CA 91105

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

13. Miscellaneous.

13.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Consultant's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

13.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

13.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

13.4 Assignment and Delegation. Consultant may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

13.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

13.6 Compliance with the Law. Consultant shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

13.6.1 Prevailing Wage Laws. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates; employment of apprentices (§ 1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. If the services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. These prevailing rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents, harmless from any and all claims, costs, penalties, or interests arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

13.6.2 Non-discrimination. Consultant represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Consultant shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

13.7 Business Entity Status. Consultant is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Consultant. By entering into this Agreement, Consultant represents that it is not a suspended corporation. If Consultant is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

13.8 Business License. Before the City signs this Agreement, Consultant shall obtain a City of Tracy Business License. Consultant shall maintain an active City of Tracy Business License during the term of this Agreement.

13.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

13.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

13.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

13.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's proposal (if any), the Exhibits shall control.

13.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This

Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

14. Signatures. The individuals executing this Agreement on behalf of Consultant represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Consultant.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Michael Rogers
Title: City Manager
Date: _____

Attest:

Adrienne Richardson, City Clerk

Approved as to form:

Bijal M. Patel, City Attorney

Consultant

By: Veronica Tam
Title: President
Date: 5/10/2022

Federal Employer Tax ID No. 45-5376486

By: Veronica Tam
Title: Secretary
Date: 5/10/2022

Exhibits:

- A Scope of Work, including time of performance (See Agreement sections 1 and 2.)
- B Compensation (See Agreement section 3.)

II. Summary - Scope of Work and Approach

Task 1 – Project Management and Coordination

Task 1.1 - Project Kickoff Meeting (Virtual)

At the Project Kickoff Meeting, VTA-MBI team (Project Team) will attend a teleconference meeting with City staff to review and refine the scope of work, discuss expectations, assumptions, collect information sources, and go through the project schedule and work plan for carrying out the work. This will include a discussion and evaluation of the data and analyses available to help support the Housing Element update including from County or regional agencies.

Task Deliverables:

- » VTA and MBI
- » Materials for Kickoff Meeting with City via web conference

Task 1.2 - Project Management, Coordination, and Quality Control

We will conduct teleconference meetings twice per month to discuss progress and potential issues, to ensure we are on track to meet the December 2023 deadline.

Task Deliverables:

- » VTA and MBI
- » Summary of notes from twice per month coordination meetings with City staff via virtual platforms

Task 2 – Community Outreach and Engagement

One of the most critical aspects of the Housing Update Element process is the importance of the public participation process. The Housing Element, and the newly added AFFH analysis in particular, relies heavily upon local knowledge to supplement and better understand the data and housing issues at hand, as well as, creating the programs that work best to serve local and regional needs.

The Project Team also recognizes the importance and significance of involving those hard-to-reach groups and special needs populations, such as persons experiencing homelessness, elderly residents, single-parent households, non-English speaking individuals, persons with disabilities, and racial/ethnic minority families. Our strategy for public participation includes using multiple forms of outreach and offering a variety of options for community members to engage and share information about their neighborhoods and experiences. We have outlined a general approach for the Housing Element public outreach process below, which will be further refined with key City staff.

What's New?

AB 686 (Affirmatively Furthering Fair Housing) passed in 2017 requires that the outreach activities be informed by AFFH characteristics.

Task 2.1 - Joint Planning Commission/City Council Study Session (1)

The State of California has passed several laws that have dramatically changed the landscape of housing planning. For local communities, these laws are complicated, confusing, and/or are so new that the impact is uncertain. Some of these laws have strict requirements and limit the ability of local

jurisdictions to customize planning policies to their own preferences. For these reasons, we will conduct an initial study session for the City Council so that information can be provided, vetted, and explored for its impact on the Housing Element.

Task Deliverables:

- » VTA lead
- » One in-person meeting
- » Presentation materials

Task 2.2 - Online Housing Needs Survey

We will prepare an online community housing needs survey, which is another key method to obtaining valuable information. The survey has the advantage of occurring over a longer period, including bracketing other engagement events to provide more input and follow-up comments. The survey is recommended to be relatively simple to encourage participation, and would focus on identifying housing needs, opportunities, issues, priorities, and recommended policies. We recommend the survey be kept open throughout the engagement period covering development of the housing element up to and including the public review periods. It would close before public hearings on the draft elements or can be modified to collect comments on the public review draft.

To help reach priority populations, such as low-income families, non-English speaking individuals, and large and multigenerational families, the Project Team will work with the City to collaborate with local nonprofits, City departments, and agencies to distribute marketing materials and the survey to their clients.

Task Deliverables:

- » VTA lead
- » Online Housing Needs Survey (English and Spanish)

Task 2.3 - Stakeholder Interviews (up to 15 interviews)

Engagement of and input from local advocacy groups, minority and special needs populations, and developers are important to the Housing Element Update and will be required by HCD. We recommend engaging them early in the update process to receive feedback. The Project Team will work with the City to conduct up to 15 one-on-one interviews to discuss the Housing Element Update and receive feedback on constraints and opportunities in Tracy. We will work closely with City staff to identify stakeholders that represent a broad cross-section of the community so that the consultation list includes market rate developers, affordable housing developers and fair housing advocates, and community-based organizations.

Task Deliverables:

- » VTA and MBI
- » Summary of interviews

Task 2.4 - Community Workshop (1)

We will conduct one online/virtual (live) community workshop to meet with community residents, agencies, and key stakeholders. Utilizing this meeting format, we will provide a brief presentation summarizing the Housing Element Update process, background and contextual information including purpose, goals, objectives, contents and key issue and concerns. The presentations will include interactive live polls with the public followed by brief discussions of the results as well as questions and answers throughout the workshops. A key advantage of online is that it makes the meetings more convenient for individuals to attend from their homes or remotely; and it can be more easily accessible to some residents who would otherwise have to find transportation or have mobility issues. Another advantage of the online platform is the ability to record the workshop for later viewing, sharing and summary. Our budget assumes the City will arrange for translation services if requested.

Task Deliverables:

- » VTA and MBI
- » Transcripts of the written questions and answers, and information on workshop attendance.

Task 3 – Research and Analysis

Task 3.1 - Evaluation of the 2015-2023 Housing Element

As an initial task to the Housing Element update, we will review and evaluate the City's progress in implementing the 2015-2023 Housing Element. The City's 2021 Housing Element Annual Progress Report (APR) is a good starting point for this evaluation.

What's New?

The review of past accomplishments must include a discussion on the City's cumulative impact on addressing the housing needs of special needs populations.

Task Deliverables:

- » VTA lead
- » Review of past accomplishments

Task 3.2 - Needs Analysis

The Housing Needs Assessment will contain the following topics to satisfy Government Code Section 65583(a) requirements: a) demographics, income, and employment trends; b) household characteristics; c) housing stock characteristics; d) at-risk housing analysis; and analysis of special housing needs. We will utilize a variety of data sources to update the City's Housing Element needs assessment. These include ACS, 2020 Census, Department of Finance population and housing estimates, State Employment Development Department labor statistics, and housing market data, among others.

What's New?

HCD requires specific information on farmworker population (including seasonal and migrant farmworkers). American Community Survey (ACS) data is not adequate to address this requirement. If local farmworker population information is not available, HCD will accept USDA Agriculture Census county-level data. HCD also requires specific information on the jurisdiction's housing stock conditions based on local knowledge. ACS data on age of structure and availability of plumbing and heating facilities is not considered adequate.

Task Deliverables:

- » VTA lead
- » Housing Needs Assessment

Task 3.3 - Housing Resources and Opportunities

We understand the City anticipates a Regional Housing Needs Allocation (RHNA) of about 8,830 units (4,873 lower income and 3,957 moderate/above moderate income units). This RHNA is a 78 percent increase from the City's 5th cycle RHNA of 4,976 units and may present a challenge to the City's ability in meeting its RHNA.

What's New?

New State laws on addressing the adequate sites requirement (AB 1397 and SB 166) have significant impacts on the sites inventory. AB 1397 places higher standards on the reuse of sites, reliance of nonvacant sites, and extreme sizes of sites (too small and too large). SB 166 requires a no-net loss accounting that necessitates a sites inventory with a comfortable 15-30 percent buffer.

We will use the current sites inventory as a starting point and work with the City to determine which sites are still viable RHNA sites based on new state law requirements. We will update the site selection criteria to identify new sites and reevaluate sites identified from the 5th Cycle Housing Element Land Inventory. As part of the site selection process, we will consider the General Plan policies and land use density range, zoning, available infrastructure, and opportunities within approved specific plans. We will formulate General Plan and zoning strategies that will address additional housing unit capacity.

This task also assumes a high level of collaboration with City staff to identify and evaluate individual sites and essential development criteria and likelihood based on local knowledge such as ownership status and interest, tenant status, stability and turnover, and particular opportunities and constraints. As part of the housing sites analysis, we will complete the following:

Document potential sites. We will prepare an inventory, map, and analysis illustrating the City's capacity to accommodate the 6th Cycle RHNA. In keeping with State law, we will document the realistic development capacity of each site based on local development trends and/or proposed programs, and prepare a map showing all identified sites. We recommend safe and defensible assumptions to facilitate HCD approval and to avoid and minimize the no net loss risks.

Review sites for whether they affirmatively further fair housing. We will prepare an evaluation of the sites to determine how they meet the AFFH rule and will work with City staff to determine if the sites identified in the inventory are located throughout the community in a manner that has the ability to affirmatively further an increase in fair housing.

Non-vacant sites analysis. We will complete an analysis of non-vacant sites to address a portion of the RHNA. As part of this task, we will analyze the realistic development potential within the planning period by considering the extent that a non-vacant site's existing use impedes additional residential development, the jurisdiction's past experience converting existing uses to higher density residential development, market trends and conditions.

Analyze the local housing trends to establish site potential estimates. Anticipated and actual project densities will be used to the project and will substantiate assumed future development yields of proposed RHNA sites. This task assumes that City staff will document and compare the maximum zoning density to the actual project yield, including percentage and types of affordable units from development projects built, approved or under review during the 5th cycle period.

Infrastructure constraints analysis. With supporting GIS data provided by the City, we will work to determine if parcels included in the sites inventory have sufficient access to water, sewer, and dry utilities and adequate capacity to support housing development. This task assumes City staff will review existing General Plan programs or other mandatory programs or plans to secure sufficient water, sewer, and dry utilities supply and identify any potential limitations or constraints and improvements necessary to support housing development on the site. This task does not include technical studies or evaluation.

Opportunities and Resources. In collaboration with key City staff, the Project Team will review and update the site inventory in the 2015-2023 Housing Element as needed, taking into consideration development that has occurred since adoption of the current document as well as the adequate sites requirements under the numerous new state housing laws adopted since the last housing element.

Rezoning Analyses (If Needed). If rezoning is necessary to meet the RHNA obligations, we will work with city staff to identify potential areas for rezoning to maintain an adequate housing sites inventory throughout the eight-year planning period.

Task Deliverables:

- » MBI lead
- » Review and evaluation of relevant background materials
- » Memorandum summarizing proposed methodological approach, housing project potential and yield trends, assumptions, and initial site inventory results and recommended options
- » Administrative Draft Housing Sites Inventory chapter, list, and map
- » Rezoning analyses, if required

Task 3.4 - Affirmatively Furthering Fair Housing (AFFH)

We will prepare and incorporate a new appendix for the AFFH analysis. The federal AFFH rule requires the jurisdiction to take “deliberate action to explicitly address, combat, and relieve disparities resulting from past and current patterns of segregation to foster more inclusive communities.” Assembly Bill 686 extended this AFFH requirement to cities and counties in California. Cities must incorporate fair housing issues, analysis, goals, and actions when updating their housing element. As such, we will prepare an analysis of fair housing issues, identify contributing factors, develop goals and actions, and review prior goals and actions. Fair housing issues to be assessed include review of fair housing enforcement and capacity, segregation and integration, racially/ ethnically concentrated areas of poverty, access to opportunity, and disproportionate housing needs and displacement risk. Analysis will consider local and regional patterns and trends, and local data and knowledge gathered from effective community engagement.

We will review, assess, and integrate as appropriate the data and analyses from the City’s most current Analysis of Impediments to Fair Housing Choice. The Project Team has worked closely with HCD to fulfill the new and extensive AFFH guidance and HCD requirements.

Task Deliverables:

- » MBI lead
- » Review and evaluation of background materials
- » Administrative Draft AFFH appendix

Task 3.5 - Housing Constraints

We will identify potential governmental and non-governmental constraints to housing production, including environmental and infrastructural constraints. This analysis must contain a review of factors that may potentially constrain the development, improvement, and preservation of housing in Tracy. Factors to be reviewed include market, governmental, environmental, and infrastructural constraints.

We will update the City's existing Housing Element with new state law requirements. Additional impediments may be identified based on discussions with staff and stakeholders.

What's New?

The 6th cycle update will address new requirements for:

- AB 101 – Low Barrier Navigation Centers
- AB 139 – Parking standards for emergency shelters
- AB 2162 – Supportive housing meeting specific criteria and located with 0.5 mile from transit
- AB 1762, SB 1227, and AB 2345 – Density bonus
- SB 35 and objective development standards
- Compliance with transparency in development regulations

New Housing Element laws also require the assessment of non-governmental constraints, including NIMBYism, lending practices, shortage of labor, and other economic factors.

In addition, HCD has a new policy direction that requires jurisdictions to address the provision of large residential care for seven or more persons.

Task Deliverables:

- » VTA lead
- » Housing Constraints analysis

Task 3.6 – Housing Goals, Policies, and Quantified Objectives

Based upon the analyses and research conducted in the previous tasks, we will update the Housing Element. For each program included in the Housing Element, we will establish the timeframe for implementation, specific objectives, funding sources, and responsible agencies. The programs will satisfy requirements of Government Code Sections 65583(b) and (c).

What's New?

New State laws require the Housing Plan include specific programs:

- By-right approval of reuse sites if 20 percent is set aside for affordable housing
- Replacement housing for development on sites with existing uses
- Monitoring of no net loss
- Incentives to facilitate ADU development
- SB 35 and objective development standards

- AFFH meaningful actions to promote housing mobility, access to opportunity, reduce displacement, provide fair housing outreach and enforcement, and implement place-based neighborhood improvements.

Task Deliverables:

- » VTA lead
- » Housing Plan

Task 4 – Housing Element Preparation**Task 4.1 – Draft Housing Element**

We will prepare the following drafts: Administrative Draft for staff review; Public Review Draft for City Council Review; and HCD Review Draft.

What's New?

AB 215 passed in 2021 (effective January 1, 2022) changes the public review process for the Housing Element:

- *Draft Housing Element must be available for a 30-day review period prior to submitting to HCD for review*
- If comments are received, the City must take at least 10 business days to address the comments prior to submitting to HCD for review
- HCD review of the Draft Housing Element is extended to 90 days (from the 60-day review under old law)

Task Deliverables:

- » VTA and MBI
- » Public Review Draft Housing Element
- » HCD Review Draft Housing Element

Task 4.2 - Public Review Draft Study Session (1)

The Project Team will prepare and attend an in-person study session before the Planning Commission or City Council (or jointly) to obtain public input on the Public Review Draft Housing Element. The hearing will be held during the 30-day public review period and prior to the 90-day HCD review period. The presentation will summarize the purpose and content of the Housing Element, the process and input to date, key changes including any necessary rezoning and housing programs and will include opportunity for public comment. Our budget assumes the City will arrange for translation services if requested.

Task Deliverables:

- » VTA and MBI
- » Preparation of presentation for use at one (1) public meeting
- » Flyer in Spanish and English
- » Attendance at one in-person public meeting (Planning Commission, or City Council, or jointly)

Task 4.2 – Housing Element and HCD Review

HCD review of the Draft Housing Element is mandatory. During the review, we will work to address all HCD comments. We will communicate with HCD and facilitate review of the revisions via revised pages. All revisions made to the Draft Housing Element will be shown as tracked changes. The goal is to secure a Finding of Substantial Compliance on the Draft Element before proceeding to adoption. We have programmed our timeline to allow for two rounds of HCD review.

HCD review of the 6th cycle updates has been stringent and the Housing Element receives heightened attention from housing advocates and community groups. The constant changes to State law also necessitate revisions or changes in strategy. Due to the complexity of the 6th cycle update, HCD has indicated that most Housing Elements require a third round of review after adoption. Therefore, a contingency budget is included to accommodate additional revisions in the event that HCD and public comments are extensive and a third round of review is necessary.

Task Deliverables:

- » VTA and MBI
- » Preparation of revised Housing Element to address HCD comments

Task 4.3 – Public Hearings for Adoption

We will conduct two in-person public hearings before the Planning Commission and City Council for the adoption of the Housing Element.

Task Deliverables:

- » VTA and MBI
- » Preparation of presentation for use at public hearings
- » Flyer in Spanish and English
- » Attendance at in-person public hearings

Task 4.4 – State Certification

After adoption, the Housing Element must be submitted to HCD for its final review (60 days). We will follow through with assisting the City in achieving State certification of the Housing Element. Our proposed schedule is intended to give the City the best chance of completing the certification process within the 120-day grace period of the statutory deadline. This task assumes an HCD letter of substantial compliance on the Final Draft for adoption. We included a contingency budget to address final technical revisions that HCD may require for adoption. This scope does not include revisions or amendments if re-adoption of the housing element is required.

What's New?

AB 1398 passed in 2021 changes the requirements of the Housing Element regarding timeline for rezoning. Housing Element is due within 120-day from the statutory deadline. This 120-day period is commonly known as the “grace period.” Prior to AB 1398, the Housing Element must be adopted within the grace period or jurisdictions are subject to a four-year mid-term update requirement. AB1398 eliminated the four-year mid-term penalty and instead focuses on making jurisdictions complete the necessary rezoning to accommodate the RHNA as soon as possible. Under AB 1398, a jurisdiction must achieve substantial compliance status within the grace period to have three years to complete the rezoning. If the City is unable to achieve compliance status within the grace period, it only gets one year to complete the necessary rezoning for RHNA.

Task Deliverables:

- » VTA and MBI
- » Submittal of City adopted Housing Element to HCD for final 60-day review and certification
- » Coordination with HCD and City staff to discuss and address any remaining technical comments and revisions to obtain certification
- » One set of final revisions to address final technical comments from HCD during the 60-day review period

Task 5 – CEQA**Task 5.1 CEQA Initiation & Project Description**

The Project Team recommends a Kickoff Meeting (via Zoom or Microsoft Teams) with the City to discuss the environmental constraints and considerations for the project. The Kickoff Meeting will be conducted to initiate the work effort, discuss the project's key environmental considerations, review the project schedule, and confirm local CEQA processes.

Following the project Kickoff Meeting, The Project Team will prepare a draft project description for the proposed project for review and comment by City staff. This can begin when the sites analysis is near completion, and the nature and extent of any necessary rezoning can be determined.

This will allow a preliminary evaluation of potential impacts and determination of the appropriate CEQA documentation. After receiving comments and making the appropriate changes, we will submit a revised version of the project description, which will be the basis for the project's environmental analysis.

There is no “one size fits all” approach to CEQA compliance for Housing Element updates. The Project Team will work collaboratively with City staff to outline the best path forward based on the overall objectives of the City. Considerations will include:

- » Extent of rezoning actions to accommodate the RHNA allocation
- » Nature and scope of available planning documents, including the General Plan EIR, prior cycle Housing Element approvals, or recent major development project evaluations
- » Desired utility of CEQA process to streamline future housing approvals
- » Feasibility of meeting state schedule mandates

Once our team completes document reviews and addresses other considerations outlined above with City staff, we will provide a CEQA Strategy Memorandum that details the CEQA compliance path, key data needs to meet milestones, and a proposed scope and budget.

CEQA compliance costs and timelines could range from \$25,000 and three months for an Addendum to the previously certified Environmental Impact Report (EIR), to approximately \$250,000 and 12 months if a new EIR is required. If impacts can be avoided via mitigation, a Mitigated Negative Declaration (MND) could potentially be a “middle ground” solution. Our team would discuss and agree upon this refined effort, scope, and budget required to complete the CEQA review process with the City prior to initiating any work.

Task Deliverables:

- » MBI lead
- » Meeting with City staff
- » Draft and Final Project Description
- » Review and Analysis of existing CEQA documents
- » CEQA Strategy Memorandum
- » Proposed scope and fee for agreed upon approach

Exhibit B

	Task	\$	Tam	Vander	Neut	Bueno/	Power	Other	VTA Total	Barrall/	Shannon/	Tech	Other	Michael	Baker	Project Total
			200	\$ 140	\$ 120					Wery	Peterson	Kreitman				
Task 1:	Project Management and Coordination															
Task 1.1:	Project Kickoff Meeting (Virtual)	4	2	4					\$ 1,560	4	2	4			\$ 1,620	\$ 3,180
Task 1.2:	Project Management, Coordination, and Quality Control	48							\$ 9,600	40					\$ 8,600	\$ 18,200
Task 2:	Community Outreach and Engagement															
Task 2.1:	Outreach Materials	8							\$ 1,600	8			24		\$ 4,600	\$ 6,200
Task 2.2:	Joint Planning Commission/City Council Study Session (1)	8		4		\$ 500			\$ 2,580	8			2	\$ 500	\$ 2,460	\$ 5,040
Task 2.3:	Online Housing Needs Survey	4		40					\$ 5,600						\$ -	\$ 5,600
Task 2.4:	Stakeholder Interviews (up to 15 interviews)	8							\$ 1,600	8		40			\$ 6,520	\$ 8,120
Task 2.5:	Community Workshop (Virtual)	8		12					\$ 3,040	8		8	6		\$ 3,400	\$ 6,440
Task 3:	Research and Analysis															
Task 3.1:	Evaluation of the 2015-2023 Housing Element	4		24					\$ 3,680						\$ -	\$ 3,680
Task 3.2:	Needs Analysis	12	12	80					\$ 13,680						\$ -	\$ 13,680
Task 3.3:	Housing Resources and Opportunities	16							\$ 3,200	16	20	60	30		\$ 17,040	\$ 20,240
Task 3.4:	Affirmatively Furthering Fair Housing	4		8					\$ 1,760	8	10	70	40		\$ 16,320	\$ 18,080
Task 3.5:	Housing Constraints	8	80	12					\$ 14,240						\$ -	\$ 14,240
Task 3.6:	Housing Goals, Policies, and Quantified Objectives	16	16	8					\$ 6,400	8					\$ 1,720	\$ 8,120
Task 4:	Housing Element Preparation															
Task 4.1:	Draft Housing Element	16	40	20					\$ 11,200	8	8	20	4		\$ 5,720	\$ 16,920
Task 4.2:	Public Review Draft Study Session (1)	8		4	\$ 500				\$ 2,580	8				\$ 500	\$ 2,220	\$ 4,800
Task 4.3:	Housing Element and HCD Review	20	24	24					\$ 10,240	20		24	20		\$ 9,580	\$ 19,820
Task 4.4:	Public Hearings (2)	16		8	\$ 1,000				\$ 5,160	16	8			\$ 1,000	\$ 5,560	\$ 10,720
Task 4.5:	State Certification	2	8						\$ 1,520	2			8		\$ 1,390	\$ 2,910
Task 5:	CEQA Initiation															
Task 5.1:	CEQA Initiation and Project Description	2							\$ 400	12	40				\$ 8,180	\$ 8,580
	Required CEQA Documentation (to be determined)															
	Total	212	182	248	2,000	99,640	174	88	234	126	2,000	94,930	\$ 194,570			
	Contingency for HCD Review after Adoption															\$ 15,000

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022-_____

APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH VERONICA TAM & ASSOCIATES, INC. FOR THE HOUSING ELEMENT UPDATE PROJECT

WHEREAS, In accordance with California Government Code Section 65588, the General Plan Housing Element shall be periodically reviewed and revised, the next update, of which is due by December 31, 2023; and

WHEREAS, On December 14, 2021, the Development Services Department published a Request for Proposals for the Housing Element Update project and two timely proposals were submitted for City review; and

WHEREAS, The proposal submitted by Veronica Tam & Associates, Inc. (VTA) best meets the City's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the Housing Element Update project; and

WHEREAS, The proposal from VTA includes an estimated cost of \$209,570; and

WHEREAS, These consultant costs will be paid by funds from State grants recently awarded to the City: SB 2, Local Early Action Planning, and Regional Early Action Planning grants; and now, therefore; be it

RESOLVED: That the Tracy City Council of the City of Tracy hereby approves the Professional Services Agreement with Veronica Tam & Associates, Inc. for the Housing Element Update project as indicated in Attachment A.

* * * * *

The foregoing Resolution 2022-_____ was passed and adopted by the Tracy City Council on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of the
City of Tracy, California

June 7, 2022

AGENDA ITEM 1.F

REQUEST

ADOPT THE FOLLOWING RESOLUTIONS: (1) INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENTS AND ORDERING PREPARATION OF AN ENGINEER'S REPORT FOR THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT PURSUANT TO THE PROVISIONS OF THE LANDSCAPING AND LIGHTING ACT OF 1972 FOR FISCAL YEAR 2022/2023, (2) APPROVING THE PRELIMINARY ENGINEER'S REPORT REGARDING THE PROPOSED LEVY AND COLLECTION OF ASSESSMENTS FOR THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT PURSUANT TO THE PROVISIONS OF THE LANDSCAPING AND LIGHTING ACT OF 1972 FOR FISCAL YEAR 2022/2023, AND (3) DECLARING THE CITY OF TRACY'S INTENTION TO LEVY ANNUAL ASSESSMENTS FOR THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT FOR FISCAL YEAR 2022/2023 AND SETTING A PUBLIC HEARING ON JULY 5, 2022 AT 7:00 PM TO CONSIDER THE SAME IN ACCORDANCE WITH THE LANDSCAPING AND LIGHTING ACT OF 1972

EXECUTIVE SUMMARY

Each year, the City Council is required to review and consider approval of the Tracy Consolidated Landscape Maintenance District (District) Engineer's Report for the new fiscal year. The approval process consists of two steps: (1) the actions being requested herein; and (2) schedule a Public Hearing for July 5, 2022, where the City Council will be asked for final approval of the Engineer's Report and to authorize the levying and collection of special assessments needed to maintain the LMD's landscaping and related appurtenances in the new fiscal year.

Expenditures for Fiscal Year 2022/2023 are estimated to be \$4,380,599, including regular maintenance and capital improvement projects. The total revenues are broken down in the following manner: levying of assessments and use of LMD reserves is estimated to be \$4,259,043; \$20,000 from the Drainage Fund to cover a portion of the costs for channel way/bike path landscape improvements; and \$119,000 from General Fund for improvements and maintenance that are largely of general benefit.

DISCUSSION

The purpose of this annual agenda item is for the City Council to consider and adopt the three resolutions presented which will initiate proceedings to allow the City to: (1) proceed with the annual levy of assessments for the fiscal year commencing July 1, 2022 and ending June 30, 2023; (2) approve the preliminary Engineer's Report; and (3) set a public hearing date for July 5, 2022 at which time the City Council will consider public testimony before taking the necessary actions to finalize the assessments for fiscal year 2022/2023.

ASSESSMENT LEVIES

Maximum assessment rates were previously approved by the District's property owners during district formations. Although maximum rates were approved, the assessments levied for the 41 assessable zones are based upon whether the needs of each zone warrant the levying of the *maximum* approved rates or a lesser rate.

It is recognized that the cost of maintaining the improvements increases slightly each year because of inflation. Therefore, in order to offset inflationary increases that affect service costs to the District, assessments include a formula for increasing the *maximum* assessment rates for each future fiscal year¹. These annual increases have not been sufficient to keep up with the cost of services. This has resulted in a reduction in service levels in some zones, and an inability to perform needed renovations or amenity improvements/replacements in various zones. On average, for the entire District, it has been almost 25 years since rates have been increased beyond the annual inflationary rate increases.

The annual inflationary rate increase allows the *maximum* rates to be increased by three percent or the percentage increase of the Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose Area Region, whichever is less. The District's assessment formula complies with Government Code Section 54954.6 (a), and was approved by the City Council and the original District Property Owners. The percentage difference for the CPI applicable for the period of June 2020 to June 2021 was 3.15%. The Engineer's Report states that the Maximum Assessments may be increased by the lesser of 3% or CPI. Therefore, the *maximum assessment* rates allowed for Fiscal Year 2022/2023 will be adjusted by 3% over the prior year's maximum assessment rates. Although inflationary rates may be applied to the *maximum* voter-approved rates, *only the assessment amount* needed for maintenance will be levied.

Note: To increase the rates beyond the existing maximum rates, with the exception of inflationary increases, requires a vote of the property owners within each zone, per Proposition 218.

Based upon the estimated costs and expenditures to maintain the long and short-term landscaping and improvements within the District, staff recommends approval of the assigned assessment rates found in Part II ("Estimate of Costs") of the Engineer's Report for fiscal year 2022/2023. Of the 41 assessable zones, 26 zones will be assessed the maximum assessment rates allowed for Fiscal Year 2022/2023 due to operational needs including use of reserves for insufficient annual funding to cover basic maintenance costs and/or due to increased capital spending; seven zones will be assessed at a level below their maximum rate due to lower operating costs; and eight zones will not be assessed due to a Home Owners Association providing maintenance, adequate reserves, no improvements, or the zone providing a general benefit to the City of Tracy.

¹ This does not necessarily mean that the inflated rate will be levied. The assessments levied will be based upon the estimated costs of maintenance.

STRATEGIC PLAN

This agenda item is a routine operational item and does not relate to the Council's Strategic Plan.

FISCAL IMPACT

Revenue for operations, maintenance and capital replacement in the District is proposed to be from the following sources:

Assessments	\$3,759,043
Drainage Fund	\$ 20,000
General Fund	\$ 119,000
Zone Capital Reserves	<u>\$ 480,168</u>
Grand Total	\$4,378,211

The total expenditures for the LMD for Fiscal Year 2022/2023 are estimated to be \$4,380,599.

RECOMMENDATION

It is recommended that the City Council adopt a resolution: (1) initiating procedures for the levy and collection of assessments for the fiscal year 2022/2023; (2) approving the Preliminary Engineer's Report, and (3) declaring the City's intention to levy and collect assessments and setting a public hearing for Tuesday, July 5, 2022, at 7:00 P.M. to discuss this same item before taking final action.

At the Public Hearing, the City Council shall hear all public testimony regarding the District and assessments before taking final action to approve the levy of assessments.

Prepared by: Robin Kloepfer, Management Analyst II

Reviewed by: Don Scholl, Director of Public Works
Karin Schnaider, Director of Finance
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENTS

Attachment A – FY 22/23 Preliminary Engineer's Report



CITY OF
TRACY
Think Inside the Triangle™ CALIFORNIA

CITY OF TRACY
PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2022-23
CONSOLIDATED LANDSCAPE MAINTENANCE
DISTRICT

June 2022



Harris & Associates

Prepared by

Harris & Associates

1401 Willow Pass Road, Suite 500
Concord, CA 94520
www.weareharris.com

ENGINEER'S REPORT FOR
FISCAL YEAR 2022-23
CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT
City of Tracy
State of California

APPROVED BY THE CITY COUNCIL FOR THE CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT OF THE CITY OF TRACY, STATE OF CALIFORNIA ON THE _____ DAY OF _____.

ADRIANNE RICHARDSON
CITY CLERK
CITY OF TRACY

TABLE OF CONTENTS

Table of Contents

Introduction	1
Impacts of Proposition 218	2
Statement of Assessment Engineer	3
Part I – Plans and Specifications	5
Part II – Estimate of Costs	10
Part III – Quantification of Benefit	55
Part IV – Method of Assessment	56
Part V – Assessment Diagram	60
Part VI – Assessment Roll	61

Appendices

Appendix A – Improvement Areas by Zone
Appendix B – Consolidated Landscape Maintenance Map
Appendix C – Assessment Roll

INTRODUCTION

The City of Tracy (the "City"), is the second most populated city in San Joaquin County. The City population is approximately 95,000. Tracy is located inside a geographic triangle formed by Interstate 205 on the north side, Interstate 5 to the east, and Interstate 580 to the southwest; this has given rise to Tracy's motto, now recorded on the City's website: "Think Inside the Triangle".

Prior to Fiscal Year 2003-04, the City levied and managed three individual landscape maintenance districts identified as:

- Tracy Landscape and Lighting Assessment District 8501 formed in 1985;
- Tracy Landscape and Lighting Assessment District 8801 formed in 1988; and,
- Tracy Landscape and Lighting Assessment District 9802 formed in 1998.

Each of these original districts was formed with various Zones, and with specific areas of improvement. The parcels receiving benefit from those improvements have been assessed the costs of maintaining those improvements. At that time, the three original districts included thirty (30) different Zones. Each Zone included specific improvements that were installed as a condition of approval and the Zone improvements were maintained for the benefit of those properties.

In Fiscal Year 2003-04 the City consolidated the three existing districts into a single district pursuant to Section 22605 (d) of the 1972 Act and established the Tracy Consolidated Landscape Maintenance District. As part of the consolidation, the improvements associated with various Zones were closely evaluated and it was determined that in some areas, the special benefits to properties could be more refined by expanding the existing thirty (30) Zones to thirty-seven (37) Zones.

Several annexations have taken place over the subsequent years and there are now 41 Zones within the District. Each annexation was made pursuant to the 1972 Act and the substantive and procedural requirements of the Proposition 218.

As required by the Landscaping and Lighting Act of 1972, this Engineer's Report describes the improvements to be constructed, operated, maintained and serviced by the District, provides an estimated budget for the District, and lists the proposed assessments to be levied upon each assessable lot or parcel within the District. Following the approval of the preliminary report, either as submitted or as modified, the City Council will hold a Public Hearing to provide an opportunity for any interested person to be heard. All property owners must be noticed in accordance with Section 22626 of the Streets and Highways Code prior to the Public Hearing. At the conclusion of the Public Hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed or as modified.

Following the adoption of this resolution, the final assessor's roll will be prepared and filed with the County Tax Collector's office to be included on the FY 2022-23 tax roll.

IMPACTS OF PROPOSITION 218

On November 5, 1996 California voters approved Proposition 218 entitled "Right to Vote on Taxes Act" which added Article XIIIID to the California Constitution. While its title refers only to taxes, Proposition 218 establishes new procedural requirements for the formation and administration of assessment districts. Proposition 218 also requires that with certain specified exceptions, which are described below, all existing assessment districts must be ratified by the property owners within the District using the new procedures.

Some of these exceptions include:

- 1) Any assessment imposed exclusively to finance the capital cost or maintenance and operation expenses for streets.
- 2) Any assessments levied pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed.

However, even if assessments are initially exempt from Proposition 218, if the assessments are increased in the future, the City will need to comply with the provisions of Proposition 218 for that portion of the increased assessment unless the increase in assessment was anticipated in the assessment formula (e.g., CPI increase).

Proposition 218 does not define this term "streets", however, following the passage of Proposition 218 based on conversations with other public agency officials, attorneys, assessment engineers and Senate Bill 919, we determined that "streets" include all public improvements located within the street right-of-way. This would include median and parkway landscaping, traffic signals, safety lighting and street lighting.

It was also determined that if assessments were imposed as a condition of development and property owners agreed to the imposition of assessments and subsequently signed a development agreement confirming so, then this would suffice for the requirement of signing a petition.

The more difficult question arose in those situations where the levy of assessments was imposed as a condition of approval for land development or subdivision where the property owner did not enter into a development agreement. In those cases, if the landscape, park, or street light facilities and the resulting assessment were a condition of the land development or subdivisions approval and the property owner acquiesces to the levy of assessment, it is reasoned that this was a functional equivalent of giving express consent or signing a petition requesting the imposition of the assessment. Even the Howard Jarvis Taxpayers' Association seems to tacitly support this conclusion in its "Statement of Drafters' Intent". When discussing the exemption for existing assessments imposed pursuant to a petition, the taxpayers' association said:

"This provision exempts most land secured financing arrangements used by developers."

Clearly acceptance of a condition of approval of a development or subdivision which requires that imposition of assessments is a common form of land secured financing used by developers to fund street lighting or landscape maintenance.

STATEMENT OF ASSESSMENT ENGINEER

Statement of Assessment Engineer

AGENCY: CITY OF TRACY

PROJECT: CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT

TO:
THE CITY COUNCIL
CITY OF TRACY
STATE OF CALIFORNIA

ENGINEER'S REPORT FOR FISCAL YEAR 2022-23

The preparation of this Annual Engineer's Report ("Report") is in conformance with the obligation of the City Council for the Consolidated Landscape Maintenance District of the City of Tracy to provide landscape maintenance services upon each lot or parcel of land in the district in proportion to the estimated benefit to be received by each such lot or parcel of land for Fiscal Year 2022-23.

Pursuant to the Landscaping and Lighting Act of 1972 (Part 2 Division 15 of the Streets and Highways Code of the State of California, commencing with Section 22500) ("Act"), Article XIID, Section 4(a) of the State of California Constitution, and in accordance with the City of Tracy's Resolution being adopted by the City Council for the Consolidated Landscape Maintenance District on the 7th day of June, this Report has been ordered for:

CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT

(Hereinafter referred to as the "District"),

I, Alison Bouley, authorized representative of the District, the duly appointed Assessment Engineer submit the following Report which consists of the following six (6) parts and Appendices:

PART I

Plans and Specifications: Plans and specifications for the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk and are incorporated herein by reference.

PART II

Estimate of Cost: An estimate of the costs of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk and incorporated herein by reference.

PART III

Quantification of Benefit: The quantification of benefit identifies, separates and quantifies the general and special benefits received by each parcel in the District, for the services received and the improvements provided.

PART IV

Method of Assessment: The method of assessment indicates the proposed levy of the net amount of the costs and expenses of the improvements to be levied upon the parcels of land within the District, in proportion to the estimated benefits to be received by such parcels.

PART V

Assessment Diagram: The diagram of the district and zone boundaries showing the exterior boundaries of the Assessment District and all Zones, and the lines and dimensions of each lot or parcel of land within the Assessment District. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of San Joaquin for the fiscal year to which this Report applies. The Assessor's maps and records are incorporated by reference herein and made part of this Report. Appendix A describes the Improvement Areas of the District by Zone. Appendix B provides the Consolidated Landscape Maintenance District Map.

PART VI

Assessment Roll: An assessment of the estimated cost of the improvements on each benefiting lot or parcel of land within the District. The proposed Assessment Roll using the Fiscal Year 2021-22 assessment rates are included in this Report as Appendix C.

Appendices

Appendix A – Improvement Areas by Zone

Appendix B – Consolidated Landscape Maintenance District Map

Appendix C – Assessment Roll

In conclusion, it is my opinion that the costs and expenses of the District have been assessed to the lots and parcels within the boundaries of the District in proportion to the estimated benefits to be received by each lot or parcel from the services provided.

DATED this ____ day of _____, 2022



Alison Bouley, P.E., Assessment Engineer
R.C.E. No. C61383
Engineer of Work

PART I – PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF TRACY
CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT
FISCAL YEAR 2022-23**

The District assessments provide for the continued maintenance, servicing, administration and operation of specific landscaped areas and associated appurtenances for each of the forty-one (41) Zones in the District. It has been determined that the assessed parcels within each Zone receive special benefits from various landscape improvements that may include, but are not limited to: ground cover, turf, shrubs, trees, irrigation systems, drainage and electrical systems, masonry walls or other fencing, entryway monuments or other ornamental structures, recreational equipment, hardscapes and any associated appurtenances within medians, parkways, dedicated easements, channel-ways, parks or open space areas within each Zone. Services provided include the necessary operations, administration, and maintenance required to keep the improvements in a healthy, vigorous, and satisfactory condition or are necessary or convenient for the maintenance of the improvements. The continued maintenance of these improvements shall be budgeted and reviewed each fiscal year and fully or partially funded through the annual assessments. A listing of the improvement areas for each Zone is shown in Appendix A.

All assessable parcels identified as being within each Zone share in both the cost and the benefits of the improvements. The costs and expenses associated with the improvements in each Zone are equitably spread among all benefitting parcels within that Zone and only parcels that receive special benefit from the improvements are assessed in proportion to benefit received. The funds collected from the assessments are dispersed and used for the services and operations provided within the District. Properties receive the following special benefits from the District landscape improvements:

- Enhanced desirability of properties through association with the improvements and the aesthetic value of green space within the area.
- Improved aesthetic appeal of properties providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, dust and debris control and reduced noise and air pollution.
- Reduced vandalism and criminal activity resulting from well-maintained surroundings and amenities.
- The special enhancements of the properties that results from the above benefits.

The proposed budgets and maintenance costs for various Zones may include the following long-term cyclical maintenance programs:

1. Tree Maintenance Programs (Arterial, Parkway Street and Park Tree Maintenance);
2. Streetscape Revitalization and Rehabilitation Program and;
3. Park Rehabilitation and Renovation Program.

The total amount to provide these programs in each Zone where these services apply is greater than can be conveniently raised from a single annual assessment and the estimated costs of these programs for each Zone shall be raised and collected in installments as part of the annual assessments. The individual Budget pages for each Zone detail the amounts collected and/or expended each year.

The City developed these programs to fund periodic and programmed maintenance, renovation, rehabilitation, replacement and revitalization of District improvements. The City has carefully reviewed each of the associated program costs and the corresponding collection of funds has been proportionately spread to each parcel based on special benefits received from the services to be rendered within their Zone over an extended period.

Tree Maintenance Program

The Tree Maintenance program may include both routine and emergency maintenance for the District trees, whether those trees are along streets or within parks. In the Zones assessed for this program, the following may apply:

1. Parkway street-tree maintenance, targets the trees associated with individual properties within the District installed by the City or developer that are located in the public right-of-way or City easement which the District is responsible for maintaining. This program addresses two specific maintenance issues:
 - Regular trimming and pruning of the street-trees. This program is designed to trim and prune all street-trees within the applicable Zones on a five to seven year rotation or as needed to ensure the health and growth of the trees.
 - Removal and replacement of the street-trees. The program provides for the removal and replacement of damaged or diseased trees as needed, or removal of trees whose growth has, or will potentially cause damage to existing structures such as underground utilities or sidewalks. This program may also include the replacement or repair of surrounding City improvements as needed.
2. Arterial-tree maintenance, targets the trees associated with the parkways and medians on the arterial streets adjacent to or surrounding the Zones. Similar to the parkway street-tree program, this program addresses two specific maintenance issues:
 - Regular trimming and pruning of the arterial-trees, which includes trimming and pruning of the arterial-trees as needed to ensure the health and growth of the trees.
 - Removal and replacement of the arterial-trees, including the removal or replacement of damaged or diseased trees as needed, or removal of trees whose growth has or will potentially cause damage to existing landscape improvements, sidewalks or curbs. This program may include replacement or repair of surrounding City improvements as needed.
3. Park-tree maintenance, targets the trees within the various Parks of the District/Zones. Similar to the parkway and arterial street-tree program, this program addresses two specific maintenance issues:
 - Regular trimming and pruning of the Park-trees, which includes trimming and pruning of the trees as needed to ensure the health and growth of the trees.

- Removal and replacement of the Park-trees, including the removal or replacement of damaged or diseased trees, or removal of trees whose growth has or will potentially cause damage to existing landscape improvements, sidewalks or curbs. This program may include the replacement or repair of surrounding City improvements as needed.

Assessments for the tree maintenance program shall be collected from only those parcels and Zones identified as receiving special benefit from each of the specific services provided. Each parcel within the District that benefits from the various tree maintenance services is assessed on an annual installment basis to meet its proportional share of the cost and expenses associated with the tree maintenance, which is planned every five to seven years, depending upon Zone funding availability.

Streetscape Revitalization and Rehabilitation Program

The Streetscape Revitalization and Rehabilitation program includes, but is not limited to the following and may include routine or emergency maintenance.

1. Removal or replacement of existing dead/dying plant materials within the medians and parkway-landscaped areas.
2. Removal of existing plant materials and replacement with new plant material or non-plant materials within the medians and parkway-landscaped areas.
3. Upgrades or renovation to the irrigation or drainage systems, electrical systems or water meters, hardscape improvements associated with the landscaping such as confirmed City sound walls, walking paths, soil and stamped concrete.

Assessments for the streetscape program shall be collected from only those parcels and Zones identified as receiving special benefit from parkway and median landscaped areas. Each parcel within the District that benefits from the streetscape revitalization and rehabilitation services is assessed on an annual installment basis to meet its proportional share of the cost and expenses associated with the program, which is planned every ten years. This program is designed to ensure the long-term maintenance of all streetscape landscaping within the District.

Park Rehabilitation and Renovation Program

There are specific costs associated the annual and regular maintenance of park improvements and facilities which are included in the annual maintenance expenses of those Zones that benefit from the parks associated with that Zone. However, the cost of periodically repairing, replacing, and upgrading the landscaping and facilities within these parks cannot be reasonably collected in a single annual assessment. Therefore, the City has established a long-term park rehabilitation and renovation program that includes the design repair and reconstruction of parks within the District.

The program anticipates revitalization design in the 13th year of a park's life, with the revitalization occurring in the 15th year. Each parcel within the District that benefits from the park rehabilitation and renovation services is assessed on an annual installment basis to meet its proportional share of the cost and expenses associated with the program. However, with current inflation rates, the majority of Zones are unable to keep up with the accelerating maintenance costs.

The costs of providing for the annual and regular maintenance of the landscape improvements as well as the long-term maintenance programs for the District have been identified as a special benefit to properties within the District. Although the location of the improvements may be visible to properties outside the District or to the public at large, the improvements have been installed and are maintained for the benefit of properties within the District. As such, there is no quantifiable general benefit from the improvements to persons or properties outside the District. The portion of the costs associated with the maintenance of the Channel-ways and the landscaped areas on Eleventh Street, generally between Lammers Road and the Railroad Tracks east of Corral Hollow Road, benefit both properties within the adjacent Zones as well as properties that are not within the District and it has been determined that the City will contribute funds to the District for the maintenance of these areas.

The assessments and Method of Assessment described in this Report utilize commonly accepted assessment engineering practices and have been established pursuant to the 1972 Act and the provisions of Proposition 218. The assessment amount for each Zone is based only on the services and improvements associated with that Zone. All assessments are apportioned based upon the special benefit received by the properties within each Zone and are over and above any general benefit conferred on the public at large. Any new or increased assessments will be subject to the substantive and procedural requirements of Proposition 218. Property owner ballot proceedings are not required if the proposed annual assessment rate is less than or equal to the maximum assessment rate previously approved for each of the Zones.

In any given fiscal year, if the assessment revenue will not allow for full maintenance service in a particular Zone, City staff will determine the scope of work to be performed, and any necessary reductions in the scope of work will likely include, but not be limited to, the reduction or elimination of the long-term renovation and rehabilitation programs and some or all of the following:

Turf Areas

- Reduced frequency of mowing and edging turf areas. Full scope includes mowing and edging turf areas regularly.
- No fertilization. Full scope includes fertilization multiple times a year. Limited/elimination of weed control.
- Limited/elimination of aeration.

Ground Cover/Shrub Areas

- Limited/elimination of emergent weed control. No fertilization.
- Limited/elimination of mowing or removal of dead plants and leaves.
- Limited/elimination of vine trimming.

General Landscaping

- Limited/elimination of removal of tree stakes and ties. Limited/elimination of trash pick-up in landscaping areas.
- Limited/elimination of weed and litter control for gutters, curbs, parking lots and walkways and adjacent to contract areas.
- Administration and operations of the landscaping Zones.

The proposed assessments described in this Report are based on the estimated costs associated with the regular annual maintenance, operation and servicing of landscape improvements within each Zone. The total cost of these improvements are proportionately spread to only the properties within each respective Zone based on a method of apportionment that reflects the direct and proportional special benefits to each property. In addition to the regular annual maintenance of the landscape improvements, various Zone budgets include the collection of funds associated with specific long-term maintenance and rehabilitation programs identified as: Tree Maintenance Programs; Streetscape Revitalization and Rehabilitation Program; and Park Rehabilitation and Renovation Program. The funds collected for these programs are proportionally collected from only those Zones for which these programs are provided.

The word "parcel", for the purposes of this Report, refers to an individual property assigned its own Assessment Parcel Number by the San Joaquin County Assessor's Office. The San Joaquin County Auditor/Controller uses Assessment Parcel Numbers and specific Fund Numbers to identify, on the tax roll, properties assessed for special district benefit assessments.

PART II – ESTIMATE OF COSTS

The estimated costs of maintenance and servicing the improvements for the District as described in Part B, Plans and Specifications, for each Zone are summarized in the Zone budget tables on pages 13-53. A summary table of consolidated costs for all 41 Zones in the District is provided on page 54 of this Report.

The following is a description of the budget items including maintenance, replacement, power costs for supplying electrical energy for the illumination of the decorative lights, irrigation systems, City administrative and personnel services for the annual administration, San Joaquin County costs related to placing assessments onto the tax roll, and any Reserve collections.

Description of Budget Items

Personnel – 5100

- Field & Supervisory Personnel. The cost associated to City staff for providing non-scheduled repairs, graffiti removal, operations and maintenance of the improvements, etc. within the Zones.

Contracted Services – 5200

- Contracted Maintenance Contracts. Includes all regularly scheduled labor, material, e.g. fertilizer, insecticides, etc., and equipment required to properly maintain and ensure the satisfactory condition of all landscaping, irrigation and drainage systems, and appurtenant facilities.
- Utilities. The cost of water, sewer, and electrical utilities necessary to maintain improvements within the Zones.
- County Collection Fee. The cost to the Consolidated District for the County to collect the assessments on the property tax bills. Cost is the lesser of \$3.00 per parcel or 1% of the total amount placed onto the tax roll.
- LMD Administration. The costs of contracting with professionals to provide services specific to the levy administration, including preparation of the Engineer's Report, resolutions, and levy submittal to the County. These fees can also include any additional administrative, legal, or engineering services specific to the District such as the cost to prepare and mail notices of the public meeting and hearing.

Materials – 5300

- Supplies. Includes supplies to maintain or repair irrigation system, playgrounds, plant material, etc.

Capital Project – 5600

- Capital Improvement Projects. These costs include the long-term replacement costs of improvements that cannot be paid for during a single fiscal year. Funds are collected over several years to pay for replacement costs.

Overhead – 5900

- Business expense not chargeable to a particular part of the District (ex: insurance, etc.)

Internal Service - 5400

Indirect Costs. Incidental costs and expenses of the City associated with the operation and administration of the District and the cost of maintenance, services and incidentals not included above. (ex. vehicle or building maintenance)

Long-Term Cyclical Maintenance. Includes the following and will be reflected in the 5200 or 5300 category for the year the funds will be expensed.

- Streetscape Revitalization & Rehabilitation. This represents the zone's annual installment for participation in the Streetscape Revitalization and Rehabilitation program.
- Arterial Street Tree Maintenance. This represents the zone's annual installment for participation in the Arterial Street Tree Maintenance program.
- Street Tree Maintenance. This represents the zone's annual installment for participation in the Street Tree Maintenance program.
- Park Tree Maintenance. This represents the zone's annual installment for participation in the Tree Maintenance program, specific to Parks.
- Park Rehabilitation & Renovation. This represents the zone's annual installment for participation in the Park Rehabilitation and Renovation program.

Zone Reserve Adjustments. Each Zone has its own Reserve Fund and monies are used from the Reserve Funds to reduce assessment amounts to individual parcels or to contribute to the Zone Reserve Funds, whether Operating Reserves or Capital Reserves.

County Collection Fee. The cost to the Consolidated District for the County to collect the assessments on the property tax bills. Cost is the lesser of \$3.00 per parcel or 1% of the total amount placed onto the tax roll.

Capital Improvement Projects. These costs include the long-term replacement costs of improvements that cannot be paid for during a single fiscal year. Funds are collected over several years to pay for those replacement costs.

Zone Reserve Adjustments. Each Zone has its own Reserve Fund and monies are used from the Reserve Funds to reduce assessment amounts to individual parcels or to contribute to the Zone Reserve Funds, whether Operating Reserves or Capital Reserves.

Special Tax Support. Proceeds allocated to the City per Measure V, Special Transportation Tax, and Gas Tax that can be utilized for maintenance expenses in Zones where the City maintains the arterial, median and right-of-way landscaping.

General Fund Support. Represents the City's contribution to the Zones for any general benefit that the improvements within the Zones may have impact on other properties or the public at large.

Drainage Fund Support. Represents the City's contribution to the Zones for any channel way that the improvements within the Zones may have impact on other properties or the public at large.

Balance to Levy. This is the total amount to be levied and collected through assessments for the current fiscal year. It represents the sum of Total Expenses and Other Revenues subtracting the General Fund Support and the Drainage Fund Support.

Variance. A variance may be seen between the Levy per EDU and the Maximum Levy per EDU. The variance occurs because the Special Assessments required to meet expenses for the current fiscal year are below the maximum level. The Maximum Levy per EDU is based upon the total expenses for all improvements both existing and those planned for the future.

Total Parcels Levied. The total number of parcels within the Zones that will receive the special benefits during the current fiscal year.

Total EDUs. The total Equivalent Dwelling Units within the Zones applied to the parcels described above.

Proposed Levy per EDU. This amount represents the rate being applied to each parcel's individual EDU. The Levy per EDU is the result of dividing the "Special Assessment to Levy" by the Total EDUs of the Zones for the fiscal year. This rate is rounded to the nearest even pennies.

Maximum Levy per EDU. This is the rate per EDU approved by property owners within the Zone, in accordance with Proposition 218, adjusted for inflation as described in the Method of Apportionment. This rate is rounded to the nearest penny.

Budget Tables

Budget tables for each zone and a summary table for the District are presented on the following pages. The following footnotes apply to all the Budgets:

1. Direct Costs for 2023-24 and 2024-25 are equal to the current year's proposed amount plus 3% escalation to account for inflation. This is shown as an estimate only.
2. Administration Costs for 2023-24 and 2024-25 are equal to the current year's proposed amount plus 3% escalation to account for inflation, except for the County Collection Fee, which is equal to the lesser of \$3 per parcel or 1% of the levy amount.
3. Levy Adjustments for 2023-24 and 2024-25 are equal to the current year's proposed amount plus 3% escalation to account for inflation, except for the Zone Reserve Adjustments, which equals the amount necessary to maintain the assessment rate that is at or below the maximum allowable assessment rate for that year.
4. The Maximum Assessment Rate for 2023-24 and 2024-25 are equal to the current year's Maximum Assessment Rate, plus 3% escalation for inflation. The actual escalation rate is detailed on page 59 of this Report, Assessment Range Formula.
5. The Beginning Fund Balances shown on each Budget page includes both the Operating and Cyclical Reserve amounts, and are projections of the April 2022 year-to-date estimates.

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 1			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$11,138	\$11,472	\$11,816
Contracted Services - 5200	\$12,160	\$12,525	\$12,901
Materials - 5300	\$3,840	\$3,955	\$4,074
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$27,138	\$27,952	\$28,791
ADMINISTRATION COSTS²			
Overhead - 5900	\$2,134	\$2,198	\$2,264
Internal Services - 5400	\$3,401	\$3,503	\$3,608
County Collection Fee	\$416	\$429	\$442
TOTAL ADMINISTRATION	\$5,951	\$6,129	\$6,313
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$33,089	\$34,082	\$35,104
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$9,478	\$9,762	\$10,053
Special Tax Support	\$0	\$0	\$2
General Fund - 101	(\$422)	(\$435)	(\$448)
Storm Drain Fund - 101	(\$522)	(\$537)	(\$554)
TOTAL ADJUSTMENTS	\$8,534	\$8,790	\$9,054
Balance to Levy	\$41,623	\$42,872	\$44,158
Total Revenue at Maximum Rate	\$41,623	\$42,872	\$44,158
Variance above/(below) Maximum Revenue	\$0	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	294	294	294
Total Parcels Levied	294	294	294
Total EDUs	617.00	617.00	617.00
Total EDUs Levied	617.00	617.00	617.00
Proposed Levy per EDU	\$67.46	\$69.48	\$71.57
Max Levy per EDU ⁴	\$67.46	\$69.48	\$71.57
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$112,929	\$122,972	\$133,349
Reserve Fund Adjustment	\$9,478	\$9,762	\$10,053
Interest (0.5%)	\$565	\$615	\$667
Projected Reserve Fund Balance at End of Year	\$122,972	\$133,349	\$144,069

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 2			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$2,629	\$2,708	\$2,789
Contracted Services - 5200	\$10,170	\$10,475	\$10,789
Materials - 5300	\$2,434	\$2,507	\$2,583
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$15,233	\$15,690	\$16,161
ADMINISTRATION COSTS²			
Overhead - 5900	\$504	\$519	\$535
Internal Services - 5400	\$2,338	\$2,408	\$2,480
County Collection Fee	\$126	\$130	\$134
TOTAL ADMINISTRATION	\$2,968	\$3,057	\$3,148
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$18,201	\$18,747	\$19,310
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$4,974)	(\$5,123)	(\$5,277)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$642)	(\$662)	(\$681)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$5,616)	(\$5,785)	(\$5,958)
Balance to Levy	\$12,585	\$12,963	\$13,351
Total Revenue at Maximum Rate	\$12,585	\$12,963	\$13,351
Variance above/(below) Maximum Revenue	\$0	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	125	125	125
Total Parcels Levied	125	125	125
Total EDUs	125.00	125.00	125.00
Total EDUs Levied	125.00	125.00	125.00
Proposed Levy per EDU	\$100.68	\$103.70	\$106.81
Max Levy per EDU ⁴	\$100.68	\$103.70	\$106.81
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$19,446	\$14,570	\$9,519
Reserve Fund Adjustment	(\$4,974)	(\$5,123)	(\$5,277)
Interest (0.5%)	\$97	\$73	\$48
Projected Reserve Fund Balance at End of Year	\$14,570	\$9,519	\$4,290

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 3			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$119,402	\$122,984	\$126,673
Contracted Services - 5200	\$201,265	\$207,303	\$213,522
Materials - 5300	\$38,129	\$39,273	\$40,451
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$358,796	\$369,560	\$380,646
ADMINISTRATION COSTS²			
Overhead - 5900	\$22,876	\$23,562	\$24,269
Internal Services - 5400	\$162,200	\$167,066	\$172,078
County Collection Fee	\$4,307	\$4,437	\$4,570
TOTAL ADMINISTRATION	\$189,383	\$195,064	\$200,916
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$548,178	\$564,624	\$581,562
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$99,714)	(\$102,705)	(\$105,786)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$16,275)	(\$16,763)	(\$17,266)
Storm Drain Fund - 101	(\$1,453)	(\$1,497)	(\$1,542)
TOTAL ADJUSTMENTS	(\$117,442)	(\$120,965)	(\$124,594)
Balance to Levy	\$430,736	\$443,658	\$456,968
Total Revenue at Maximum Rate	\$430,736	\$443,658	\$456,968
Variance above/(below) Maximum Revenue	\$0	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	2,301	2,301	2,301
Total Parcels Levied	2,301	2,301	2,301
Total EDUs	2,878.87	2,878.87	2,878.87
Total EDUs Levied	2,878.87	2,878.87	2,878.87
Proposed Levy per EDU	\$149.62	\$154.11	\$158.73
Max Levy per EDU ⁴	\$149.62	\$154.11	\$158.73
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$339,047	\$241,029	\$139,529
Reserve Fund Adjustment	(99,714)	(102,705)	(105,786)
Interest (0.5%)	1,695	1,205	698
Projected Reserve Fund Balance at End of Year	\$241,029	\$139,529	\$34,440



City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 4			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$23	\$23	\$24
Contracted Services - 5200	\$200	\$206	\$212
Materials - 5300	\$4	\$4	\$4
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$226	\$233	\$240
ADMINISTRATION COSTS²			
Overhead - 5900	\$0	\$0	\$0
Internal Services - 5400	\$632	\$651	\$670
County Collection Fee	\$86	\$89	\$92
TOTAL ADMINISTRATION	\$718	\$740	\$762
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$945	\$973	\$1,002
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$7,701	\$7,932	\$8,170
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$6)	(\$6)	(\$6)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$7,695	\$7,926	\$8,164
Balance to Levy	\$8,640	\$8,899	\$8,899
Total Revenue at Maximum Rate	\$21,545	\$22,192	\$22,857
Variance above/(below) Maximum Revenue	(\$12,905)	(\$13,292)	(\$13,958)
DISTRICT STATISTICS			
Total Parcels	144	144	144
Total Parcels Levied	144	144	144
Total EDUs	144.00	144.00	144.00
Total EDUs Levied	144.00	144.00	144.00
Proposed Levy per EDU	\$60.00	\$61.80	\$61.80
Max Levy per EDU ⁴	\$149.62	\$154.11	\$158.73
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$8,015	\$15,756	\$23,767
Reserve Fund Adjustment	\$7,701	\$7,932	\$8,170
Interest (0.5%)	\$40	\$79	\$119
Projected Reserve Fund Balance at End of Year	\$15,756	\$23,767	\$32,055

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2022-23

Zone 5			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$0	\$0	\$0
Contracted Services - 5200	\$3,884	\$4,000	\$4,120
Materials - 5300	\$0	\$0	\$0
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$3,884	\$4,000	\$4,120
ADMINISTRATION COSTS²			
Overhead - 5900	\$0	\$0	\$0
Internal Services - 5400	\$0	\$0	\$0
County Collection Fee	\$0	\$0	\$0
TOTAL ADMINISTRATION	\$0	\$0	\$0
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$3,884	\$4,000	\$4,120
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$3,884)	(\$4,000)	(\$4,120)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$3,884)	(\$4,000)	(\$4,120)
Balance to Levy	\$0	\$0	\$0
Total Revenue at Maximum Rate	\$10,324	\$10,633	\$10,952
Variance above/(below) Maximum Revenue	(\$10,324)	(\$10,633)	(\$10,952)
DISTRICT STATISTICS			
Total Parcels	69	69	69
Total Parcels Levied	69	69	69
Total EDUs	69.00	69.00	69.00
Total EDUs Levied	69.00	69.00	69.00
Proposed Levy per EDU	\$0.00	\$0.00	\$0.00
Max Levy per EDU ⁴	\$149.62	\$154.11	\$158.73
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$22,518	\$18,747	\$14,841
Reserve Fund Adjustment	(\$3,884)	(\$4,000)	(\$4,120)
Interest (0.5%)	\$113	\$94	\$74
Projected Reserve Fund Balance at End of Year	\$18,747	\$14,841	\$10,795

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 6			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$0	\$0	\$0
Contracted Services - 5200	\$60	\$62	\$63
Materials - 5300	\$0	\$0	\$0
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$60	\$62	\$63
ADMINISTRATION COSTS²			
Overhead - 5900	\$0	\$0	\$0
Internal Services - 5400	\$436	\$450	\$463
County Collection Fee	\$0	\$0	\$0
TOTAL ADMINISTRATION	\$436	\$450	\$463
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$496	\$511	\$527
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$496)	(\$511)	(\$527)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$496)	(\$511)	(\$527)
Balance to Levy	\$0	\$0	\$0
Total Revenue at Maximum Rate	\$6,733	\$6,935	\$7,143
Variance above/(below) Maximum Revenue	(\$6,733)	(\$6,935)	(\$7,143)
DISTRICT STATISTICS			
Total Parcels	45	45	45
Total Parcels Levied	45	45	45
Total EDUs	45.00	45.00	45.00
Total EDUs Levied	45.00	45.00	45.00
Proposed Levy per EDU	\$0.00	\$0.00	\$0.00
Max Levy per EDU ⁴	\$149.62	\$154.11	\$158.73
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$13,187	\$12,757	\$12,310
Reserve Fund Adjustment	(\$496)	(\$511)	(\$527)
Interest (0.5%)	\$66	\$64	\$62
Projected Reserve Fund Balance at End of Year	\$12,757	\$12,310	\$11,845

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 7			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$95,862	\$98,738	\$101,700
Contracted Services - 5200	\$97,304	\$100,223	\$103,229
Materials - 5300	\$24,639	\$25,378	\$26,140
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$217,805	\$224,340	\$231,070
ADMINISTRATION COSTS²			
Overhead - 5900	\$18,373	\$18,924	\$19,492
Internal Services - 5400	\$75,352	\$77,613	\$79,941
County Collection Fee	\$2,368	\$2,439	\$2,512
TOTAL ADMINISTRATION	\$96,093	\$98,976	\$101,945
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$313,899	\$323,316	\$333,015
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$62,903)	(\$64,790)	(\$66,734)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$12,405)	(\$12,777)	(\$13,160)
Storm Drain Fund - 101	(\$1,807)	(\$1,861)	(\$1,917)
TOTAL ADJUSTMENTS	(\$77,115)	(\$79,428)	(\$81,811)
Balance to Levy	\$236,784	\$243,887	\$251,204
Total Revenue at Maximum Rate	\$236,784	\$243,887	\$251,204
Variance above/(below) Maximum Revenue	\$0	(\$0)	\$0
DISTRICT STATISTICS			
Total Parcels	1,172	1,172	1,172
Total Parcels Levied	1,172	1,172	1,172
Total EDUs	1,269.89	1,269.89	1,269.89
Total EDUs Levied	1,269.89	1,269.89	1,269.89
Proposed Levy per EDU	\$186.46	\$192.05	\$197.82
Max Levy per EDU ⁴	\$186.46	\$192.05	\$197.82
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$185,717	\$123,742	\$59,571
Reserve Fund Adjustment	(\$62,903)	(\$64,790)	(\$66,734)
Interest (0.5%)	\$929	\$619	\$298
Projected Reserve Fund Balance at End of Year	\$123,742	\$59,571	(\$6,865)

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 8			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$51,938	\$53,496	\$55,101
Contracted Services - 5200	\$24,859	\$25,605	\$26,373
Materials - 5300	\$8,582	\$8,839	\$9,104
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$85,379	\$87,941	\$90,579
ADMINISTRATION COSTS²			
Overhead - 5900	\$9,951	\$10,249	\$10,557
Internal Services - 5400	\$26,320	\$27,109	\$27,923
County Collection Fee	\$408	\$421	\$433
TOTAL ADMINISTRATION	\$36,679	\$37,779	\$38,913
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$122,058	\$125,720	\$129,492
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$76,562)	(\$78,859)	(\$81,225)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$2,578)	(\$2,655)	(\$2,735)
Storm Drain Fund - 101	(\$2,084)	(\$2,146)	(\$2,210)
TOTAL ADJUSTMENTS	(\$81,223)	(\$83,660)	(\$86,170)
Balance to Levy	\$40,835	\$42,060	\$43,322
Total Revenue at Maximum Rate	\$40,835	\$42,060	\$43,322
Variance above/(below) Maximum Revenue	\$0	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	219	219	219
Total Parcels Levied	219	219	219
Total EDUs	219.00	219.00	219.00
Total EDUs Levied	219.00	219.00	219.00
Proposed Levy per EDU	\$186.46	\$192.05	\$197.83
Max Levy per EDU ⁴	\$186.46	\$192.05	\$197.82
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	(\$225,208)	(\$301,770)	(\$380,629)
Reserve Fund Adjustment	(\$76,562)	(\$78,859)	(\$81,225)
Interest (0.5%)	\$0	\$0	\$0
Projected Reserve Fund Balance at End of Year	(\$301,770)	(\$380,629)	(\$461,853)

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 9			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$161,822	\$166,677	\$171,677
Contracted Services - 5200	\$121,066	\$124,698	\$128,439
Materials - 5300	\$26,738	\$27,540	\$28,366
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$309,626	\$318,915	\$328,483
ADMINISTRATION COSTS²			
Overhead - 5900	\$31,005	\$31,935	\$32,893
Internal Services - 5400	\$157,713	\$162,445	\$167,318
County Collection Fee	\$4,089	\$4,212	\$4,338
TOTAL ADMINISTRATION	\$192,807	\$198,591	\$204,549
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$502,433	\$517,506	\$533,031
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$73,562)	(\$75,769)	(\$78,042)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$16,154)	(\$16,639)	(\$17,138)
Storm Drain Fund - 101	(\$3,817)	(\$3,932)	(\$4,050)
TOTAL ADJUSTMENTS	(\$93,533)	(\$96,339)	(\$99,229)
Balance to Levy	\$408,900	\$421,167	\$433,802
Total Revenue at Maximum Rate	\$408,900	\$421,167	\$433,802
Variance above/(below) Maximum Revenue	\$0	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	2,369	2,369	2,369
Total Parcels Levied	2,369	2,369	2,369
Total EDUs	2,445.57	2,445.57	2,445.57
Total EDUs Levied	2,445.57	2,445.57	2,445.57
Proposed Levy per EDU	\$167.20	\$172.22	\$177.38
Max Levy per EDU ⁴	\$167.20	\$172.22	\$177.38
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	(\$349,225)	(\$422,786)	(\$500,669)
Reserve Fund Adjustment	(\$73,562)	(\$75,769)	(\$78,042)
Interest (0.5%)	\$0	(\$2,114)	(\$2,503)
Projected Reserve Fund Balance at End of Year	(\$422,786)	(\$500,669)	(\$581,214)

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 10			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$184,834	\$190,379	\$196,090
Contracted Services - 5200	\$84,797	\$87,341	\$89,961
Materials - 5300	\$30,540	\$31,456	\$32,400
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$300,171	\$309,176	\$318,451
ADMINISTRATION COSTS²			
Overhead - 5900	\$35,414	\$36,476	\$37,571
Internal Services - 5400	\$55,738	\$57,410	\$59,133
County Collection Fee	<u>\$2,205</u>	<u>\$2,271</u>	<u>\$2,339</u>
TOTAL ADMINISTRATION	\$93,357	\$96,158	\$99,042
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$393,527	\$405,333	\$417,493
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$154,890)	(\$159,537)	(\$164,323)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$10,234)	(\$10,541)	(\$10,857)
Storm Drain Fund - 101	<u>(\$7,927)</u>	<u>(8,165)</u>	<u>(8,409)</u>
TOTAL ADJUSTMENTS	(\$173,050)	(\$178,242)	(\$183,589)
Balance to Levy	\$220,477	\$227,091	\$233,904
Total Revenue at Maximum Rate	\$220,477	\$227,091	\$233,904
Variance above/(below) Maximum Revenue	\$0	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	316	316	316
Total Parcels Levied	316	316	316
Total EDUs	2,214.96	2,214.96	2,214.96
Total EDUs Levied	2,214.96	2,214.96	2,214.96
Proposed Levy per EDU	\$99.54	\$102.53	\$105.60
Max Levy per EDU ⁴	\$99.54	\$102.53	\$105.60
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	(\$13,669)	(\$168,559)	(\$328,939)
Reserve Fund Adjustment	(\$154,890)	(\$159,537)	(\$164,323)
Interest (0.5%)	<u>\$0</u>	<u>(\$843)</u>	<u>(\$1,645)</u>
Projected Reserve Fund Balance at End of Year	(\$168,559)	(\$328,939)	(\$494,906)

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 11			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$1,743	\$1,796	\$1,850
Contracted Services - 5200	\$883	\$910	\$937
Materials - 5300	\$0	\$0	\$0
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$2,626	\$2,705	\$2,786
ADMINISTRATION COSTS²			
Overhead - 5900	\$334	\$344	\$354
Internal Services - 5400	\$115	\$119	\$122
County Collection Fee	<u>\$18</u>	<u>\$19</u>	<u>\$19</u>
TOTAL ADMINISTRATION	\$467	\$481	\$496
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$3,094	\$3,187	\$3,282
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$861)	(\$887)	(\$914)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$426)	(\$439)	(\$452)
Storm Drain Fund - 101	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ADJUSTMENTS	(\$1,287)	(\$1,326)	(\$1,366)
Balance to Levy	\$1,807	\$1,861	\$1,917
Total Revenue at Maximum Rate	\$1,807	\$1,861	\$1,917
Variance above/(below) Maximum Revenue	\$0	(\$0)	\$0
DISTRICT STATISTICS			
Total Parcels	1	1	1
Total Parcels Levied	1	1	1
Total EDUs	18.15	18.15	18.15
Total EDUs Levied	18.15	18.15	18.15
Proposed Levy per EDU	\$99.54	\$102.53	\$105.60
Max Levy per EDU ⁴	\$99.54	\$102.52	\$105.60
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	(\$1,576)	(\$2,437)	(\$3,336)
Reserve Fund Adjustment	(\$861)	(\$887)	(\$914)
Interest (0.5%)	<u>\$0</u>	<u>(\$12)</u>	<u>\$0</u>
Projected Reserve Fund Balance at End of Year	(\$2,437)	(\$3,336)	(\$4,250)

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 12			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$19,101	\$19,674	\$20,264
Contracted Services - 5200	\$21,766	\$22,419	\$23,092
Materials - 5300	\$5,156	\$5,311	\$5,470
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$46,023	\$47,403	\$48,825
ADMINISTRATION COSTS²			
Overhead - 5900	\$3,659	\$3,769	\$3,882
Internal Services - 5400	\$30,718	\$31,640	\$32,589
County Collection Fee	\$1,016	\$1,047	\$1,078
TOTAL ADMINISTRATION	\$35,394	\$36,456	\$37,549
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$81,416	\$83,859	\$86,375
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$24,869	\$25,615	\$26,384
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$4,666)	(\$4,806)	(\$4,950)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$20,204	\$20,810	\$21,434
Balance to Levy	\$101,620	\$104,668	\$107,809
Total Revenue at Maximum Rate	\$144,698	\$149,039	\$153,510
Variance above/(below) Maximum Revenue	(\$43,078)	(\$44,370)	(\$45,701)
DISTRICT STATISTICS			
Total Parcels	102	102	102
Total Parcels Levied	102	102	102
Total EDUs	1,016.20	1,016.20	1,016.20
Total EDUs Levied	1,016.20	1,016.20	1,016.20
Proposed Levy per EDU	\$100.00	\$103.00	\$106.09
Max Levy per EDU ⁴	\$142.39	\$146.66	\$151.06
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$223,252	\$249,238	\$276,099
Reserve Fund Adjustment	\$24,869	\$25,615	\$26,384
Interest (0.5%)	\$1,116	\$1,246	\$1,380
Projected Reserve Fund Balance at End of Year	\$249,238	\$276,099	\$303,864

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2022-23

Zone 13		Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹				
Personnel - 5100		\$22,280	\$22,949	\$23,637
Contracted Services - 5200		\$32,387	\$33,359	\$34,359
Materials - 5300		\$5,681	\$5,852	\$6,027
Capital Projects - 5600		\$0	\$0	\$0
TOTAL DIRECT		\$60,349	\$62,159	\$64,024
ADMINISTRATION COSTS²				
Overhead - 5900		\$4,269	\$4,397	\$4,529
Internal Services - 5400		\$27,348	\$28,168	\$29,013
County Collection Fee		<u>\$1,334</u>	<u>\$1,374</u>	<u>\$1,415</u>
TOTAL ADMINISTRATION		\$32,951	\$33,939	\$34,957
LEVY ADJUSTMENTS³				
TOTAL DIRECT AND ADMIN COSTS		\$93,299	\$96,098	\$98,981
Capital Improvement Projects		\$0	\$0	\$0
Zone Reserves Adjustment		\$41,169	\$42,405	\$43,677
Special Tax Support		\$0	\$0	\$0
General Fund - 101		(\$1,110)	(\$1,143)	(\$1,178)
Storm Drain Fund - 101		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ADJUSTMENTS		\$40,059	\$41,261	\$42,499
Balance to Levy		\$133,359	\$137,359	\$141,480
Total Revenue at Maximum Rate		\$133,359	\$137,359	\$141,480
Variance above/(below) Maximum Revenue		\$0	\$0	\$0
DISTRICT STATISTICS				
Total Parcels		418	418	418
Total Parcels Levied		418	418	418
Total EDUs		418.00	418.00	418.00
Total EDUs Levied		418.00	418.00	418.00
Proposed Levy per EDU		\$319.04	\$328.61	\$338.47
Max Levy per EDU ⁴		\$319.04	\$328.61	\$338.47
FUND BALANCE INFORMATION				
Reserve Fund				
Beginning Fund Balance		\$520,679	\$564,452	\$609,678
Reserve Fund Adjustment		\$41,169	\$42,405	\$43,677
Interest (0.5%)		<u>\$2,603</u>	<u>\$2,822</u>	<u>\$3,048</u>
Projected Reserve Fund Balance at End of Year		\$564,452	\$609,678	\$656,403

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 14			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$16,267	\$16,755	\$17,258
Contracted Services - 5200	\$20,951	\$21,579	\$22,227
Materials - 5300	\$2,688	\$2,769	\$2,852
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$39,906	\$41,103	\$42,336
ADMINISTRATION COSTS²			
Overhead - 5900	\$3,116	\$3,210	\$3,306
Internal Services - 5400	\$22,574	\$23,251	\$23,948
County Collection Fee	\$649	\$669	\$689
TOTAL ADMINISTRATION	\$26,339	\$27,130	\$27,944
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$66,246	\$68,233	\$70,280
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$950)	(\$974)	(\$1,003)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$364)	(\$374)	(\$386)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$1,313)	(\$1,349)	(\$1,389)
Balance to Levy	\$64,932	\$66,884	\$68,891
Total Revenue at Maximum Rate	\$64,936	\$66,884	\$68,891
Variance above/(below) Maximum Revenue	(\$4)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	368	368	368
Total Parcels Levied	368	368	368
Total EDUs	371.00	371.00	371.00
Total EDUs Levied	371.00	371.00	371.00
Proposed Levy per EDU	\$175.02	\$180.27	\$185.70
Max Levy per EDU ⁴	\$175.03	\$180.28	\$185.69
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$56,866	\$56,201	\$55,507
Reserve Fund Adjustment	(\$950)	(\$974)	(\$1,003)
Interest (0.5%)	\$284	\$281	\$278
Projected Reserve Fund Balance at End of Year	\$56,201	\$55,507	\$54,781

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2022-23

Zone 15		Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹				
Personnel - 5100		\$65,999	\$67,979	\$70,019
Contracted Services - 5200		\$52,608	\$54,186	\$55,812
Materials - 5300		\$32,905	\$33,892	\$34,909
Capital Projects - 5600		\$0	\$0	\$0
	TOTAL DIRECT	\$151,512	\$156,058	\$160,739
ADMINISTRATION COSTS²				
Overhead - 5900		\$12,654	\$13,034	\$13,425
Internal Services - 5400		\$99,746	\$102,738	\$105,820
County Collection Fee		\$2,469	\$2,543	\$2,619
	TOTAL ADMINISTRATION	\$114,869	\$118,315	\$121,864
LEVY ADJUSTMENTS³				
	TOTAL DIRECT AND ADMIN COSTS	\$266,381	\$274,373	\$282,604
Capital Improvement Projects		\$0	\$0	\$0
Zone Reserves Adjustment		\$7,829	\$8,079	\$8,321
Special Tax Support		\$0	\$0	\$0
General Fund - 101		(\$27,313)	(\$28,133)	(\$28,977)
Storm Drain Fund - 101		\$0	\$0	\$0
	TOTAL ADJUSTMENTS	(\$19,484)	(\$20,054)	(\$20,656)
Balance to Levy		\$246,897	\$254,319	\$261,948
Total Revenue at Maximum Rate		\$246,911	\$254,319	\$261,948
Variance above/(below) Maximum Revenue		(\$14)	\$0	\$0
DISTRICT STATISTICS				
Total Parcels		1,209	1,209	1,209
Total Parcels Levied		1,209	1,209	1,209
Total EDUs		1,410.68	1,410.68	1,410.68
Total EDUs Levied		1,410.68	1,410.68	1,410.68
Proposed Levy per EDU		\$175.02	\$180.27	\$185.70
Max Levy per EDU ⁴		\$175.03	\$180.28	\$185.69
FUND BALANCE INFORMATION				
Reserve Fund				
Beginning Fund Balance		\$74,637	\$82,840	\$91,333
Reserve Fund Adjustment		\$7,829	\$8,079	\$8,321
Interest (0.5%)		\$373	\$414	\$0
	Projected Reserve Fund Balance at End of Year	\$82,840	\$91,333	\$99,654

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 16			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$10,377	\$10,688	\$11,009
Contracted Services - 5200	\$15,050	\$15,501	\$15,966
Materials - 5300	\$3,715	\$3,826	\$3,941
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$29,141	\$30,015	\$30,915
ADMINISTRATION COSTS²			
Overhead - 5900	\$1,989	\$2,048	\$2,110
Internal Services - 5400	\$16,016	\$16,496	\$16,991
County Collection Fee	\$543	\$559	\$576
TOTAL ADMINISTRATION	\$18,547	\$19,103	\$19,676
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$47,688	\$49,118	\$50,592
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$6,569	\$6,769	\$6,972
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$6,569	\$6,769	\$6,972
Balance to Levy	\$54,256	\$55,887	\$57,564
Total Revenue at Maximum Rate	\$54,259	\$55,887	\$57,564
Variance above/(below) Maximum Revenue	(-\$3)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	310	310	310
Total Parcels Levied	310	310	310
Total EDUs	310.00	310.00	310.00
Total EDUs Levied	310.00	310.00	310.00
Proposed Levy per EDU	\$175.02	\$180.27	\$185.70
Max Levy per EDU ⁴	\$175.03	\$180.28	\$185.69
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$136,838	\$144,091	\$151,581
Reserve Fund Adjustment	\$6,569	\$6,769	\$6,972
Interest (0.5%)	\$684	\$720	\$758
Projected Reserve Fund Balance at End of Year	\$144,091	\$151,581	\$159,310

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2022-23

Zone 17		Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹				
Personnel - 5100		\$51,252	\$52,790	\$54,373
Contracted Services - 5200		\$64,884	\$66,830	\$68,835
Materials - 5300		\$25,468	\$26,232	\$27,019
Capital Projects - 5600		<u>\$500,000</u>	<u>\$15,000</u>	<u>\$15,450</u>
	TOTAL DIRECT	\$641,604	\$160,852	\$165,678
ADMINISTRATION COSTS²				
Overhead - 5900		\$9,820	\$10,115	\$10,418
Internal Services - 5400		\$63,177	\$65,072	\$67,024
County Collection Fee		<u>\$3,114</u>	<u>\$3,207</u>	<u>\$3,303</u>
	TOTAL ADMINISTRATION	\$76,110	\$78,394	\$80,745
LEVY ADJUSTMENTS³				
	TOTAL DIRECT AND ADMIN COSTS	\$717,714	\$239,246	\$246,423
Capital Improvement Projects		(\$500,000)	\$0	\$0
Zone Reserves Adjustment		\$103,525	\$91,646	\$94,396
Special Tax Support		\$0	\$0	\$0
General Fund - 101		(\$9,870)	(\$10,166)	(\$10,471)
Storm Drain Fund - 101		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	TOTAL ADJUSTMENTS	(\$406,345)	\$81,480	\$83,925
Balance to Levy		\$311,369	\$320,726	\$330,348
Total Revenue at Maximum Rate		\$311,385	\$320,726	\$330,348
Variance above/(below) Maximum Revenue		(\$15)	\$0	\$0
DISTRICT STATISTICS				
Total Parcels		1,129	1,129	1,129
Total Parcels Levied		1,129	1,129	1,129
Total EDUs		1,542.96	1,542.96	1,542.96
Total EDUs Levied		1,542.96	1,542.96	1,542.96
Proposed Levy per EDU		\$201.80	\$207.85	\$214.09
Max Levy per EDU ⁴		\$201.81	\$207.86	\$214.10
FUND BALANCE INFORMATION				
Reserve Fund				
Beginning Fund Balance		\$971,354	\$579,736	\$674,281
Reserve Fund Adjustment		(\$396,475)	\$91,646	\$94,396
Interest (0.5%)		<u>\$4,857</u>	<u>\$2,899</u>	<u>\$0</u>
	Projected Reserve Fund Balance at End of Year	\$579,736	\$674,281	\$768,676

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 18			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$26,873	\$27,679	\$28,509
Contracted Services - 5200	\$65,587	\$67,555	\$69,582
Materials - 5300	\$6,440	\$6,633	\$6,832
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$98,900	\$101,867	\$104,923
ADMINISTRATION COSTS²			
Overhead - 5900	\$5,148	\$5,303	\$5,462
Internal Services - 5400	\$23,543	\$24,249	\$24,977
County Collection Fee	\$1,218	\$1,255	\$1,293
TOTAL ADMINISTRATION	\$29,910	\$30,807	\$31,731
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$128,810	\$132,674	\$136,654
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$1,180)	(\$1,206)	(\$1,242)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$5,794)	(\$5,968)	(\$6,147)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$6,975)	(\$7,174)	(\$7,390)
Balance to Levy	\$121,835	\$125,500	\$129,265
Total Revenue at Maximum Rate	\$121,845	\$125,500	\$129,265
Variance above/(below) Maximum Revenue	(\$10)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	968	968	968
Total Parcels Levied	968	968	968
Total EDUs	977.65	977.65	977.65
Total EDUs Levied	977.65	977.65	977.65
Proposed Levy per EDU	\$124.62	\$128.36	\$132.21
Max Levy per EDU ⁴	\$124.63	\$128.37	\$132.22
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$243,756	\$243,795	\$243,808
Reserve Fund Adjustment	(\$1,180)	(\$1,206)	(\$1,242)
Interest (0.5%)	\$1,219	\$1,219	\$1,219
Projected Reserve Fund Balance at End of Year	\$243,795	\$243,808	\$243,785

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 19			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$22,012	\$22,673	\$23,353
Contracted Services - 5200	\$79,962	\$82,361	\$84,832
Materials - 5300	\$5,637	\$5,806	\$5,980
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$107,612	\$110,840	\$114,166
ADMINISTRATION COSTS²			
Overhead - 5900	\$4,218	\$4,344	\$4,474
Internal Services - 5400	\$36,146	\$37,230	\$38,347
County Collection Fee	\$1,701	\$1,752	\$1,805
TOTAL ADMINISTRATION	\$42,065	\$43,326	\$44,626
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$149,677	\$154,167	\$158,792
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$21,405	\$22,055	\$22,717
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$982)	(\$1,011)	(\$1,042)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$20,424	\$21,044	\$21,675
Balance to Levy	\$170,100	\$175,211	\$180,467
Total Revenue at Maximum Rate	\$170,108	\$175,211	\$180,467
Variance above/(below) Maximum Revenue	(\$7)	(\$0)	\$0
DISTRICT STATISTICS			
Total Parcels	507	507	507
Total Parcels Levied	507	507	507
Total EDUs	743.51	743.51	743.51
Total EDUs Levied	743.51	743.51	743.51
Proposed Levy per EDU	\$228.78	\$235.65	\$242.73
Max Levy per EDU ⁴	\$228.79	\$235.65	\$242.72
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$695,966	\$720,851	\$746,510
Reserve Fund Adjustment	\$21,405	\$22,055	\$22,717
Interest (0.5%)	\$3,480	\$3,604	\$3,733
Projected Reserve Fund Balance at End of Year	\$720,851	\$746,510	\$772,960

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 20			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$1,760	\$1,812	\$1,867
Contracted Services - 5200	\$16,911	\$17,419	\$17,941
Materials - 5300	\$2,291	\$2,359	\$2,430
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$20,962	\$21,590	\$22,238
ADMINISTRATION COSTS²			
Overhead - 5900	\$337	\$347	\$358
Internal Services - 5400	\$7,021	\$7,231	\$7,448
County Collection Fee	\$262	\$270	\$278
TOTAL ADMINISTRATION	\$7,620	\$7,848	\$8,084
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$28,581	\$29,439	\$30,322
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$8	\$8	\$8
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$18)	(\$19)	(\$19)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$10)	(\$10)	(\$11)
Balance to Levy	\$26,184	\$26,970	\$27,779
Total Revenue at Maximum Rate	\$39,937	\$41,135	\$42,369
Variance above/(below) Maximum Revenue	(\$13,753)	(\$14,166)	(\$14,591)
DISTRICT STATISTICS			
Total Parcels	168	168	168
Total Parcels Levied	168	168	168
Total EDUs	174.56	174.56	174.56
Total EDUs Levied	174.56	174.56	174.56
Proposed Levy per EDU	\$150.00	\$154.50	\$159.14
Max Levy per EDU ⁴	\$228.79	\$235.65	\$242.72
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$153,756	\$154,533	\$155,314
Reserve Fund Adjustment	\$8	\$8	\$8
Interest (0.5%)	\$769	\$773	\$777
Projected Reserve Fund Balance at End of Year	\$154,533	\$155,314	\$156,099

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2022-23

Zone 21		Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹				
Personnel - 5100		\$17,964	\$18,503	\$19,058
Contracted Services - 5200		\$11,868	\$12,224	\$12,591
Materials - 5300		\$7,968	\$8,207	\$8,453
Capital Projects - 5600		\$0	\$0	\$0
	TOTAL DIRECT	\$37,801	\$38,935	\$40,103
ADMINISTRATION COSTS²				
Overhead - 5900		\$3,442	\$3,545	\$3,651
Internal Services - 5400		\$30,201	\$31,107	\$32,040
County Collection Fee		\$679	\$699	\$720
	TOTAL ADMINISTRATION	\$34,322	\$35,351	\$36,412
LEVY ADJUSTMENTS³				
	TOTAL DIRECT AND ADMIN COSTS	\$72,122	\$74,286	\$76,515
Capital Improvement Projects		\$0	\$0	\$0
Zone Reserves Adjustment		(\$4,215)	(\$4,337)	(\$4,467)
Special Tax Support		\$0	\$0	\$0
General Fund - 101		\$0	\$0	\$0
Storm Drain Fund - 101		\$0	\$0	\$0
	TOTAL ADJUSTMENTS	(\$4,215)	(\$4,337)	(\$4,467)
Balance to Levy		\$67,908	\$69,949	\$72,047
Total Revenue at Maximum Rate		\$67,912	\$69,949	\$72,047
Variance above/(below) Maximum Revenue		(\$4)	\$0	\$0
DISTRICT STATISTICS				
Total Parcels		388	388	388
Total Parcels Levied		388	388	388
Total EDUs		388.00	388.00	388.00
Total EDUs Levied		388.00	388.00	388.00
Proposed Levy per EDU\		\$175.02	\$180.27	\$185.68
Max Levy per EDU ⁴		\$175.03	\$180.28	\$185.69
FUND BALANCE INFORMATION				
Reserve Fund				
Beginning Fund Balance		\$68,874	\$65,004	\$60,992
Reserve Fund Adjustment		(\$4,215)	(\$4,337)	(\$4,467)
Interest (0.5%)		\$344	\$325	\$305
	Projected Reserve Fund Balance at End of Year	\$65,004	\$60,992	\$56,830

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 22			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$5,428	\$5,591	\$5,758
Contracted Services - 5200	\$9,822	\$10,116	\$10,420
Materials - 5300	\$3,397	\$3,499	\$3,604
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$18,647	\$19,206	\$19,782
ADMINISTRATION COSTS²			
Overhead - 5900	\$1,040	\$1,072	\$1,104
Internal Services - 5400	\$3,619	\$3,728	\$3,840
County Collection Fee	\$375	\$386	\$397
TOTAL ADMINISTRATION	\$5,034	\$5,185	\$5,341
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$23,681	\$24,391	\$25,123
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$14,157	\$14,584	\$15,022
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$384)	(\$396)	(\$407)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$13,773	\$14,189	\$14,614
Balance to Levy	\$37,454	\$38,580	\$39,738
Total Revenue at Maximum Rate	\$37,456	\$38,580	\$39,738
Variance above/(below) Maximum Revenue	(\$2)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	214	214	214
Total Parcels Levied	214	214	214
Total EDUs	214.00	214.00	214.00
Total EDUs Levied	214.00	214.00	214.00
Proposed Levy per EDU	\$175.02	\$180.28	\$185.69
Max Levy per EDU ⁴	\$175.03	\$180.28	\$185.69
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$105,430	\$120,115	\$135,300
Reserve Fund Adjustment	\$14,157	\$14,584	\$15,022
Interest (0.5%)	\$527	\$601	\$676
Projected Reserve Fund Balance at End of Year	\$120,115	\$135,300	\$150,998

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 23			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$4,457	\$4,591	\$4,728
Contracted Services - 5200	\$10,733	\$11,055	\$11,386
Materials - 5300	\$2,736	\$2,819	\$2,903
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$17,926	\$18,464	\$19,018
ADMINISTRATION COSTS²			
Overhead - 5900	\$854	\$879	\$906
Internal Services - 5400	\$5,369	\$5,530	\$5,696
County Collection Fee	\$635	\$654	\$674
TOTAL ADMINISTRATION	\$6,858	\$7,064	\$7,275
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$24,784	\$25,527	\$26,293
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$39,837	\$41,036	\$42,267
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$1,089)	(\$1,121)	(\$1,155)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$38,748	\$39,915	\$41,112
Balance to Levy	\$63,532	\$65,442	\$67,405
Total Revenue at Maximum Rate	\$63,536	\$65,442	\$67,405
Variance above/(below) Maximum Revenue	(\$4)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	363	363	363
Total Parcels Levied	363	363	363
Total EDUs	363.00	363.00	363.00
Total EDUs Levied	363.00	363.00	363.00
Proposed Levy per EDU	\$175.02	\$180.27	\$185.70
Max Levy per EDU ⁴	\$175.03	\$180.28	\$185.69
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$163,264	\$203,918	\$245,974
Reserve Fund Adjustment	\$39,837	\$41,036	\$42,267
Interest (0.5%)	\$816	\$1,020	\$1,230
Projected Reserve Fund Balance at End of Year	\$203,918	\$245,974	\$289,471

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 24			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$17,090	\$17,603	\$18,131
Contracted Services - 5200	\$16,161	\$16,646	\$17,146
Materials - 5300	\$9,824	\$10,119	\$10,422
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$43,075	\$44,368	\$45,699
ADMINISTRATION COSTS²			
Overhead - 5900	\$3,274	\$3,373	\$3,474
Internal Services - 5400	\$23,904	\$24,621	\$25,359
County Collection Fee	\$1,050	\$1,082	\$1,114
TOTAL ADMINISTRATION	\$28,228	\$29,075	\$29,947
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$71,304	\$73,443	\$75,646
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$33,696	\$34,713	\$35,761
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$33,696	\$34,713	\$35,761
Balance to Levy	\$105,000	\$108,156	\$111,407
Total Revenue at Maximum Rate	\$104,999	\$108,149	\$111,393
Variance above/(below) Maximum Revenue	\$1	\$7	\$13
DISTRICT STATISTICS			
Total Parcels	600	600	600
Total Parcels Levied	600	600	600
Total EDUs	600.00	600.00	600.00
Total EDUs Levied	600.00	600.00	600.00
Proposed Levy per EDU	\$175.00	\$180.26	\$185.68
Max Levy per EDU ⁴	\$175.00	\$180.25	\$185.66
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$404,352	\$440,070	\$476,984
Reserve Fund Adjustment	\$33,696	\$34,713	\$35,761
Interest (0.5%)	\$2,022	\$2,200	\$2,385
Projected Reserve Fund Balance at End of Year	\$440,070	\$476,984	\$515,129

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 25			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$0	\$0	\$0
Contracted Services - 5200	\$0	\$0	\$0
Materials - 5300	\$0	\$0	\$0
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$0	\$0	\$0
ADMINISTRATION COSTS²			
Overhead - 5900	\$0	\$0	\$0
Internal Services - 5400	\$0	\$0	\$0
County Collection Fee	\$0	\$0	\$0
TOTAL ADMINISTRATION	\$0	\$0	\$0
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$0	\$0	\$0
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$0	\$0	\$0
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$0	\$0	\$0
Balance to Levy	\$0	\$0	\$0
Total Revenue at Maximum Rate	\$0	\$0	\$0
Variance above/(below) Maximum Revenue	\$0	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	438	438	438
Total Parcels Levied	0	0	0
Total EDUs	438.00	438.00	438.00
Total EDUs Levied	0.00	0.00	0.00
Proposed Levy per EDU	\$0.00	\$0.00	\$0.00
Max Levy per EDU ⁴	\$0.00	\$0.00	\$0.00
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$0	\$0	\$0
Reserve Fund Adjustment	\$0	\$0	\$0
Interest (0.5%)	\$0	\$0	\$0
Projected Reserve Fund Balance at End of Year	\$0	\$0	\$0

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2022-23

Zone 26		Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹				
Personnel - 5100		\$109,583	\$112,871	\$116,257
Contracted Services - 5200		\$96,690	\$99,591	\$102,579
Materials - 5300		\$23,506	\$24,212	\$24,938
Capital Projects - 5600		\$0	\$0	\$0
	TOTAL DIRECT	\$229,780	\$236,673	\$243,774
ADMINISTRATION COSTS²				
Overhead - 5900		\$20,996	\$21,626	\$22,274
Internal Services - 5400		\$61,682	\$63,532	\$65,438
County Collection Fee		<u>\$2,545</u>	<u>\$2,622</u>	<u>\$2,700</u>
	TOTAL ADMINISTRATION	\$85,222	\$87,779	\$90,412
LEVY ADJUSTMENTS³				
	TOTAL DIRECT AND ADMIN COSTS	\$315,002	\$324,452	\$334,186
Capital Improvement Projects		\$0	\$0	\$0
Zone Reserves Adjustment		(\$56,015)	(\$57,684)	(\$59,414)
Special Tax Support		\$0	\$0	\$0
General Fund - 101		(\$2,076)	(\$2,138)	(\$2,202)
Storm Drain Fund - 101		<u>(\$2,390)</u>	<u>(\$2,462)</u>	<u>(\$2,536)</u>
	TOTAL ADJUSTMENTS	(\$60,481)	(\$62,284)	(\$64,153)
Balance to Levy		\$254,521	\$262,168	\$270,034
Total Revenue at Maximum Rate		\$254,533	\$262,168	\$270,034
Variance above/(below) Maximum Revenue		(\$11)	\$0	\$0
DISTRICT STATISTICS				
Total Parcels		1,130	1,130	1,130
Total Parcels Levied		1,130	1,130	1,130
Total EDUs		1,130.00	1,130.00	1,130.00
Total EDUs Levied		1,130.00	1,130.00	1,130.00
Proposed Levy per EDU		\$225.24	\$232.01	\$238.97
Max Levy per EDU ⁴		\$225.25	\$232.01	\$238.97
FUND BALANCE INFORMATION				
Reserve Fund				
Beginning Fund Balance		\$366,963	\$310,948	\$253,264
Reserve Fund Adjustment		(\$56,015)	(\$57,684)	(\$59,414)
Interest (0.5%)		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	Projected Reserve Fund Balance at End of Year	\$310,948	\$253,264	\$193,850

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 27			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$1,645	\$1,695	\$1,745
Contracted Services - 5200	\$4,853	\$4,999	\$5,149
Materials - 5300	\$2,272	\$2,340	\$2,410
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$8,770	\$9,034	\$9,305
ADMINISTRATION COSTS²			
Overhead - 5900	\$307	\$316	\$325
Internal Services - 5400	\$3,468	\$3,572	\$3,679
County Collection Fee	\$165	\$170	\$175
TOTAL ADMINISTRATION	\$3,939	\$4,057	\$4,179
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$12,710	\$13,091	\$13,484
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$3,756	\$3,868	\$3,984
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$3,756	\$3,868	\$3,984
Balance to Levy	\$16,465	\$16,959	\$17,468
Total Revenue at Maximum Rate	\$96,065	\$98,947	\$101,915
Variance above/(below) Maximum Revenue	(\$79,600)	(\$81,988)	(\$84,447)
DISTRICT STATISTICS			
Total Parcels	116	116	116
Total Parcels Levied	116	116	116
Total EDUs	548.84	548.84	548.84
Total EDUs Levied	548.84	548.84	548.84
Proposed Levy per EDU	\$30.00	\$30.90	\$31.83
Max Levy per EDU ⁴	\$175.03	\$180.28	\$185.69
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$77,421	\$81,564	\$85,840
Reserve Fund Adjustment	\$3,756	\$3,868	\$3,984
Interest (0.5%)	\$387	\$408	\$429
Projected Reserve Fund Balance at End of Year	\$81,564	\$85,840	\$90,254

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 28			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$9,746	\$10,039	\$10,340
Contracted Services - 5200	\$37,697	\$38,828	\$39,993
Materials - 5300	\$21,610	\$22,259	\$22,926
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$69,054	\$71,125	\$73,259
ADMINISTRATION COSTS²			
Overhead - 5900	\$1,868	\$1,924	\$1,982
Internal Services - 5400	\$8,103	\$8,346	\$8,596
County Collection Fee	\$963	\$991	\$1,021
TOTAL ADMINISTRATION	\$10,933	\$11,261	\$11,599
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$79,987	\$82,387	\$84,858
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$16,274	\$16,768	\$17,271
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$16,274	\$16,768	\$17,271
Balance to Levy	\$96,261	\$99,154	\$102,129
Total Revenue at Maximum Rate	\$96,267	\$99,154	\$102,129
Variance above/(below) Maximum Revenue	(\$6)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	550	550	550
Total Parcels Levied	550	550	550
Total EDUs	550.00	550.00	550.00
Total EDUs Levied	550.00	550.00	550.00
Proposed Levy per EDU	\$175.02	\$180.27	\$185.70
Max Levy per EDU ⁴	\$175.03	\$180.28	\$185.69
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$412,667	\$431,005	\$449,928
Reserve Fund Adjustment	\$16,274	\$16,768	\$17,271
Interest (0.5%)	\$2,063	\$2,155	\$2,250
Projected Reserve Fund Balance at End of Year	\$431,005	\$449,928	\$469,448

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 29			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$29,180	\$30,055	\$30,957
Contracted Services - 5200	\$20,479	\$21,093	\$21,726
Materials - 5300	\$6,821	\$7,026	\$7,237
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$56,481	\$58,175	\$59,920
ADMINISTRATION COSTS²			
Overhead - 5900	\$5,591	\$5,759	\$5,932
Internal Services - 5400	\$24,524	\$25,260	\$26,018
County Collection Fee	\$823	\$847	\$873
TOTAL ADMINISTRATION	\$30,938	\$31,866	\$32,822
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$87,419	\$90,041	\$92,742
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$3,638)	(\$3,743)	(\$3,855)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$1,514)	(\$1,559)	(\$1,606)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$5,152)	(\$5,302)	(\$5,461)
Balance to Levy	\$82,267	\$84,740	\$87,282
Total Revenue at Maximum Rate	\$82,272	\$84,740	\$87,282
Variance above/(below) Maximum Revenue	(\$5)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	496	496	496
Total Parcels Levied	496	496	496
Total EDUs	496.00	496.00	496.00
Total EDUs Levied	496.00	496.00	496.00
Proposed Levy per EDU	\$165.86	\$170.84	\$175.96
Max Levy per EDU ⁴	\$165.87	\$170.85	\$175.97
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	(\$4,673)	(\$8,312)	(\$12,054)
Reserve Fund Adjustment	(\$3,638)	(\$3,743)	(\$3,855)
Interest (0.5%)	\$0	\$0	\$0
Projected Reserve Fund Balance at End of Year	(\$8,312)	(\$12,054)	(\$15,909)

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 30			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$9,380	\$9,661	\$9,951
Contracted Services - 5200	\$10,514	\$10,829	\$11,154
Materials - 5300	\$3,550	\$3,656	\$3,766
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$23,443	\$24,147	\$24,871
ADMINISTRATION COSTS²			
Overhead - 5900	\$1,797	\$1,851	\$1,906
Internal Services - 5400	\$13,964	\$14,383	\$14,815
County Collection Fee	\$570	\$587	\$605
TOTAL ADMINISTRATION	\$16,332	\$16,822	\$17,326
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$39,775	\$40,968	\$42,197
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$17,961	\$18,502	\$19,057
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$719)	(\$740)	(\$763)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$17,243	\$17,761	\$18,294
Balance to Levy	\$57,018	\$58,730	\$60,492
Total Revenue at Maximum Rate	\$57,019	\$58,730	\$60,492
Variance above/(below) Maximum Revenue	(\$1)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	166	166	166
Total Parcels Levied	166	166	166
Total EDUs	166.00	166.00	166.00
Total EDUs Levied	166.00	166.00	166.00
Proposed Levy per EDU	\$343.48	\$353.79	\$364.41
Max Levy per EDU ⁴	\$343.49	\$353.79	\$364.41
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$237,748	\$256,898	\$276,684
Reserve Fund Adjustment	\$17,961	\$18,502	\$19,057
Interest (0.5%)	\$1,189	\$1,284	\$1,383
Projected Reserve Fund Balance at End of Year	\$256,898	\$276,684	\$297,125

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 31			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$0	\$0	\$0
Contracted Services - 5200	\$0	\$0	\$0
Materials - 5300	\$0	\$0	\$0
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$0	\$0	\$0
ADMINISTRATION COSTS²			
Overhead - 5900	\$0	\$0	\$0
LMD Administration	\$0	\$0	\$0
Internal Services - 5400	\$0	\$0	\$0
County Collection Fee	\$0	\$0	\$0
TOTAL ADMINISTRATION	\$0	\$0	\$0
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$0	\$0	\$0
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$0	\$0	\$0
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$0	\$0	\$0
Balance to Levy	\$0	\$0	\$0
Total Revenue at Maximum Rate	\$6,439	\$6,632	\$6,831
Variance above/(below) Maximum Revenue	(\$6,439)	(\$6,632)	(\$6,831)
DISTRICT STATISTICS			
Total Parcels	1	1	1
Total Parcels Levied	0	0	0
Total EDUs	27.75	27.75	27.75
Total EDUs Levied	0.00	0.00	0.00
Proposed Levy per EDU	\$0.00	\$0.00	\$0.00
Max Levy per EDU ⁴	\$232.02	\$238.98	\$246.15
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$629	\$632	\$635
Reserve Fund Adjustment	\$0	\$0	\$0
Interest (0.5%)	\$3	\$3	\$3
Projected Reserve Fund Balance at End of Year	\$632	\$635	\$638

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 32			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$0	\$0	\$0
Contracted Services - 5200	\$0	\$0	\$0
Materials - 5300	\$0	\$0	\$0
Capital Projects - 5600	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL DIRECT	\$0	\$0	\$0
ADMINISTRATION COSTS²			
Overhead - 5900	\$0	\$0	\$0
Internal Services - 5400	\$0	\$0	\$0
County Collection Fee	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ADMINISTRATION	\$0	\$0	\$0
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$0	\$0	\$0
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$0	\$0	\$0
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ADJUSTMENTS	\$0	\$0	\$0
Balance to Levy	\$0	\$0	\$0
Total Revenue at Maximum Rate	\$42,313	\$43,582	\$44,889
Variance above/(below) Maximum Revenue	(\$42,313)	(\$43,582)	(\$44,889)
DISTRICT STATISTICS			
Total Parcels	2	2	2
Total Parcels Levied	0	0	0
Total EDUs	222.68	222.68	222.68
Total EDUs Levied	0.00	0.00	0.00
Proposed Levy per EDU	\$0.00	\$0.00	\$0.00
Max Levy per EDU ⁴	\$190.01	\$195.72	\$201.59
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$0	\$0	\$0
Reserve Fund Adjustment	\$0	\$0	\$0
Interest (0.5%)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Projected Reserve Fund Balance at End of Year	\$0	\$0	\$0

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 33			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$2,064	\$2,126	\$2,190
Contracted Services - 5200	\$5,186	\$5,342	\$5,502
Materials - 5300	\$2,341	\$2,411	\$2,484
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$9,592	\$9,879	\$10,176
ADMINISTRATION COSTS²			
Overhead - 5900	\$406	\$418	\$431
Internal Services - 5400	\$6,343	\$6,533	\$6,729
County Collection Fee	\$2,037	\$2,098	\$2,161
TOTAL ADMINISTRATION	\$8,785	\$9,049	\$9,320
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$18,377	\$18,928	\$19,496
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$185,783	\$191,357	\$197,097
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$504)	(\$519)	(\$535)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$185,279	\$190,837	\$196,562
Balance to Levy	\$203,656	\$209,765	\$216,058
Total Revenue at Maximum Rate	\$626,839	\$645,644	\$665,013
Variance above/(below) Maximum Revenue	(\$423,183)	(\$435,879)	(\$448,955)
DISTRICT STATISTICS			
Total Parcels	35	35	35
Total Parcels Levied	33	33	33
Total EDUs	2715.41	2,715.41	2,715.41
Total EDUs Levied	2715.41	2,715.41	2,715.41
Proposed Levy per EDU	\$75.00	\$77.25	\$79.57
Max Levy per EDU ⁴	\$230.85	\$237.77	\$244.90
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$492,564	\$680,810	\$875,571
Reserve Fund Adjustment	\$185,783	\$191,357	\$197,097
Interest (0.5%)	\$2,463	\$3,404	\$4,378
Projected Reserve Fund Balance at End of Year	\$680,810	\$875,571	\$1,077,046

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 34			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$6,300	\$6,489	\$6,684
Contracted Services - 5200	\$7,052	\$7,264	\$7,482
Materials - 5300	\$1,041	\$1,072	\$1,104
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$14,393	\$14,825	\$15,270
ADMINISTRATION COSTS²			
Overhead - 5900	\$1,195	\$1,231	\$1,268
Internal Services - 5400	\$2,857	\$2,943	\$3,031
County Collection Fee	\$222	\$228	\$235
TOTAL ADMINISTRATION	\$4,274	\$4,402	\$4,534
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$18,667	\$19,227	\$19,804
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$5,029	\$5,180	\$5,335
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$1,539)	(\$1,585)	(\$1,633)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$3,490	\$3,595	\$3,702
Balance to Levy	\$22,157	\$22,822	\$23,506
Total Revenue at Maximum Rate	\$22,157	\$22,822	\$23,506
Variance above/(below) Maximum Revenue	(\$0)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	9	9	9
Total Parcels Levied	9	9	9
Total EDUs	84.10	84.10	84.10
Total EDUs Levied	84.10	84.10	84.10
Proposed Levy per EDU	\$263.46	\$271.36	\$279.50
Max Levy per EDU ⁴	\$263.46	\$271.36	\$279.50
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$9,832	\$14,910	\$20,164
Reserve Fund Adjustment	\$5,029	\$5,180	\$5,335
Interest (0.5%)	\$49	\$75	\$0
Projected Reserve Fund Balance at End of Year	\$14,910	\$20,164	\$25,500

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 35			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$13,967	\$14,386	\$14,818
Contracted Services - 5200	\$24,426	\$25,159	\$25,914
Materials - 5300	\$4,308	\$4,437	\$4,570
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$42,701	\$43,982	\$45,301
ADMINISTRATION COSTS²			
Overhead - 5900	\$2,676	\$2,756	\$2,839
Internal Services - 5400	\$20,200	\$20,806	\$21,430
County Collection Fee	\$831	\$856	\$882
TOTAL ADMINISTRATION	\$23,707	\$24,418	\$25,150
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$66,407	\$68,400	\$70,452
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$17,679	\$18,213	\$18,759
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$957)	(\$986)	(\$1,016)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$16,722	\$17,226	\$17,743
Balance to Levy	\$83,129	\$85,626	\$88,195
Total Revenue at Maximum Rate	\$83,132	\$85,626	\$88,195
Variance above/(below) Maximum Revenue	(\$3)	\$0	\$0
DISTRICT STATISTICS			
Total Parcels	190	190	190
Total Parcels Levied	190	190	190
Total EDUs	313.08	313.08	313.08
Total EDUs Levied	313.08	313.08	313.08
Proposed Levy per EDU	\$265.52	\$273.48	\$281.68
Max Levy per EDU ⁴	\$265.53	\$273.50	\$281.70
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$52,400	\$70,341	\$88,553
Reserve Fund Adjustment	\$17,679	\$18,213	\$18,759
Interest (0.5%)	\$262	\$0	\$0
Projected Reserve Fund Balance at End of Year	\$70,341	\$88,553	\$107,312

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 36			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$0	\$0	\$0
Contracted Services - 5200	\$0	\$0	\$0
Materials - 5300	\$0	\$0	\$0
Capital Projects - 5600	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL DIRECT	\$0	\$0	\$0
ADMINISTRATION COSTS²			
Overhead - 5900	\$0	\$0	\$0
Internal Services - 5400	\$78	\$81	\$83
County Collection Fee	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ADMINISTRATION	\$78	\$81	\$83
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$78	\$81	\$83
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	<u>(\$78)</u>	<u>\$0</u>	<u>\$0</u>
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ADJUSTMENTS	<u>(\$78)</u>	<u>\$0</u>	<u>\$0</u>
Balance to Levy	\$0	\$81	\$83
Total Revenue at Maximum Rate	\$7,167	\$7,382	\$7,603
Variance above/(below) Maximum Revenue	<u>(\$7,167)</u>	<u>(\$7,301)</u>	<u>(\$7,520)</u>
DISTRICT STATISTICS			
Total Parcels	1	1	1
Total Parcels Levied	0	0	0
Total EDUs	72.00	72.00	72.00
Total EDUs Levied	0.00	0.00	0.00
Proposed Levy per EDU	\$0.00	\$0.00	\$0.00
Max Levy per EDU ⁴	\$99.54	\$102.52	\$105.60
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$2,301	\$2,234	\$2,245
Reserve Fund Adjustment	<u>(\$78)</u>	<u>\$0</u>	<u>\$0</u>
Interest (0.5%)	<u>\$12</u>	<u>\$11</u>	<u>\$11</u>
Projected Reserve Fund Balance at End of Year	\$2,234	\$2,245	\$2,257

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 37			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$0	\$0	\$0
Contracted Services - 5200	\$0	\$0	\$0
Materials - 5300	\$0	\$0	\$0
Capital Projects - 5600	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL DIRECT	\$0	\$0	\$0
ADMINISTRATION COSTS²			
Overhead - 5900	\$0	\$0	\$0
Internal Services - 5400	\$0	\$0	\$0
County Collection Fee	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ADMINISTRATION	\$0	\$0	\$0
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$0	\$0	\$0
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$0	\$0	\$0
Special Tax Support	\$0	\$0	\$0
General Fund - 101	\$0	\$0	\$0
Storm Drain Fund - 101	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL ADJUSTMENTS	\$0	\$0	\$0
Balance to Levy	\$0	\$0	\$0
Total Revenue at Maximum Rate	\$7,565	\$7,792	\$8,025
Variance above/(below) Maximum Revenue	(\$7,565)	(\$7,792)	(\$8,025)
DISTRICT STATISTICS			
Total Parcels	10	10	10
Total Parcels Levied	0	0	0
Total EDUs	76.00	76.00	76.00
Total EDUs Levied	0.00	0.00	0.00
Proposed Levy per EDU	\$0.00	\$0.00	\$0.00
Max Levy per EDU ⁴	\$99.54	\$102.52	\$105.60
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$4,996	\$5,021	\$5,046
Reserve Fund Adjustment	\$0	\$0	\$0
Interest (0.5%)	<u>\$25</u>	<u>\$25</u>	<u>\$25</u>
Projected Reserve Fund Balance at End of Year	\$5,021	\$5,046	\$5,071

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 40			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$2,183	\$2,248	\$2,316
Contracted Services - 5200	\$1,059	\$1,091	\$1,123
Materials - 5300	\$361	\$371	\$383
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$3,602	\$3,710	\$3,821
ADMINISTRATION COSTS²			
Overhead - 5900	\$418	\$431	\$444
Internal Services - 5400	\$9,780	\$10,073	\$10,375
County Collection Fee	\$46	\$47	\$49
TOTAL ADMINISTRATION	\$10,244	\$10,551	\$10,868
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$13,846	\$14,261	\$14,689
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$8,740)	(\$9,002)	(\$9,272)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$533)	(\$549)	(\$566)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$9,273)	(\$9,551)	(\$9,838)
Balance to Levy	\$4,573	\$4,710	\$4,851
Total Revenue at Maximum Rate	\$4,573	\$4,710	\$4,851
Variance above/(below) Maximum Revenue	\$0	\$0	(\$0)
DISTRICT STATISTICS			
Total Parcels	1	1	1
Total Parcels Levied	1	1	1
Total EDUs	9.00	9.00	9.00
Total EDUs Levied	9.00	9.00	9.00
Proposed Levy per EDU	\$508.08	\$523.32	\$539.02
Max Levy per EDU ⁴	\$508.08	\$523.32	\$539.02
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	(\$25,845)	(\$34,585)	(\$43,588)
Reserve Fund Adjustment	(\$8,740)	(\$9,002)	(\$9,272)
Interest (0.5%)	\$0	\$0	\$0
Projected Reserve Fund Balance at End of Year	(\$34,585)	(\$43,588)	(\$52,860)

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 41			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$351	\$362	\$372
Contracted Services - 5200	\$2,008	\$2,068	\$2,130
Materials - 5300	\$58	\$60	\$62
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$2,417	\$2,489	\$2,564
ADMINISTRATION COSTS²			
Overhead - 5900	\$67	\$69	\$71
Internal Services - 5400	\$23	\$24	\$25
County Collection Fee	\$18	\$19	\$19
TOTAL ADMINISTRATION	\$108	\$112	\$115
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$2,525	\$2,601	\$2,679
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	(\$622)	(\$640)	(\$659)
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$86)	(\$88)	(\$91)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	(\$707)	(\$729)	(\$750)
Balance to Levy	\$1,818	\$1,872	\$1,929
Total Revenue at Maximum Rate	\$1,818	\$1,872	\$1,929
Variance above/(below) Maximum Revenue	(\$0)	(\$0)	\$0
DISTRICT STATISTICS			
Total Parcels	1	1	1
Total Parcels Levied	1	1	1
Total EDUs	4.15	4.15	4.15
Total EDUs Levied	4.15	4.15	4.15
Proposed Levy per EDU	\$438.06	\$451.21	\$464.74
Max Levy per EDU ⁴	\$438.06	\$451.20	\$464.74
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$9,353	\$8,778	\$8,182
Reserve Fund Adjustment	(\$622)	(\$640)	(\$659)
Interest (0.5%)	\$47	\$44	\$41
Projected Reserve Fund Balance at End of Year	\$8,778	\$8,182	\$7,563

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 42			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$1,266	\$1,304	\$1,343
Contracted Services - 5200	\$3,913	\$4,030	\$4,151
Materials - 5300	\$2,209	\$2,275	\$2,344
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$7,388	\$7,609	\$7,838
ADMINISTRATION COSTS²			
Overhead - 5900	\$242	\$249	\$257
Internal Services - 5400	\$799	\$823	\$848
County Collection Fee	\$198	\$204	\$211
TOTAL ADMINISTRATION	\$1,240	\$1,277	\$1,315
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$8,627	\$8,886	\$9,153
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$11,527	\$11,873	\$12,229
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$309)	(\$319)	(\$328)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$11,218	\$11,554	\$11,901
Balance to Levy	\$19,845	\$20,440	\$21,054
Total Revenue at Maximum Rate	\$29,516	\$30,401	\$31,313
Variance above/(below) Maximum Revenue	(\$9,671)	(\$9,961)	(\$10,260)
DISTRICT STATISTICS			
Total Parcels	2	2	2
Total Parcels Levied	2	2	2
Total EDUs	441.00	441.00	441.00
Total EDUs Levied	441.00	441.00	441.00
Proposed Levy per EDU	\$45.00	\$46.35	\$47.74
Max Levy per EDU ⁴	\$66.93	\$68.94	\$71.01
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$47,439	\$59,203	\$71,372
Reserve Fund Adjustment	\$11,527	\$11,873	\$12,229
Interest (0.5%)	\$237	\$296	\$357
Projected Reserve Fund Balance at End of Year	\$59,203	\$71,372	\$83,958

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Zone 43			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$132	\$136	\$140
Contracted Services - 5200	\$3,378	\$3,479	\$3,584
Materials - 5300	\$2,022	\$2,082	\$2,145
Capital Projects - 5600	\$0	\$0	\$0
TOTAL DIRECT	\$5,532	\$5,698	\$5,869
ADMINISTRATION COSTS²			
Overhead - 5900	\$25	\$26	\$27
Internal Services - 5400	\$9	\$9	\$9
County Collection Fee	\$105	\$108	\$111
TOTAL ADMINISTRATION	\$139	\$143	\$147
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$5,671	\$5,841	\$6,016
Capital Improvement Projects	\$0	\$0	\$0
Zone Reserves Adjustment	\$4,861	\$5,007	\$5,158
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$32)	(\$33)	(\$34)
Storm Drain Fund - 101	\$0	\$0	\$0
TOTAL ADJUSTMENTS	\$4,829	\$4,974	\$5,123
Balance to Levy	\$10,500	\$10,815	\$11,139
Total Revenue at Maximum Rate	\$23,398	\$24,100	\$24,823
Variance above/(below) Maximum Revenue	(\$12,898)	(\$13,285)	(\$13,684)
DISTRICT STATISTICS			
Total Parcels	105	105	105
Total Parcels Levied	105	105	105
Total EDUs	105.00	105.00	105.00
Total EDUs Levied	105.00	105.00	105.00
Proposed Levy per EDU	\$100.00	\$103.00	\$106.09
Max Levy per EDU ⁴	\$222.84	\$229.52	\$236.41
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$49,628	\$54,738	\$60,019
Reserve Fund Adjustment	\$4,861	\$5,007	\$5,158
Interest (0.5%)	\$248	\$274	\$300
Projected Reserve Fund Balance at End of Year	\$54,738	\$60,019	\$65,476

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2022-23			
Consolidated Totals - 41 Zones			
	Proposed Budget FY 2022-23	Forecasted Budget FY 2023-24	Forecasted Budget FY 2024-25
DIRECT COSTS¹			
Personnel - 5100	\$1,096,050	\$1,128,932	\$1,162,455
Contracted Services - 5200	\$1,192,593	\$1,228,371	\$1,264,846
Materials - 5300	\$318,912	\$328,479	\$338,215
Capital Projects - 5600	<u>\$500,000</u>	<u>\$15,000</u>	<u>\$15,450</u>
TOTAL DIRECT	\$3,107,555	\$2,700,781	\$2,780,966
ADMINISTRATION COSTS²			
Overhead - 5900	\$209,999	\$216,299	\$222,722
Internal Services - 5400	\$1,025,454	\$1,056,217	\$1,087,799
County Collection Fee	<u>\$37,590</u>	<u>\$38,718</u>	<u>\$39,867</u>
TOTAL ADMINISTRATION	\$1,273,043	\$1,311,235	\$1,350,388
LEVY ADJUSTMENTS³			
TOTAL DIRECT AND ADMIN COSTS	\$4,380,598	\$4,012,016	\$4,131,354
Capital Improvement Projects	(\$500,000)	\$0	\$0
Zone Reserves Adjustment	\$19,832	\$5,605	\$5,487
Special Tax Support	\$0	\$0	\$0
General Fund - 101	(\$119,000)	(\$122,570)	(\$126,234)
Storm Drain Fund - 101	<u>(\$20,000)</u>	<u>(\$20,600)</u>	<u>(\$21,202)</u>
TOTAL ADJUSTMENTS	(\$619,168)	(\$137,565)	(\$141,949)
Balance to Levy	\$3,759,043	\$3,871,993	\$3,986,605
Total Revenue at Maximum Rate	\$4,434,758	\$4,567,800	\$4,703,548
Variance above/(below) Maximum Revenue	(\$675,715)	(\$695,808)	(\$716,943)
DISTRICT STATISTICS			
Total Parcels	17,052	17,052	17,052
Total Parcels Levied	16,598	16,598	16,598
Total EDUs	25,975	25,975	25,975.01
Total EDUs Levied	25,139	25,139	25,138.58
FUND BALANCE INFORMATION			
Reserve Fund			
Beginning Fund Balance	\$5,663,630	\$5,213,046	\$5,234,156
Reserve Fund Adjustment	(\$480,168)	\$5,605	\$5,487
Interest (0.5%)	<u>\$29,584.32</u>	<u>\$25,882</u>	<u>\$22,731</u>
Projected Reserve Fund Balance at End of Year	\$5,213,046	\$5,244,534	\$5,262,374

PART III – QUANTIFICATION OF BENEFIT

The Act allows cities to establish benefit zones for the purpose of providing certain public improvements which provide a special benefit to the parcels. This includes the construction, maintenance, and servicing of street lights, traffic signals, and landscaping facilities. Section 22573 of the Act requires that maintenance assessments be levied according to benefit rather than according to the assessed value of property. This section states:

“

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.

— Streets and Highways Code Section 22573

Section 22574 of the Act permits the designation of zones of benefit within any individual assessment district if “by reason of variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvements.”

In addition, Proposition 218, the “Right to Vote on Taxes Act,” which was approved on the November 1996 Statewide ballot and added Article XIID to the California Constitution, requires that a parcel’s assessment not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Proposition 218 provides that only special benefits are assessable and the City must separate the general benefits from the special benefits. In addition, Proposition 218 also requires that publicly owned property which benefits from the improvements be assessed, unless there is clear and definite evidence that those properties receive no special benefit. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The amount to be assessed may be apportioned by any formula or method which fairly distributes the amount among all assessable lots or parcels. Additionally, it’s required that the City separate the general benefits from the special benefits, because only special benefits may be assessed. The quantification and separation of general benefit from special benefits follows for each of the Zones and associated benefit areas.

PART IV – METHOD OF ASSESSMENT

General

The Method of Assessment outlines the formula by which property that receives special benefit from the improvements and services provided will be assessed annually. The Method of Assessment for the District follows:

Each parcel within the District is deemed to receive special benefit from the landscaping improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of the improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entirety of the costs of the maintenance, operation, and servicing of the improvements.

Each parcel is assigned a weighting factor known as an Equivalent Dwelling Unit (EDU) to identify the parcel's proportionate special benefit from the improvements. Each parcel's EDU is calculated based on the parcel's land use, development status and/or size as compared to other parcels that are associated with the improvements. All single-family residential properties are assigned an EDU of 1.00, and all other property types are assigned an EDU proportionate to the special benefits they receive as compared to this single-family residential property. The total EDU's in a Zone is divided into the total amount to be assessed (Balance to Levy) to establish the Levy per EDU (Rate). This Rate is then multiplied by the parcel's individual EDU to establish the parcel's levy amount.

The following formulas are used to calculate each property's assessment:

$$\text{Total Balance to Levy} \div \text{Total EDUs} = \text{Levy per EDU}$$

$$\text{Levy per EDU} \times \text{Parcel EDU} = \text{Parcel Levy Amount}$$

The formula used for each Zone reflects the composition of the parcels and properties, and the services provided, to accurately proportion the costs based on estimated special benefit to each parcel. The total Levy per EDU will vary between Zones due to the different costs to maintain the improvements within each Zone and the number of EDU within the Zone.

Land Use Classifications

Every parcel within the District is assigned a land use classification based on available parcel information obtained from the County Assessor's Office and City records. To assess benefits equitably, it is necessary to relate the different type of parcel improvements to each other. The Equivalent Dwelling Unit method of assessment apportionment uses the single-family home site as the basic unit of assessment. A single-family home site equals one Equivalent Dwelling Unit (EDU). Every other land use is converted to EDU's based on an assessment formula that equates the property's specific development status, type of development (land use), and size of the property, as compared to a single-family home site.

The EDU method of apportioning benefit is typically seen as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act, as the benefit to each parcel from the improvements are apportioned as a function of land use type, size and development.

Single-Family Residential Subdivided Lot. This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.00 EDU per lot or parcel. This is the base value that all other land use types are compared and weighted against.

Planned-Residential Subdivision. This land use is defined as any property not fully subdivided, but has a specific number of proposed residential lots to be developed on the parcel (approved tract map). This land use type is assessed at 1.00 EDU per planned (proposed) residential lot.

Vacant, Undeveloped Private Property. This land use is defined as vacant property (undeveloped) that is not a fully subdivided residential lot or planned residential subdivision. This land use is assessed at 4.00 EDU per acre. Parcels less than 0.25 acres are assigned a minimum of 1.00 EDU. In Zones 10, 11, 36 and 37 this land use is assessed at 5.00 EDU per acre. Parcels less than 0.20 acres are assigned a minimum of 1.00 EDU.

Developed Non-Residential. This land use is defined as property developed for non-residential use, including, but not limited to, commercial and industrial properties, offices, churches and not-for-profit institutions and private schools. This land use type is assessed at 5.00 EDU per gross acre. Parcels less than 0.20 acres are assigned a minimum of 1.00 EDU.

Developed Multiple Residential Units. This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property. This land use is assessed 1.00 EDU per unit for properties that the number of units can be identified. For properties that the number of units cannot be identified the property is assessed as Developed Commercial/Industrial property at 5.00 EDU per gross acre, but a minimum of 1.00 EDU.

Undeveloped, Public Property. This land use identifies properties that are exempt and are assigned 0.00 EDU. This land use classification may include, but is not limited to lots or parcels identified as:

- Public streets and other roadways (typically not assigned an APN by the County);
- Dedicated public easements such as utility right-of-ways, detention basins, channel ways, greenbelts, parkways, parks and open space areas;
- Privately owned property that cannot be developed or is associated with another property such as common areas, sliver parcels and bifurcated lots or properties that have little or no land value;

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment. Government-owned properties commonly identified as non-taxable properties by the County Assessor's Office are not exempt from District assessments unless:

- The property has restricted development or limited land use potential and the improvements clearly provide no benefit to the property; or
- The property provides additional or substantially similar improvements being provided by the District (such is the case with parks, open space areas and common areas).

Developed Public Property. This land use is defined as developed property owned by a public agency such as the City or by utility companies. This land use type is assessed at 0.30 EDU per gross acre.

Developed Regional Commercial. This land use is defined as property that has been designated for regional commercial development (i.e. Shopping mall). This land use type is assessed at 0.36 EDU per gross acre.

Restricted/Special Land Use. This land use classification identifies properties that benefit from the improvements, but cannot be fairly categorized by one of the other land use designations. This land use classification may include, but is not limited to:

- Developed Commercial/Industrial properties that only a small portion of the parcel has been developed;
- Properties identified as planned residential subdivisions, but currently have development restrictions; or
- Vacant properties with development limitations or development plans that identify large portions of the property as open space areas, parklands or similar exempt land uses.

The following table shows the EDU factors assigned to each property type in the District:

Property Type	Factor	Basis
Single Family Residential – Subdivided Lot	1.00	Parcel
Planned Residential Subdivision	1.00	Planned Lot
Vacant, Undeveloped Private Property ⁽¹⁾	4.00	Acre
Vacant, Undeveloped Private Property (Zones 10, 11, 36 & 37) ⁽¹⁾	5.00	Acre
Developed, Non-Residential Property	5.00	Acre
Developed, Multi-Family Residential	1.00	Unit
Undeveloped, Public Property ⁽²⁾	0.00	Acre
Developed, Public Property ⁽³⁾	0.30	Acre
Developed, Regional Commercial ⁽⁴⁾	0.36	Acre

Notes

1. The Undeveloped Private property factor for Zones, 10, 11, 36 and 37 (5.00 EDU/Acre) reflects the more intense use of property within these Zones when the properties are developed as compared to property development in other Zones of the District, which are assigned a weighting factor of 4.00 EDU/Acre. It is important to note that the factors shown above are used to apportion the assessment within each specific Zone, not across the entire District and therefore this distinction is an appropriate reflection of these parcels' benefit compared to other property types within the respective Zones.
2. It has been determined that undeveloped public properties generally do not benefit from the improvements and services provided by the District and are not assessed. These types of properties generally include easements, detention basins, parks or properties that have little or no development potential and therefore receive no special benefits from the District improvements.
3. Developed Public properties typically receive comparatively less benefit from the improvements and services provided by the District, since the use and enhancement of these properties has little direct benefit from aesthetics of the local environment. The factor shown was originally established based on typical proportionate cost of service and hours of use for this land use type.

4. Regional Commercial properties have been assigned a reduced benefit because of their size and their more distant proximity to the District improvements. Additionally, due to the nature and hours of use, the benefit received by such properties from the improvements and services is substantially less than other developed properties. The factor shown was originally established based on a calculation of the proportionate cost of service, average floor area ratios, and hours of use.

Assessment Range Formula

The annual landscaping assessment shall be calculated for each parcel annually by multiplying each parcel's number of EDU's by the actual assessment rate for the specific fiscal year. The actual annual assessment rate levied in any fiscal year for the District may not exceed the maximum annual assessment rate for such fiscal year without receiving property owner approval for the increase. The actual assessment rate shall be as approved by the City Council, not to exceed the maximum annual assessment rate for such fiscal year, after a noticed public hearing has been conducted, as required by law.

In each year, starting in the first year after the consolidation of the District (2003-04), the maximum annual assessment rate for each Zone shall be increased in an amount equal to the lesser of: (1) three percent (3.0%), or (2) the annual percentage increase of the Local Consumer Price Index ("CPI") for All Urban Consumers, for the San Francisco-Oakland-Hayward Area.

Each fiscal year, the City shall identify the percentage difference between the CPI for June and the CPI for the previous June (or similar time period). This percentage difference shall then establish the range of increased assessments allowed based on CPI. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the City Council for determining fluctuations in the cost of living.

The actual annual assessment rate and actual assessments levied in any fiscal year will be as approved by the City Council and may not exceed the maximum annual assessment rate for that fiscal year without property owner approval via a Proposition 218 compliant increase procedure.

The percentage difference for the CPI for the San Francisco-Oakland-Hayward Area June 2020 to June 2021 was 3.15%. The maximum assessment rates allowed for Fiscal Year 2022-23 therefore, have been adjusted by 3.00% over the prior year's maximum assessment rates.

PART V – ASSESSMENT DIAGRAM

The assessment diagrams for each Zone in the District are on file with the City's Office of the City Clerk and available for public inspection.

The lines and dimensions of each lot or parcel within each Zone are those lines and dimensions shown on the maps of the Assessor of the County of San Joaquin for the fiscal year to which this Report applies. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

An overview map of the District showing the locations of each Zone is included herein as Appendix B.

PART VI – ASSESSMENT ROLL

The assessment set forth for each parcel is shown on the Assessment Roll for the District, submitted separately, as "Assessment Roll for the City of Tracy, Consolidated Landscape Maintenance District, Fiscal Year 2022-23", which exhibit is incorporated by reference herein as Appendix C under separate cover, and is on file in the Office of the City Clerk.

APPENDIX A – IMPROVEMENT AREAS BY ZONE

Zone 1 Sycamore subdivision on east side of Tracy Boulevard

Arterial Street Landscaping

Tracy Boulevard – Southeast corner of Tracy Boulevard and Central Avenue, north to 1688 S. Tracy Boulevard

Zone 2 Fairhaven subdivision on west side of Tracy Boulevard

Arterial Street Landscaping

S. Tracy Boulevard – West side, approximately 1,000 feet south of Valpico to Sycamore Parkway (Fairhaven subdivision)

Rockport Way – Median strip and side strips

Zone 3 Northwest section of Tracy, bordered by I-205 to the north, Byron Road to the south and O'Hare Drive to the east

Arterial Street Landscaping

Grant Line Road – North side from Corral Hollow Road to O'Hare Drive; south side from 1820 W. Grant Line Road, east to Lincoln Road; median island from Lincoln Road, west to Orchard Parkway; south side from Corral Hollow Road, west to Henley Parkway

Corral Hollow Road – West side from Grant Line Road, south to Byron Road; east side from Byron Road to approximately 150 feet north of Alegre; median island from Byron Road, north to Grant Line Road; east side from Grant Line Road, north to beginning of the channel way; median island on Corral Hollow Road, north of Grant Line Road to the Mall entrance

Kavanagh Avenue – South side from Corral Hollow Road, east to Golden Springs Drive

Lowell Avenue – Corral Hollow, west to Regency (both sides), north side from Henley Parkway heading west to the end of the sound wall; south side from Henley Parkway, west to Blandford Lane; median island from Corral Hollow Road, east to Lincoln Boulevard; south side from Corral Hollow Road, east to Promenade Circle; north side between the sound wall and curb, from Bridle Creek to Joe Pombo Parkway

Parkway; south side from east end of subdivision to the end of the soundwall/Joe Pombo Parkway; south side from Joe Pombo Parkway to Blandford Lane; south side from Promenade Circle, east to the end of the sound wall; northside from Henley Parkway, west to the end of the sound wall

Orchard Parkway – East side from Lowell Avenue to Grant Line Road; median island from Hillcrest, north to Joseph Damon Drive; west side from Lowell Avenue, north to approximately 500 feet north of Hillcrest, and from Joseph Damon Drive to Grant Line Road (to be weed free between curb and fence line); west side between curb and fence line, approximately 500 feet south of Joseph Damon Drive

Henley Parkway – East side between sound wall and curb, from Lowell Avenue to Bridle Creek Drive; west side from Lowell Avenue, north to the end of the sound wall (north of Giovanni)

Blandford Lane – East side from Lowell Avenue heading south to the end of the sound wall, including traffic circle at Lowell Avenue and Blandford Lane

Subdivision Landscaping

Arnaudo Village – Entryways at Lincoln Boulevard and Grant Line Road

Blossom Valley – Entryways at Travao Lane and Grant Line Road, including median-island

Foothill Ranch Estates – Entryway at Foothill Ranch Drive and Corral Hollow Road, including median-island

Woodfield Estates – Entryway at Fieldview, including north and south side sound wall and median strip along Fieldview; entryway at Promenade Circle, including west side of sound wall and median island

Sterling Estates – Alegre – north side and median-island

Pheasant Run – Entryways at Corral Hollow Road and Fieldview, including median-island; Annie Court adjacent to Fieldview, including south side of sound wall

Bridle Creek – Entryway at Lowell Avenue and Bridle Creek Circle, including median island on Bridle Creek Circle; entryway at Bridle Creek Circle and Joe Pombo Parkway

Entryways at Lowell Avenue and Oxford Way, including median-island on Oxford Way; entryway at Hampshire Lane, including median strip

Laurelbrook – Entryway at Laurelbrook Drive and Southbrook Lane, including median strip

Foothill Vista – Entryway at Hillcrest Drive between Orchard Parkway and Isabel Virginia

Countryside – Giovanni Lane, both sides, including median-island, from Henley Parkway, west to Rochester Street

Park Maintenance

Arnaudo Village – Slater Park on Suellen Drive

Buena Vista Estates – Kelly Park on Tammi Court

Foothill Ranch Estates – New Harmon Park on Hillcrest Drive

Laurelbrook – Dr. Ralph Allen Park at Veranda Court and Dorset Lane

Sterling Estates – Pombo Family Park on Joseph Damon Drive and Mary Alice Court

Park Atherton – Eagan Park on Oxford Lane and Lowell Avenue; Thrasher Park on Lowell Avenue and Joseph Menusa Lane; McCray Park on Fieldview Drive and Vivian Lane

Weed Abatement

Corral Hollow – Byron Road, north to Grant Line Road

Grant Line – North side from Corral Hollow Road heading west 500 feet from curb to 10 feet behind curb

Orchard Parkway – East side from Lowell Avenue to Hillcrest Drive curb to sidewalk; Orchard Parkway median island from Lowell Avenue to Grant Line Road

Pombo Parkway – East side from existing landscape, north to the end of the sound wall

Zone 4 Located in front of the Summertime Apartments on Grant Line Road

Weed Abatement

Grant Line Road – In front of apartment complex

Zone 5 Located south of East Grant Line Road and east of Esther Drive. No maintenance activity currently being performed

Zone 6 Located on the southwest corner of Clover Drive and North Tracy Boulevard. No maintenance activity currently being performed

Zone 7 Located within the boundaries of 11th Street to the south, Corral Hollow Road, the SPRR tracks to the south and Hickory Avenue on the east

Arterial Street Landscaping

Lauriana Lane – West side of Cypress Drive, south to Schulte Drive

Cypress Drive – North side from approximately 100 feet west of Hickory Avenue, west to Lauriana Lane; south side and median island from Lauriana Lane to Corral Hollow Road

Corral Hollow Road – East side approximately 300 feet north of Tennis Lane, south to the railroad tracks; east side, south from 11th Street to Cypress Drive (Safeway frontage only to include from face of curb to face of sidewalk); median strip from 11th Street, south to railroad tracks, south of Schulte Road; west side from Krohn Road, south to Cypress curb, to bike path

Schulte Road – From Corral Hollow Road heading east. The south side ends 1,000 feet before the railroad tracks. The north side ends at the railroad tracks and includes the median island

Subdivision Landscaping

Fox Hollow – Entryways at Tennis Lane and Lauriana Lane; entryways at Cypress Drive and Fox Hollow; entryways at Cypress Drive and Hunter's Trail; entryways at Tennis Lane and Corral Hollow Road, including median strip and two cul-de-sacs at Pheasant Run Court and Thomas Dehaven Court

Harvest Country West – Entryways at Raywood Lane, including median strip

Quail Meadows – Entryway at Golden Leaf Lane, including median strip; entryway at Quail Meadows, including median strip

Candlewood Estates – Entryway at Alden Glen Drive and Cypress Drive, including median strip

Corral Hollow Estates – Entryway at Lauriana Lane, both side, including median strip from Schulte Road, south approximately 92 feet

Park Maintenance

Fox Hollow – Kit Fox Park at Foxwood Court and Fox Hollow Way; Rippin Park at Tennis Lane and Firefly

Harvest Country West – Harvest Park at Birchwood Court and Fireside Lane

Candlewood Estates – Patzer Park at Alden Glen Drive and Meadowlark

Quail Meadows – Bailor-Hennan Park on Golden Leaf Lane

Weed Abatement

11th Street – Church frontage west of Alden Glen Drive, from face of curb to chain link fence

Schulte Road – from railroad tracks east of Lauriana Lane, heading west 1,000 feet to start of landscaping, 10 feet from the curb

Zone 8 **Located within the boundaries of Corral Hollow Road on the west and 11th Street on the south**

Arterial Street Landscaping

Belconte Drive – From 11th Street to Byron Road, east and west sides, including median-island

Redington Drive – Median-island, east and west of Belconte Drive

Byron Road – From Corral Hollow Road, west approximately 2,280 feet to the end of the subdivision sound wall

Corral Hollow Road – West side from Byron Road to 11th Street

Park Maintenance

Fabian – Fabian Park on Redington Drive

Zone 9 **Located west of Tracy Boulevard from the UPRR spur line to Corral Hollow Road on the west, and to the south, Edgewood and Brookview West subdivisions**

Arterial Street Landscaping

Tracy Boulevard – Circle B Ranch – west side from 245 feet north of Mt. Diablo Avenue, heading south past Schulte Road, approximately 650 feet to the end of the shopping center

Heritage subdivision – West side starting from approximately 200 feet north of Menay Drive, heading south to West Central Avenue

West side from Central Avenue heading south approximately 970 feet south of Valpico Road, next to the baseball field

West side from Sycamore Parkway heading south approximately 570 feet, to the end of the sound wall

Corral Hollow Road – From the railroad tracks south to Parkside drive, approximately 600 feet

Sycamore Parkway – West side and medians from Amberwood Lane south to Dove Lane; south of Central Avenue to Tracy Boulevard; west side, from Schulte Road, south to Amberwood Lane

Schulte Road – Median strip from Tracy Boulevard to railroad tracks; north side from Tracy Boulevard to Sycamore Parkway; south side from Tracy Boulevard to west end of shopping center; south side, from Sycamore Parkway, west to the end of the sound wall; south side from Sycamore Parkway, east to the shopping center

Valpico Road – Tracy Boulevard, both side, west to the City limits; median islands from Tracy Boulevard, west to the City limits

West Central Avenue – Median from Tracy Boulevard to Sycamore Parkway; north side from Tracy Boulevard, west to the end of Cedrus Drive

Subdivision Landscaping

Circle B Ranch – Entryways at Morris Phelps and Schulte Road; entryways at Mt. Diablo Avenue and Tracy Boulevard

Hearthstone – Entryways at Menay Drive and Tracy Boulevard; entryways at Amberwood Ln. and Sycamore Parkway cul-de-sac at Yorkshire Loop and Hampton Ct.

Regency Square – Entryways at Monument Drive, Tracy Boulevard and Sycamore Parkway; Monument Drive (north and south sides), including

Median islands at Monterey and Vintage Courts; cul-de-sac at southeast corner of Tahoe Court and northwest corner; cul-de-sacs at northeast and southwest corners of Tahoe Circle; court adjacent to Mt. Oso Mini Park on Henderson Court; court adjacent to Mt. Diablo Mini Park on Alpine Court

Muirfield – Entryway at Steinbeck; entryway at Petrig; cul-de-sac at Whitman Court; cul-de-sac at Longfellow Court; entryway at Dove Lane; median island on Chaplin, east and west of Sycamore Parkway; entry at Cagney; cul-de-sac at Shaw Creek; cul-de-sac at Williams Court; cul-de-sac at Bogart Court; cul-de-sac at Mansfield Court; cul-de-sac at Hepburn Court; entryway at Allegheny

Glen Creek – Entryway at Glen Creek Way

Greystone Station – Median-island at Windham; median-island at Sudley Drive

Harvest Glen – Entryway at Ray Harvey Drive; entryway at Meadow Lane; cul-de-sac at Cornucopia

Ironwood – Entryway at Monument Drive; walking path from Whitehaven Court, heading west to Mountain View Road; cul-de-sac at Newcastle Court; cul-de-sac at Clairmont Court; cul-de-sac at Hampton Court

Park Maintenance

Hearthstone – Valley Oak Park at Larkspur and Honeysuckle Court; Evelyn Costa Park at Claremont Drive and Whitehaven Court

Parkside Estates – Evans Park on Parkside Drive

Harvest Glen – Fitzpatrick Park on Savanna Drive; Albert Emhoff Park on Jonathon Place and Moonlight Way

Regency Square – Mt. Oso Park at Henderson Court; Mt. Diablo Park at Alpine Court

Muirfield – Golden Spike Park on Christy Court; Fred Icardi Park on Russell Street at Steinbeck Way; Westside Pioneer Park at Cagney Drive and Hepburn Street

Circle B – Sister Cities Park at Morris Phelps Drive and Saddleback Court

Greystone Station – John Kimball Park at Tom Fowler Drive and Sudley Drive

Sienna Park – Tracy Press Park at Schulte Road and Weeping Willow Lane

Zone 10 Includes the MacArthur Drive area, bounded by I-205 to the north and 11th Street to the south

Arterial Street Landscaping

MacArthur Drive – East side, from Pescadero Avenue south to 2020 MacArthur Drive (curb to sidewalk); west side from Grant Line Road to 11th Street, approximately 35 feet from curb; median strip from I-205 to 11th Street; west side from Pescadero Avenue, south to end of the California Esprit subdivision; east side from Pescadero Avenue, north 165 feet; west side from Pescadero to a private canal; North side of 11th Street at channelway

Pescadero Avenue – North side, from MacArthur Drive, east to the end of the Outlet Center, curb to sidewalk and median strip; adjacent to Yellow Freight, from redwood header to sidewalk; south side adjacent to Market Wholesale, from face of curb approximately 30 feet; south side adjacent to the California Esprit subdivision, from MacArthur Drive west to the end of the sound wall; south side from MacArthur Drive, east to McLane Food Services; north side starting at 3403 Bungalows Drive to MacArthur Drive

Grant Line Road – North side, MacArthur Drive, east to the City limits, including median strip; south side, east of channelway to Skylark (ground cover only)

Zone 11 **Located southwest at the corner of W. Eleventh Street and N. MacArthur Drive.**
In front of storage facility

Zone 12 **Located northwest of I-205 including the existing arterial landscaping along the right-of-way on Naglee Road and Grant Line Road**

Arterial Street Landscaping

Naglee Road – From Grant Line Road to Auto Plaza Drive, median and 5 foot strip between curb and sidewalk on the east side; west side from Pavilion Parkway to Robertson Drive, turf and curb strip only; Grant Line Road to Auto Plaza drive sidewalk on west side

Auto Plaza Drive – South side curb face to sidewalk, from Naglee Road, east to dead end

Robertson Drive – Both sides of the street curb face to sidewalk, from Naglee Road, west to Pavilion Parkway

Grant Line Road – South side from 2850 W. Grant Line Road, west to 3292 W. Grant Line Road; north side from west driveway of Chevron at 2615 W. Grant Line Road, west to the western edge of the property at 2785 W. Grant Line Road

Pavilion Parkway – Both sides of the street curb face to sidewalk, from Naglee Road to Power Road; median from Naglee Road, west to Power Road

Corral Hollow – Median from I-205 to Mall entrance; east side from I-205 to Mall entrance

Zone 13 **Located southwest of I-205 with 11th Street bordering on the south, Lammers Road on the west and Byron Road on the north**

Arterial Street Landscaping

Fabian Road – North side from the edge of the sound wall, east to Montgomery Lane, west to Lammers Road; both sides and median on Montgomery Lane from King Loop to Fabian Rd

Lammers Road – East side from Fabian Road, north to Feteira Way

Subdivision Landscaping

Westgate – Entryway at Westgate Drive, both sides, east to Antonio Loop; entryway from Feteira Way to Glazzy Lane, both sides, from Lammers Road, east to Glazzy Lane; median on Souza Way, from Thelma Loop to Antonio Loop

Park Maintenance

Souza Park South – On Antonio Loop between Souza Way and Ann Marie Way

Souza Park North – On Thelma Loop between Milton Jenson Court and Michael Drive

Zone 14 **Bounded on the west by Lammers Road, on the east by Corral Hollow Road and on the south by Schulte Road and the railroad tracks**

Arterial Street Landscaping

Corral Hollow Road – West side, 234 feet north of Tracey Jean Way, including the walking path between Corral Hollow Road and Tracey Jean Court

Subdivision Landscaping

Gabriel Estates – Entryway at Tracey Jean Way, including median strip

Park Maintenance

Joan Sparks Park – On Carol Ann Drive

Chandeayne Kingsley Park – On Robert Gabriel Drive

Zone 15 Located in the southwest section of the City, bordered by Tracy Boulevard, Linne Road and Corral Hollow Road

Arterial Street Landscaping

Tracy Boulevard – West side, from approximately 700 feet north of Whispering Wind, south to the end of the sound wall

Whispering Wind – Both sides, including medians from Tracy Boulevard, west to English Oaks Lane

Applebrook Lane – Both sides, including median from Whispering Wind, south to approximately 75 feet

English Oak Lane – East side from Whispering Wind, north to approximately 80 feet

Windsong Drive – Both sides, including median from Tracy Boulevard, west to approximately 370 feet

Corral Hollow Road – East side from 75 feet north of Peony Drive, heading south to railroad tracks

Subdivision Landscaping

Edgewood VI – Entryway at Peony Drive, both sides, including median strip from Corral Hollow Road, east to Maison Court; entryway at Middlefield Drive, both sides, including median strip from Corral Hollow Road, east to Whispering Wind Drive

Park Maintenance

William Adams Park – On Edgewood Terrace Drive

Don Cose Park – On Whirlway Lane

Bill Schwartz Park – On Peony Drive

Zone 16 Bordered on the north by Byron Road, 11th Street on the south, Palomar Drive on the west and Mamie Anderson on the east

Subdivision Landscaping

Crossroads Drive – Crossroads Drive, east and west from 11th Street to Solomon Lane; Crossroads Drive from Solomon Drive to fence line of 2506 Spencer Lane

Park Maintenance

Dan Busch Park – On the northeast corner of Crossroads Drive and Tolbert Drive

Zone 17 **Includes all areas east of Tracy Boulevard between the SPRR tracks on the north and 100 feet north of Deerwood Lane on the south**

Arterial Street Landscaping

Tracy Boulevard – East side from Valpico Road, north to the end of the shopping center (on-site landscape contractor maintains the 5,150 sq. ft. of shrubs and 800 sq. ft. of turf); east side from Valpico Road, south to the end of the shopping center

Central Avenue – West side from Schulte Road, south to Ferdinand Street and the east side from Schulte Road, south to Deerwood Lane; west side from Schulte Road, north to Country Court, including ground cover in front of fence on Mt. Oso

Schulte Road – North side from Tracy Boulevard, east to the cemetery; medians from east of Tracy Boulevard to Gianelli Street; south side from Central Avenue to 300 feet east of Independence Drive

MacArthur Boulevard – West side from Krider Court, south to the north edge of the cemetery

Third Street – North side from Jaeger to Tudor

Leamon Street – South side of California Cameo Parkway from MacArthur Boulevard, west to Third Street and Jaeger Street

Mt. Diablo Avenue – South side (est. 1,000 sq. ft.) and median-island from MacArthur, west to Third Street

Valpico Boulevard – South side from Tracy Boulevard, east to end of landscaping; north side from Tracy Boulevard, east to end of landscaping (on-site landscape contractor maintains the 4,906 sq. ft. of shrubs)

Subdivision Landscaping

Meadow Glen – Entryways at Edenvale and Schulte Road; parkway from Cedar Mountain Drive to San Simeon Way

Victoria Park I – Entryways at Gianelli, including median, south side of Schulte Road; cul-de-sacs at Elizabeth Court, Henry Court and Edward Court

Victoria Park II (American Classics) – Cul-de-sacs at James Court and Mary Court

Victoria Park II (Traditions) – Cul-de-sacs at Elysan, Lavender and Primrose Courts, and entrance at Junior Harrington, north side to 100 feet east

California Collections – Entryways at MacArthur Drive and Wagtail Drive; cul-de-sac at Krider Court

California Renaissance – Entryway median at Third Street; entryway and median at Hotchkiss Street; cul-de-sac at Sir Lancelot

California Cameo – Entryway median at Leamon Street; cul-de-sac at Versailles Court; cul-de-sac at Czerny Street

Park Maintenance

Meadow Glen – Florence Stevens Park at Tassajero Court

Victoria Park – Sullivan Park on Victoria Street

California Collections – Huck Park on Wagtail Drive

Zone 18 Bounded on the north by Valpico Road, on the east by MacArthur Drive and on the south by Linne Road

Arterial Street Landscaping

Valpico Road (Glenbriar Estates) – South side from MacArthur Drive, west to the end of the sound wall; south side from Pebblebrook Drive, west to the end of the sound wall, approximately 600 feet (Pebblebrook Estates)

MacArthur Drive (Glenbriar Estates) – West side from Valpico Road, south to the end of the landscaping, approximately 290 south of Fair Oaks Road; west side from Glenbrook Drive, south 237 feet to end of landscape; north 220 feet to the end of the landscaping

Subdivision Landscaping

Glenbriar Estates – Glenbriar Drive from Valpico Road, south to Glenbriar Circle, both sides and median

Pebblebrook Estates – Entryway at Pebblebrook Drive, including median; cul-de-sac at Pebblebrook Court

Zone 19 Located north of the UPRR tracks, south of Valpico Road, east of Tracy Boulevard and west of Glenbriar Estates

Arterial Street Landscaping

Tracy Boulevard – East side including median from Valpico Road, south to UPRR tracks, Whispering Winds, Regency and Brookview,

Park Maintenance

William Kendal Lowes Park

Subdivision Landscaping

Regis Drive – West side from Whispering Wind Drive, south to Dietrick Avenue; from Regis Drive, east to 418 feet east of Reids Way; from Whispering Wind Drive, north to Arezzo Way, then east on Arezzo Way to Escatta Avenue

Brookview Drive – From Perennial Place, east to Glenhaven Drive, north side; from Regis Drive, east to Glenhaven Drive, south side

Zone 20 (Larkspur Estates) located generally south of Montclair Lane, west of MacArthur Drive, and north of Valpico Road

Arterial Street Landscaping

MacArthur Boulevard – West side from DeBord Drive, north 415 feet to the end of the sound wall, and south from DeBord Drive 213 feet to the end of the sound wall; median on DeBord Drive

Park Maintenance

Stalsberg Drive – Clyde Abbot Park located on the south dead end of Stalsberg Drive

Zone 21 (Huntington Park) located generally between Byron Road, south to Fabian Road and Gentry Lane, east to Jones Lane

Subdivision Landscaping

Huntington Park – Entryway on Montgomery Lane, both sides from Fabian Road, north to King Loop, including median; entryway on Lankershire Drive, both sides from Byron Road, south to Kensington Court, including median; cul-de-sac on Kensington Court; Byron Road south side from Lankershire Drive, west 243 feet to the end of the sound wall, and east from Lankershire Drive 554 feet to the end of the sound wall; entryway at Byron Road, 100 feet to Ogden Sannazor, east and west side of the pathway

Mini-Park Maintenance

Richard Hastie Park – located on Huntington Park Drive

Zone 22 Generally located between Corral Hollow Road, east to Egret Drive, and from Persimmon Way, south to Starflower Drive on the western half and Dove Drive on the eastern half

Arterial Street Landscaping

Corral Hollow Road – East side from Starflower Drive, north to the end of the sound wall of the sound wall

Subdivision Landscaping

Parkview (Muirfield 7) – North side of Persimmon Way along the sound wall from Geranium, west to Corral Hollow Road; west side of Lotus Way, along sound wall from Starflower Drive, north to Petunia; north side of Starflower along sound wall from Corral Hollow Road, east to Lotus Way, including median

Zone 23 Starflower Drive south to canal between Corral Hollow Road, Monroe Street and Gretchen Talley Park

Arterial Street Landscaping

Corral Hollow Road – From Starflower Drive, south to Kagehiro Drive; east side of Corral Hollow, Kagehiro Drive to Lotus Way

Starflower Drive – From Corral Hollow Rd south side to Lotus way

Kagehiro Drive – From Corral Hollow Road, east to Lotus Way

Zone 24 (Eastlake) - Located south of 26102 S. MacArthur Drive, north of Valpico Road and east of MacArthur Drive

Park Maintenance Only

Tiago Park – Located on Eastlake Circle between Crater Place and McKenna Court

Zone 25 Located north of Brichetto Road and Schulte Road, east of Zone 32. No maintenance activity currently being performed

Zone 26 Located generally west of Corral Hollow Road, east of Lammers Road, north of Zone 14 and south of W. 11th Street

Arterial Street Landscaping

Corral Hollow Road – 60 feet north of Cypress Drive to the end of the sound wall, south approximately 240 feet; north side, 31 feet north of Cypress Drive

Sterling Park II – From San Marcos subdivision at Tennis Lane, 290 feet north to the Sterling Park subdivision; Tennis Lane, west of Corral Hollow Road center median and south side

Krohn Road – South side from Corral Hollow Road, west to end of landscaping

Subdivision Landscaping

Sterling Park – Cypress Drive, north and south side, including median; Banff, east and west side, including median

San Marcos – Schulte, north and south side, including median; Babcock entryway and median; Cabana entryway and median; Schulte Road, north 922 feet to Tennis Lane; Schulte Road, south to Golden Leaf Lane; Nabor Court

Park Maintenance

Verner Harrison – Located at Jill Drive and Brittany

Marlow Brothers – Located at Adaire Lane and Golden Leaf Lane

John Erb Park – located Barcelona Drive and Cypress Drive

Zone 27 **Located generally west of Zone 26, south of Zone 28, north of Zones 25 and 14, approximately one mile east of Lammers Road**

Arterial Street Landscaping

South Gate – Schulte Road, east from Mabel Josephine to the end of the landscaping

South Gate – Mabel Josephine, south from Schulte Road to Patrick McCaffrey Drive

South Gate – Schulte Road median, east from Mabel Josephine to Barcelona

Zone 28 **Located generally south of W. 11th Street, west of Zone 26, north of Zone 27 and east of Lammers Road**

Subdivision Landscaping

Crossroads Drive – From 11th Street, heading south on west side of the dead end of Crossroads Drive, curb to sound wall (curb to mow strip in front of Sports Complex); from 11th Street, heading south on the east side of the dead end of Crossroads Drive; median from 11th Street, heading south to the end of Crossroads Drive; Cranston Court; Wyman Court; Bennet Court; Marshall Court

Jefferson Parkway – 11th Street, heading south to Safford Lane; median from 11th Street, heading south to Safford Lane; east side from 11th Street to end of Sports Complex

Zone 29 **Located generally south of Schulte Road, north of Valpico Road, west of Chrisman Road and east of Zone 24**

Arterial Street Landscaping

Valpico Road – North side of Valpico Road from Chrisman Road, heading west 1,018 feet to the end of the sound wall; north side from Elissagaray Drive, heading west 145 feet; north side starting 440 feet west of

Elissagaray Drive at sound wall, heading 238 feet west to the end of the sound wall

Chrisman Road – West side of Valpico Road, heading north 960 feet past Elissagaray Drive

Subdivision Landscaping

Elissagaray Drive – East side from Valpico Road to Rodger Drive; east side from Rodger Drive, heading northeast to Chrisman Road, including Amatchi Drive entrances, east and west; west side from Rodger Drive, heading north to Dominique Drive; north side from Aldacourrou Street, heading east to Chrisman Road

Dominique Drive – South side from Elissagaray Drive, heading west 525 feet past Basque Drive

Mount Pellier Street – West side from 125 feet south of Montauban Street, heading south 225 feet to the end of the fence at 2203 Mt. Pellier Street

Subdivision Court Landscaping

Baigorry Court – East side from 130 feet south of Rodger Drive, starting at the sound wall 210 feet to the end of the sound wall

Park Maintenance

Robert Kellogg Park – Located on Elissagaray Street

Zone 30 Yosemite Vista Housing Development located on S. MacArthur Drive

Arterial Street Landscaping

S. MacArthur Drive – From Yosemite Drive, heading north to the end of the sound wall; from Yosemite Drive, heading south to Jesse J. Martinez Drive; from Jesse J. Martinez Drive, heading south to the end of the landscaping

Yosemite Drive – Median-island from S. MacArthur Drive, east approximately 100 feet

Park Maintenance

Sentinel Drive – Jim Raymond Park

Zone 31 Tracy Mini Storage

Arterial Street Landscaping

Tracy Boulevard – East of Tracy Boulevard, west of Zone 28 and south of Valpico Road

Zone 32 Located north of Schulte Road, east of Lammers Road. No maintenance activity currently being performed

Zone 33 **Generally located south of I-205, north of the SPRR tracks and east of Chrisman Road**

Arterial Street Landscaping

Grant Line Road – From Best Buy warehouse, east to Skylark Way

Zone 34 **The triangle area located south of the SPRR tracks, north of W. 11th Street and east of Corral Hollow Road**

Arterial Street Landscaping

Corral Hollow Road – East side from 11th Street, north to railroad tracks at Byron Road

11th Street – From railroad tracks east of Alden Glen, heading west to Corral Hollow Road, north side from sidewalk to mow strip

Zone 35 **East side of Tracy Boulevard between Centre Court and Tennis Lane**

Arterial Street Landscaping

Tracy Boulevard – East side from BSC, heading south 375 feet past Tennis Lane

11th Street – From railroad tracks east of Alden Glen, heading west to Corral Hollow Road, north side from sidewalk to mow strip

Subdivision Landscaping

Ryland Junction – Entryway at Tracy Boulevard and Tennis Lane, including median; entryway at Tracy Boulevard and Centre Court, including median; Rockingham Court cul-de-sacs

Park Maintenance

Fisher Park – Located on Tracy Boulevard between Tennis Lane and Centre Court

Zone 36 El Pescadero at Grant Line Road

Arterial Street Landscaping

El Pescadero Park – South of El Pescadero Park, north of Grant Line Road and east of Buthmann

Zone 37 Forrest Greens

Arterial Street Landscaping

Acacia Street – North side of Acacia Street between East Street and MacArthur Drive

Zone 38 This Zone is split into four different areas within the District (Funded by City's General Fund, and not assessment revenue)

Zone A

Arterial Street Landscaping

11th Street – North side of 11th Street from Belconte Drive, west to Lammers Road; north side of 11th Street from Corral Hollow Road, west to Belconte Drive, from curb to sidewalk; north side of 11th Street from rail road tracks east of Alden Glen Drive, west to Corral Hollow Road, from curb to sidewalk; south side of 11th Street from Corral Hollow Road, west to the end of the landscaping west of Jefferson Drive, curb to sidewalk; south side of 11th Street from railroad tracks east of Alden Glen Drive, west to Corral Hollow Road, curb to sidewalk; median on 11th Street from rail road tracks east of Alden Glen Drive, heading west to Lammers Road; Lammers Road – westside, median and eastside from 11th Street to end of Kimball High School; on eastside from curb to fence.

Grant Line Road – South side of Grant Line Road from 1820 W. Grant Line Road, east to Lincoln Boulevard; Corral Hollow Road, west side from Grant Line Road, north to I-205

Tracy Transit Station – Plaza area in the middle of 6th Street from Central Avenue to D Street; traffic circle at the intersection of 6th Street and Central Avenue; traffic circle at the intersection of 6th Street and D Street; all on-site landscaping around the transit building and parking lot

Zone B

Valpico Town Center – North side of Valpico Road from Glenbriar Drive heading east to MacArthur Drive.

Zone 40 **Located at the northwest corner of Valpico Road and MacArthur**

Arterial Street Landscaping

Rite-Aid – North side of Valpico Road from MacArthur Drive, heading west 370 feet to second driveway; west side of MacArthur Drive from Valpico Road, heading north 135 feet

Zone 41 **Located at east side of Corral Hollow Road, north of Tennis Lane and south of Cypress Drive**

Arterial Street Landscaping

Corral Hollow Road – east side of Corral Hollow Road fronting 350 N. Corral Hollow Road, starting from 285 feet north of Cypress Drive, heading north 375 feet to the end of the landscaping

Zone 42 **Located at south side of W. Grant Line Road, north of Byron Road and west of S. Lammers Road**

Arterial Street Landscaping

Grant Line – Center median and south side from east to west of complex

Zone 43 Located east of MacArthur Drive and north of Valpico Road

Arterial Street Landscaping

Tract 3290 (Ventana) – Ongoing maintenance, servicing and operation of the landscaping improvements within the public right-of-ways, to be installed in connection with this development

Channel Way with Arterial Landscaping

Located in Zone 1

Central Avenue – From Silkwood Lane, west to Tracy Boulevard (channel way in front of the Sycamore Village apartments); Central Avenue channel along the eastern side of the Sycamore Village apartments

Transit Corridor – Bike path to face of curb; from Silkwood lane west to Tracy Blvd in front of the Sycamore Apartments

Located in Zone 3

Grant Line Road – East side from Grant Line Road to the I-205 freeway right-of-way, approximately 1,600 linear feet; east side from Grant Line Road, north to I-205 (no mow), weed down as needed

Orchard Parkway – West side of Orchard Parkway from Lowell Avenue to Grant Line Road

Vivian Lane/Rita Way – From south end of Vivian Lane, heading north past Rita Way to Lowell Avenue

Lowell Avenue – North side of Lowell Avenue to Orchard Parkway

Transit Corridor (bike path to face of curb) – East side of Corral Hollow Road from Grant Line Road to I-205; Orchard Parkway shrubs; Orchard Parkway, west side from Lowell Avenue to Grant Line Road; Vivian Lane/Rita Way from rail road tracks, south of Vivian Lane, north to Lowell Avenue; north side of Lowell Avenue, west to Orchard Parkway

Located in Zone 7

From edge of property to bike path – North side of Cypress Drive from Corral Hollow Road to Lauriana lane; east side of Lauriana Lane from Cypress Drive to Schulte Road; north side of Schulte Road from Lauriana Lane, east to the rail road tracks

Transit Corridor (bike path to face of curb) – Starting at the rail road tracks on Schulte Road west of Sycamore Parkway, heading west to Lauriana Lane, then on Lauriana, then west on Cypress Drive to Corral Hollow Road

Located in Zone 9

From edge of property to bike path – North side of Schulte Road channel way from railroad tracks to Sycamore Parkway; east side of Sycamore Parkway from Schulte Road, south to Windham Drive; south side of Central Avenue from Tracy Boulevard to Sycamore Parkway; east side of Windham Drive, south from Sycamore Parkway to Cherry Blossom

Transit Corridor (bike path to face of curb) – From Cherry Blossom, north to Sycamore Parkway on the east side, north to Schulte Road then west to rail road tracks; Central Avenue from Tracy Boulevard, west to Sycamore Parkway; north side of Schulte Road from Sycamore Parkway, west to Lauriana Lane

Located in Zone 10

MacArthur Drive – Landscaped channel way, east side from 11th Street overpass, north to driveway at 2020 MacArthur Drive-edge of property to bike path; non-landscaped channel area, east side from driveway at 2020 MacArthur Drive to Grant Line Road, north to Pescadero Road; I-205, west to rail road tracks west of MacArthur

Pescadero Avenue – Starting from the east driveway of the Outlet Mall, heading east 835 feet to the curve, then heading north 975 feet to the curve, then west 2,080 feet, ending at MacArthur Drive; starting from the south side of Pescadero Avenue from the east driveway of the Outlet Mall, heading south 2,550 feet to Grant Line Road; starting on the eastern edge of the property at 800 Grant Line Road, heading south 485 feet, then picking back up on the south side of the rail road tracks and heading south 950 feet to MacArthur Drive (Channel way is approximately 50 feet wide)

Transit Corridor (bike path to face of curb) – East side of MacArthur Drive from the 11th Street overpass, north to 1820 MacArthur Drive

Located in Zone 12

Naglee Detention Basin – Around fence line to bottom of the berm; entrance on Naglee Road, northwest side of Auto Plaza Drive

Park and Ride Lot – Transit corridor Park & Ride

Located in Zone 26

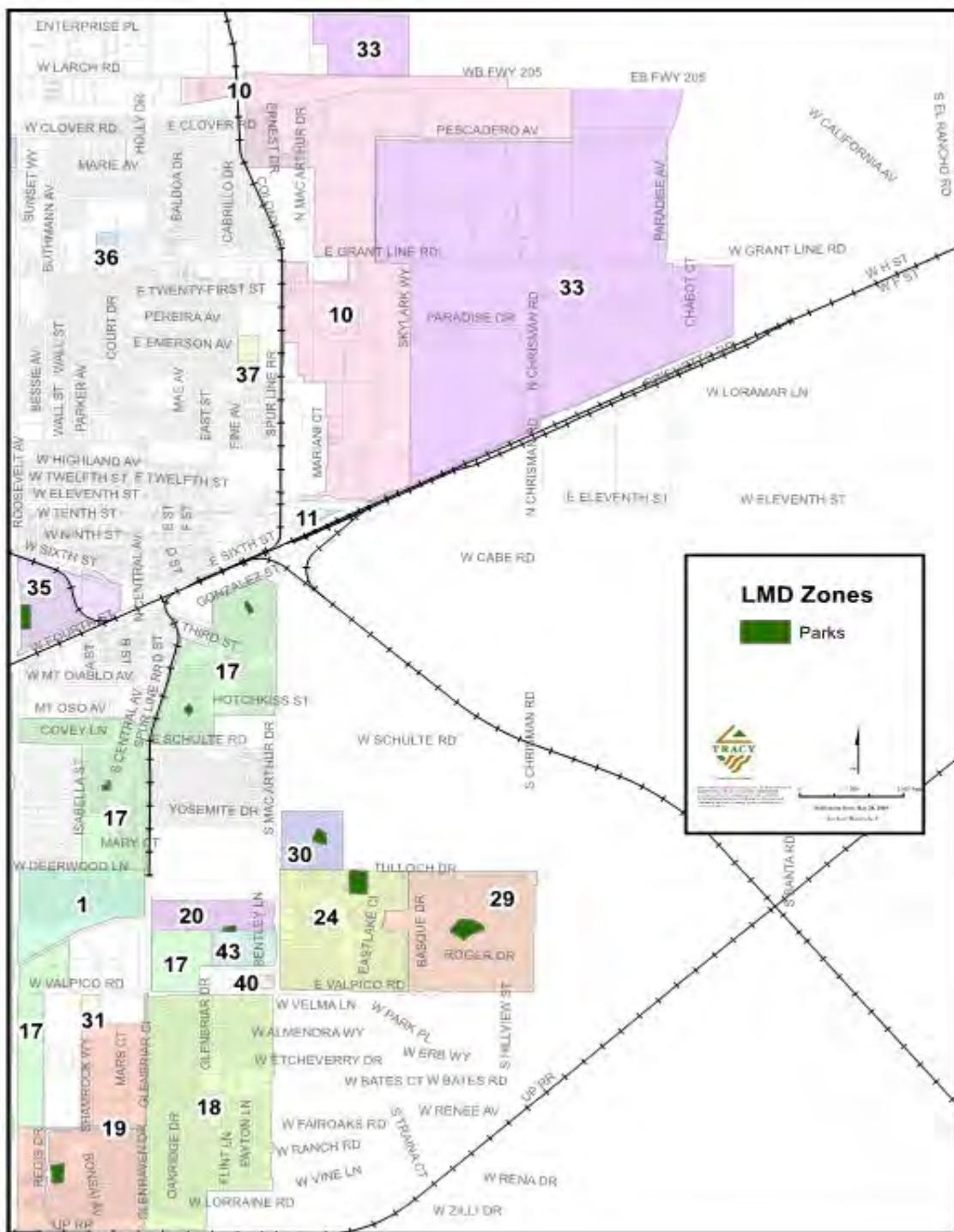
From edge of property to bike path – West side of Corral Hollow Road from Cypress Drive, north to Krohn Road; end of channel way from Krohn Road, 300 feet west to DB-V Detention Basin;

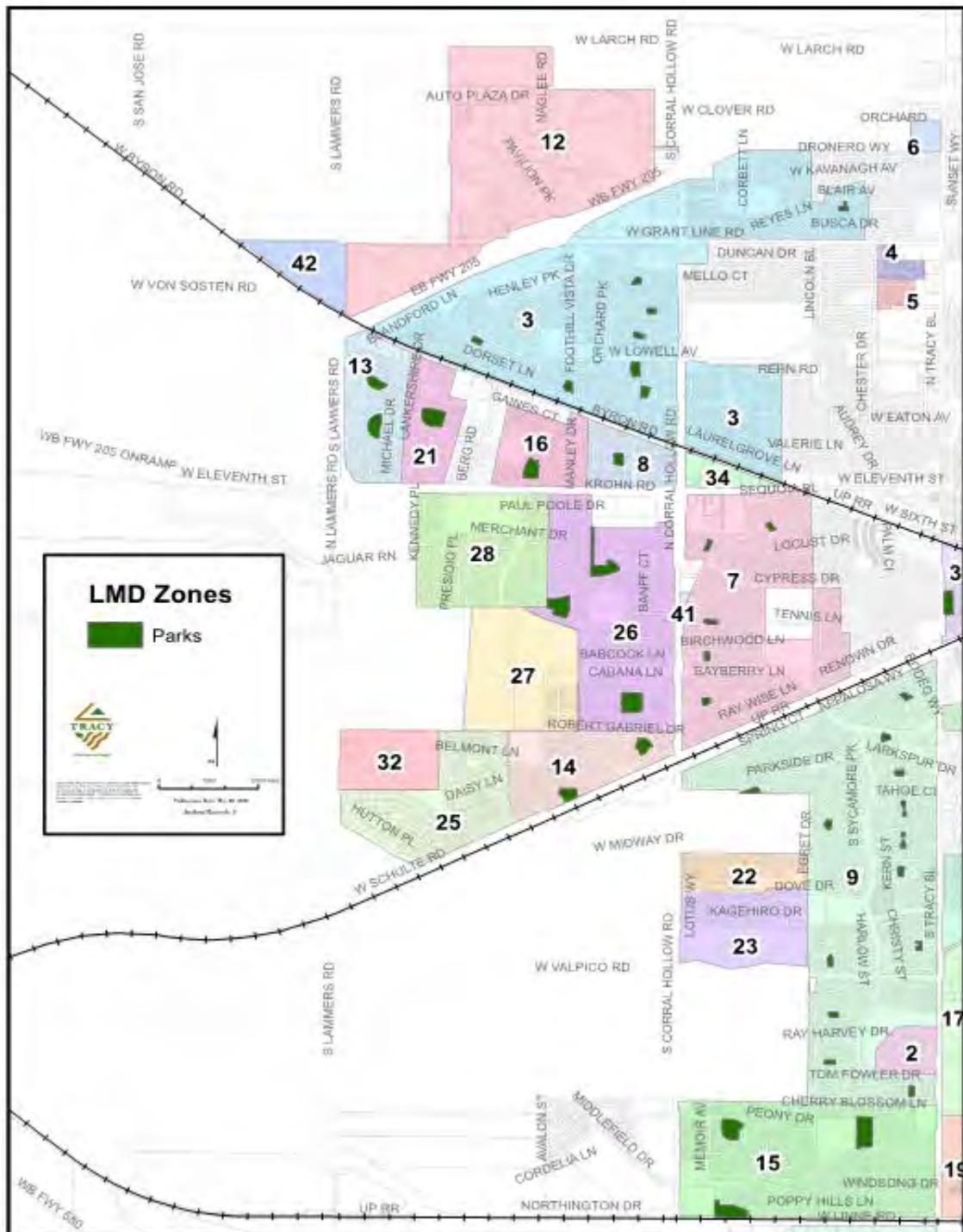
Placentia Fields Channel Way (General Fund Channel Way) – North of Cypress Drive towards 11th Street, then east to the end of the channel way

Transit Corridor (bike path to face of curb) – West side of Corral Hollow Road from Cypress Drive, north to Krohn Road

APPENDIX B – CONSOLIDATED LANDSCAPE MAINTENANCE MAP

A Diagram showing the District and Zone boundaries is on the following page.





APPENDIX C – ASSESSMENT ROLL

The assessment set forth for each parcel is shown on the Assessment Roll for the District, submitted separately, as "Assessment Roll for the City of Tracy, Consolidated Landscape Maintenance District, Fiscal Year 2022-23", which exhibit is incorporated by reference herein as Appendix C under separate cover, and is on file in the Office of the City Clerk.

The Assessment Roll lists all parcels within the boundaries of the District as shown on the Assessment Diagram, Part D herein, and on the last equalized roll of the Assessor of the County of San Joaquin, which is by reference made part of this report.

A list of names and addresses of the owners of all parcels within this District is shown on the last equalized Property Tax Roll of the Assessor of the County of San Joaquin, which by reference is hereby made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll on file in the office of the City Clerk of the City of Tracy.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022 _____

**INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENTS
AND ORDERING THE PREPARATION OF AN ENGINEER'S REPORT FOR
THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT
PURSUANT TO THE PROVISIONS OF THE LANDSCAPING AND LIGHTING
ACT OF 1972 FOR FISCAL YEAR 2022/2023**

WHEREAS, the City Council of the City of Tracy previously formed a special maintenance district, the Tracy Consolidated Landscape Maintenance District ("District"), pursuant to the terms of the "Landscaping and Lighting Act of 1972," codified in Division 15, Part 2 of the California Streets and Highways Code ("Act"), and

WHEREAS, the City Council has retained Harris & Associates ("Harris") for the purpose of assisting with the annual levy of the District and to prepare and file with the City Clerk, the Annual Assessment Report ("Report") for the District in accordance with the Act; now, therefore, be it

RESOLVED: Annual Engineer's Report: The City Council wishes to initiate proceedings for the preparation of the Report and hereby orders Harris to prepare and file with the City Clerk, the Report concerning the annual levy and collection of assessments for the District. Said levy and collection shall be for the fiscal year commencing July 1, 2022, and ending June 30, 2023, in accordance with Chapter 3, Section 22622 of the Act; and be it

FURTHER RESOLVED: Proposed Improvements: The improvements within the District may include, but are not limited to, the maintenance, operation and incidental expenses related to: street trees; turf; ground cover and shrubs; irrigation and electrical systems; monuments; fountains; hardscape improvements; masonry walls and other fencing; and all necessary appurtenances and services connected with the landscaped channelways, medians, parkways, entryways, parks and public easements and facilities designated and maintained as part of the District improvements. The Report shall provide a more detailed description of the improvements and services provided by the District.

* * * * *

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of
the City of Tracy, California

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022- _____

**APPROVING THE PRELIMINARY ENGINEER'S REPORT REGARDING THE
PROPOSED LEVY AND COLLECTION OF ASSESSMENTS FOR THE TRACY
CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT PURSUANT TO
THE PROVISIONS OF THE LANDSCAPING AND LIGHTING ACT OF 1972
FOR FISCAL YEAR 2022/2023**

WHEREAS, the City Council, pursuant to provisions of the "Landscaping and Lighting Act of 1972," codified in Division 15, Part 2 of the California Streets and Highways Code ("Act"), did by previous Resolution, order the preparation of the Fiscal Year 2022/2023 Engineer's Report ("Report") for the Tracy Consolidated Landscape Maintenance District ("District"), and

WHEREAS, the City Council, pursuant to provisions of the Act, proposes to levy and collect assessments against lots and parcels of land within the various Zones of the District for Fiscal Year 2022/2023 to pay the maintenance, servicing, and operation of the improvements related thereto, and

WHEREAS, this City Council has examined and reviewed the Report as presented, and is preliminarily satisfied with the description of the District, the Zones, and improvements identified therein, each of the budget items and documents as set forth, and is satisfied that the proposed assessments have been spread proportionately in accordance with the special benefit each property receives from the improvements, operation, maintenance, and services to be performed, as set forth in the Report or as modified by Council action and incorporated herein; now, therefore, be it

RESOLVED: The above recitals are true and correct; and be it

FURTHER RESOLVED: Contents of the Engineer's Report: The Report as presented, consists of the following:

- a. A sufficient description of the territory and properties within the District, the Zones therein and the improvements and services to be provided.
- b. The Annual Budgets associated with the various improvements and services provided by the District (an estimate of the costs and expenses required for the operation and maintenance of the improvements within the various Zones of the District).
- c. An Assessment Rate per benefit unit and description of the Method of Apportionment sufficient to calculate the proportional special benefit assessment to be applied to each parcel for Fiscal Year 2022/2023 and identification of the maximum

assessment rates that may be applied to properties within each Zone of the District. An assessment roll identifying the proposed levy amount for each assessed parcel within the District for Fiscal Year 2022/2023; and be it

FURTHER RESOLVED: Approval of the Engineer's Report: The Report as presented is hereby preliminarily approved pursuant to California Streets and Highways Code Section 22623, and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

* * * * *

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of
the City of Tracy, California

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022-_____

**DECLARING THE CITY OF TRACY'S INTENTION TO LEVY ANNUAL
ASSESSMENTS FOR THE TRACY CONSOLIDATED LANDSCAPE
MAINTENANCE DISTRICT FISCAL YEAR 2022/2023 AND SETTING A PUBLIC
HEARING ON JULY 05, 2022, AT 7:00 PM TO CONSIDER THE SAME IN
ACCORDANCE WITH THE LANDSCAPING AND LIGHTING ACT OF 1972**

WHEREAS, the City Council, pursuant to provisions of the "Landscaping and Lighting Act of 1972," codified in Division 15, Part 2 of the California Streets and Highways Code ("Act"), did by previous Resolution, initiate proceedings for the levy and collection of assessments against lots and parcels within the Tracy Consolidated Landscape Maintenance District ("District") for Fiscal Year 2022/2023, and

WHEREAS, Harris & Associates ("Assessment Engineer" for the District) has prepared and filed the District Engineer's Report ("Report") for Fiscal Year 2022/2023 with the City Clerk pursuant to Streets and Highways Code Section 22623, and said report has been presented to the City Council, and is incorporated herein by reference, and

WHEREAS, the Report does not include new or increased assessments pursuant to Government Code section 54954.6; now, therefore, be it

RESOLVED: That the above recitals are true and correct; and be it

FURTHER RESOLVED: That the City Council, pursuant to Streets and Highways Code Section 22624, hereby declares its intention to order the District improvements and to levy and collect assessments against lots and parcels of land therein for Fiscal Year 2022/2023, to pay the costs and expenses of the improvements that provide special benefits to said properties. The City Council finds that the District improvements and the levy and collection of the assessments related thereto is in the best interest of the property owners; and be it

FURTHER RESOLVED: Description of Improvements: The District improvements and services include, but are not limited to, the maintenance, operation and incidental expenses related to: street trees; turf; ground cover and shrubs; irrigation and electrical systems; monuments; fountains; hardscape improvements; masonry walls and other fencing, and all necessary appurtenances and services connected with the landscaped channelways, medians, parkways, entryways, parks and public easements and facilities designated and maintained as part of the District improvements. No substantial changes in the improvements or services are proposed for Fiscal Year 2022/2023 other than to services levels as they correspond to each Zone's funding

availability or for the addition of planned improvement areas that were anticipated as part of ongoing development within specific zones. The Engineer's Report for Fiscal Year 2022/2023 shall provide a more detailed description of the improvements and services provided by the District and by reference this Report shall describe any substantial changes or expansion of the improvements for which properties are assessed, and be it

FURTHER RESOLVED: That the Assessment Engineer selected by the City Council has prepared and filed with the City Clerk, and the City Clerk has presented to the City Council, an Engineer's Report in connection with the proposed improvements, the assessments, and the levy and collection of assessments against lots and parcels of land within the District for Fiscal Year 2022/2023 in accordance with Chapter 1, Article 4 of the Streets and Highways Code and as required by Section 22623 of the Streets and Highways Code, and the City Council did by Resolution preliminarily approve said Report. Reference is hereby made to the Engineer's Report for a detailed description of improvements, the boundaries of the District consisting of forty-one (41) benefit Zones designated as Zones 1 through 37, and Zones 40 through 43; and the proposed assessments upon assessable lots and parcels of land within the said District and Zones, and be it

FURTHER RESOLVED: That the proposed District assessments for Fiscal Year 2022/2023 are apportioned according to the rates and method identified in the Engineer's Report and do not exceed the maximum assessments previously authorized by the City Council and approved by property owners through protest ballot proceedings conducted in accordance with the provisions of the California Constitution Article XIIID, and be it

FURTHER RESOLVED: That the proposed District assessments for Fiscal Year 2022/2023 are not a new or increased assessment pursuant to Government Code Section 54954.6, and be it

FURTHER RESOLVED: That the City Council hereby declares its intention to conduct a Public Hearing concerning the District, the improvements, and the levy of assessments and in accordance with Streets and Highways Code Sections 22624(e) and 22625, notice is hereby given that on **Tuesday, July 5, 2022** at 7:00 P.M., the City Council will hold a Public Hearing for the District and the levy and collection of assessments for Fiscal Year 2022/2023, or as soon thereafter as feasible. The Public Hearing will be held in the City Council chambers, located at 333 Civic Center Plaza, Tracy, at the time so fixed. At the Public Hearing, all interested persons shall be afforded the opportunity to hear and be heard, and be it

FURTHER RESOLVED: That the City shall give notice of the time and place of the Public Hearing to all property owners within the District by causing the publishing of this Resolution once in the local newspaper not less than ten (10) days before the date of the Public Hearing, and by posting a copy of this resolution on the official bulletin board customarily used by the City Council for the posting of notices, pursuant to Sections 22552, 22553, 22554 and 22626 of the Act. For Fiscal Year 2022/2023 no new or increased assessments are proposed and a mailing of a notice and ballot to the property owners is not required, and be it

FURTHER RESOLVED: That the City Clerk is hereby authorized and directed to give notice of such Public Hearing as provided by law.

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of
the City of Tracy, California

June 7, 2022

AGENDA ITEM 1.G

REQUEST

APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH FRUITRIDGE PRINTING, LLC FOR A TERM OF FOUR YEARS, WITH AN ADMINISTRATIVE OPTION TO EXTEND FOR ANOTHER TWO YEARS UPON SATISFACTORY PERFORMANCE, FOR PRINTING SERVICES FOR THE GRAND THEATRE CENTER FOR THE ARTS SEASON BROCHURE AND ARTS EDUCATION CATALOG, IN AN ANNUAL AMOUNT NOT TO EXCEED \$45,000.00

EXECUTIVE SUMMARY

Staff is recommending that Council award the printing services of the Grand Theatre Center for the Arts Season Brochure and Arts Education Catalog project to Fruitridge Printing, LLC based on its proposal being the most qualified and capable of the required high-quality services as outlined in the scope of services.

DISCUSSION

Pursuant to Tracy Municipal Code section 2.20.140, the printing services of the Grand Theatre Center for the Arts Season Brochure (produced once annually) and Arts Education Catalog (produced three times annually) project was advertised for proposals on April 12, 2022. The Request for Proposal (RFP) was sent to printing vendors throughout the region on the Cultural Arts Division's contact list. An optional pre-proposal meeting was held on April 20, 2022, at 10:00 a.m. at the Grand Theatre Center for the Arts. The scope of services was requested for a period of four years with City's option of extension for another two years upon the satisfactory performance. A total of two proposals were received on April 25, 2022.

A Printing Review Committee comprised of Cultural Arts Division staff reviewed the proposals for qualifications, the cost, and quality of work, strength of content, creativity, and ability to meet needs as it relates to the projects. Fruitridge Printing was identified as the most qualified vendor capable of meeting the required high-quality services as outlined in the scope of services. Staff recommends that the City Council approve a Professional Service Agreement with Fruitridge Printing, LLC in an amount not to exceed \$45,000 annually for a period of four years with an optional extension of two years upon satisfactory performance. Attachment "A" is the Professional Services Agreement which includes the Scope of Services and Compensation Specifications.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix and services, and cultivating connections to promote positive change and progress in our community.

FISCAL IMPACT

\$45,000 will be budgeted for Fiscal Year 2022/23 for one 20 to 24-page Season Brochure, three 16 to 20-page Arts Education Catalogs per year, and supplemental promotional advertisements and merchandise. The proposed Agreement provides services through June of 2026.

RECOMMENDATION

That the City Council, by resolution, approve a Professional Services Agreement with Fruitridge Printing, LLC for printing services in an amount not to exceed \$45,000 annually for a period of four years with an option of extension for another two years upon satisfactory performance.

Prepared by: William Wilson, Cultural Arts Supervisor

Reviewed by: Anna Cross, Cultural Arts Division Manager
Karin Schnaider, Finance Director
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENT

Attachment A – Professional Services Agreement

**CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT WITH
FRUITRIDGE PRINTING, LLC**

This Professional Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Fruitridge Printing, LLC (**Consultant**).

RECITALS

- A.** City desires to retain Consultant to perform printing services.
- B.** Pursuant to Tracy Municipal Code section 2.20.140, the City requested proposals from numerous printing companies and Consultant's proposal was determined to be the most capable to provide required printing services to meet the City's needs
- C.** After negotiations between the City and Consultant, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.
- D.** This Agreement is being executed pursuant to Resolution No. ____ approved by Tracy City Council on June 7, 2022.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. SCOPE OF SERVICES.** Consultant shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Consultant's Authorized Representative: Karen Young. Consultant shall not replace its Authorized Representative, nor shall Consultant replace any of the personnel listed in Exhibit "A," nor shall Consultant use any subcontractors or subconsultants, without the prior written consent of the City.
- 2. TIME OF PERFORMANCE.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth herein shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Consultant shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be commenced and completed by Consultant in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Consultant. Consultant shall submit all requests for extensions of time to the City in writing no later than ten (10) days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.
2.1 TERM. The term of this Agreement shall begin on July 1, 2022 and end on June 30, 2026, unless terminated in accordance with Section 6. This agreement may be extended for an additional two years by the City Manager following a written determination that Consultant has satisfactorily met all requirements of this Agreement.
- 3. Compensation.** City shall pay Consultant on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.
3.1 Not to Exceed Amount. Consultant's total compensation under this Agreement shall not exceed \$45,000.00 per fiscal year. Consultant's billing rates shall cover all costs and

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
FRUITRIDGE PRINTING, LLC
Page 2 of 7

expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Consultant shall submit invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1 Consultant's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Consultant.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Consultant based upon the services described on the invoice and approved by the City.

4. Indemnification. Consultant shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Consultant's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

(The duty of a "design professional" to indemnify and defend the City is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, under Civ. Code § 2782.8.)

The provisions of this section survive completion of the services or the termination of this Agreement, and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Consultant shall, throughout the duration of this Agreement, maintain insurance to cover Consultant, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Consultant in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Consultant shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
FRUITRIDGE PRINTING, LLC
Page 3 of 7

5.5.2 For any claims related to this Agreement, Consultant's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Consultant shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Consultant shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Consultant shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Consultant shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Consultant's Obligation. Maintenance of insurance by the Consultant as specified in this Agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Consultant may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Consultant. Upon termination, Consultant shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Consultant for this Agreement. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Consultant that cannot be settled after engaging in good faith negotiations, City and Consultant agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
FRUITRIDGE PRINTING, LLC
Page 4 of 7

8. Ownership of Work. All original documents prepared by Consultant for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Consultant's services, or upon demand from the City. No such documents shall be revealed or made available by Consultant to any third party without the City's prior written consent.

9. Independent Contractor Status. Consultant is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Consultant is not City's employee and Consultant shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Consultant is free to work for other entities while under contract with the City. Consultant, and its agents or employees, are not entitled to City benefits.

10. Conflicts of Interest. Consultant (including its employees, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Consultant maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Consultant's conflicting interest.

11. Rebates, Kickbacks, or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

12. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

Anna Cross
Cultural Arts Division Manager
Grand Theatre Center for the Arts
715 Central Avenue
Tracy, CA 95376

To Consultant:

Karen Young
FPL Vice President Sales
Fruitridge Printing, LLC
4251 Gateway Park Blvd.
Sacramento, CA 95834

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
FRUITRIDGE PRINTING, LLC
Page 5 of 7

13. Miscellaneous.

1. **13.1 Standard of Care.** Unless otherwise specified in this Agreement, the standard of care applicable to Consultant's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

13.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

13.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

13.4 Assignment and Delegation. Consultant may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

13.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

13.6 Compliance with the Law. Consultant shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement. In particular, Consultant

13.6.1 Prevailing Wage Laws. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates; employment of apprentices (§ 1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. If the services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. These prevailing rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents, harmless from any and all claims, costs, penalties, or interests arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

13.6.2 Non-discrimination. Consultant represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Consultant shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

13.7 Business Entity Status. Consultant is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Consultant. By entering into this Agreement, Consultant represents that it is not a suspended corporation. If Consultant is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

13.8 Business License. Before the City signs this Agreement, Consultant shall obtain a City of Tracy Business License. Consultant shall maintain an active City of Tracy Business License during the term of this Agreement.

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
FRUITRIDGE PRINTING, LLC
Page 6 of 7

13.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

13.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

13.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

13.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's proposal (if any), the Exhibits shall control.

13.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

14. Signatures. The individuals executing this Agreement on behalf of Consultant represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Consultant.

The Parties agree to the full performance of the terms set forth here.

CITY OF TRACY

By: Nancy Young
Title: Mayor
Date: _____

Attest:

By: Adrienne Richardson
Title: CITY CLFRK
Date: _____

Approved As To Form:

By: Bijal Patel
Title: CITY ATTORNEY
Date: _____

CONSULTANT
FRUITRIDGE PRINTING, LLC

Karen Young
By: Karen Young
Title: FPI Vice President Sales
Date: 5/20/2022
Fed. Employer ID No. 94-1730029

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
FRUITRIDGE PRINTING, LLC
Page 7 of 7

EXHIBIT “A” - SCOPE OF SERVICES

Presenting Program Season Brochure (4): one Season Brochure produced annually (spring/summer) to market the Presenting Season.

Format: 20 to 24-page booklet (plus cover)
Page/Trim Size: 7" W x 7" H
Binding: Score and Fold, Saddle Stitched
Paper: Cover – 80# Cover / Text – 80# Book
Ink: 4CP/Throughout + Spot Varnish
Quantity: estimated 6,000 copies per edition

2022-25 Season Brochures	Production/Edits	Print Ready Files to Printer	Printing complete and delivered to GTCFTA & USPS for distribution
Fall 2022/23/24/25	March – June	June	July – August

Arts Education Program Class Catalogs (12): three Catalogs produced seasonally to market classes in Dance, Drama, Literary Arts, Music, and Visual Arts.

Format: 20 to 24-page catalog booklet (plus cover)
Page/Trim Size: 8" W x 10" H
Binding: Fold, Saddle Stitched on 10" Side
Paper: Cover – 100# Silk Book Cover / Text – 70# Silk Book
Ink: 4CP/Throughout
Quantity: estimated 6,000 copies per edition

AEP Class Catalogs	Production/Edits	Print Ready Files to Printer/Media Outlets	Printing complete and delivered to GTCFTA for distribution
Fall 2022/23/24/25	June – July	July	August
Winter/Spring 2023/24/25/26	September – November	November	November
Summer 2023/24/25/26	February – March	March	April

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
FRUITRIDGE PRINTING, LLC
Page 8 of 8

EXHIBIT B – BILLING RATES

Fruitridge Printing Hourly Rates

Graphic Design & Print Production Preparation Services	\$95/hr.
Press Ready Artwork Correction Services	\$95/hr.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022-_____

APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH FRUITRIDGE PRINTING, LLC FOR A TERM OF FOUR YEARS, WITH AN ADMINISTRATIVE OPTION TO EXTEND FOR ANOTHER TWO YEARS UPON SATISFACTORY PERFORMANCE, FOR PRINTING SERVICES FOR THE GRAND THEATRE CENTER FOR THE ARTS SEASON BROCHURE AND ARTS EDUCATION CATALOG, IN AN ANNUAL AMOUNT NOT TO EXCEED \$45,000.00

WHEREAS, the City of Tracy operates the Grand Theatre Center for the Arts; and

WHEREAS, the Grand Theatre Center for the Arts produces a Season Brochure annually and an Arts Education Catalog three times a year; and

WHEREAS, the Grand Theatre Center for the Arts requires third party printing services to produce the Season Brochure and Arts Education Catalog; and

WHEREAS, pursuant to Tracy Municipal Code section 2.20.140, a Request for Proposals was posted on the City's website and sent to companies throughout the region on the City's Cultural Arts Division's contact list for these services; and

WHEREAS, Fruitridge Printing, LLC was determined to be the most capable to provide the required high-quality printing services out of the two proposals submitted; and

WHEREAS, the City reached an agreement with Fruitridge Printing, LLC to provide the requested services in the form of the Professional Services Agreement attached as Exhibit A; and

WHEREAS, the Professional Services Agreement specifies that Fruitridge Printing, LLC will provide the specified printing services in an annual amount not to exceed \$45,000.00 a year and that the term of the agreement shall be four years, with an administrative option to extend for another two years, upon satisfactory performance; now, therefore be it

RESOLVED: That the City Council hereby approves the Professional Services Agreement, in substantially the form attached as Exhibit A, with Fruitridge Printing, LLC, reflecting the procurement of the specified printing services in an annual amount not to exceed \$45,000.00 a year and a term of four years, with an administrative option to extend for another two years, upon satisfactory performance; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Manager to extend the term of the Professional Services Agreement upon satisfactory performance; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Manager to take all actions needed to implement the purposes of this Resolution; and be it

FURTHER RESOLVED: That the final agreement shall be reviewed and approved as to form and legality by the City Attorney prior to final execution.

* * * * *

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of
the City of Tracy, California

June 7, 2022

AGENDA ITEM 1.H

REQUEST

APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH MHD GROUP, INC. FOR A TERM OF FOUR YEARS, WITH AN ADMINISTRATIVE OPTION TO EXTEND FOR ANOTHER TWO YEARS UPON SATISFACTORY PERFORMANCE, FOR MARKETING SERVICES FOR THE GRAND THEATRE CENTER FOR THE ARTS SEASON BROCHURE AND ARTS EDUCATION CATALOG, IN AN ANNUAL AMOUNT NOT TO EXCEED \$50,000

EXECUTIVE SUMMARY

Staff is recommending that City Council award the marketing services of the Grand Theatre Center for the Arts Season Brochure and Arts Education Catalog project to MHD Group, Inc. based on its proposal being the most qualified and capable of the required high-quality services.

DISCUSSION

Pursuant to Tracy Municipal Code section 2.20.140, the marketing services of the Grand Theatre Center for the Arts Season Brochure (produced once annually) and Arts Education Catalog (produced three times annually) project was advertised for proposals on April 12, 2022. The Request for Proposal (RFP) was sent to marketing vendors throughout the region on the Cultural Arts Division's contact list. An optional pre-proposal meeting was held on April 20, 2022, at 9:00 a.m. at the Grand Theatre Center for the Arts. The scope of services was requested for a period of four years with City's option of extension for another two years upon satisfactory performance. A total of four proposals were received on April 25, 2022.

A Marketing Review Committee comprised of Cultural Arts Division staff reviewed the proposals for qualifications, the cost, and quality of work, strength of content, creativity, and ability to meet needs as it relates to the projects. MHD Group, Inc. was identified as the most qualified vendor capable of meeting the required high-quality services as outlined in the scope of services. Staff recommends that the City Council approve a Professional Services Agreement with MHD Group, Inc. in an amount not to exceed \$50,000 annually for a period of four years with an optional extension of two years upon satisfactory performance. Attachment "A" is the Professional Services Agreement which includes the Scope of Services and Compensation Specifications.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix and services, and cultivating connections to promote positive change and progress in our community.

FISCAL IMPACT

\$50,000 will be budgeted for Fiscal Year 2022/23 for one 20 to 24-page Season Brochure, three 16 to 20-page Arts Education Catalogs per year, and supplemental promotional advertisements and merchandise. The proposed Agreement provides services through June of 2026.

RECOMMENDATION

That the City Council, by resolution, approve a Professional Services Agreement with MHD Group, Inc. for marketing services in the amount not to exceed \$50,000 annually for a period of four years with an option of extension for another two years upon satisfactory performance.

Prepared by: William Wilson, Cultural Arts Supervisor

Reviewed by: Anna Cross, Cultural Arts Division Manager
Karin Schnaider, Finance Director
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENT

Attachment A – Professional Services Agreement

**CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT WITH
MHD GROUP, INC.**

This Professional Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and MHD Group, Inc. (**Consultant**).

RECITALS

- A.** City desires to retain Consultant to perform marketing services.
- B.** Pursuant to Tracy Municipal Code section 2.20.140, the City requested proposals from numerous marketing companies and Consultant's proposal was determined to be the most capable to provide required marketing services to meet the City's needs.
- C.** After negotiations between the City and Consultant, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.
- D.** This Agreement is being executed pursuant to Resolution No. ____ approved by Tracy City Council on June 7, 2022.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. SCOPE OF SERVICES.** Consultant shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Consultant's Authorized Representative: Marcia Herrmann. Consultant shall not replace its Authorized Representative, nor shall Consultant replace any of the personnel listed in Exhibit "A," nor shall Consultant use any subcontractors or subconsultants, without the prior written consent of the City.
- 2. TIME OF PERFORMANCE.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth herein shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Consultant shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be commenced and completed by Consultant in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Consultant. Consultant shall submit all requests for extensions of time to the City in writing no later than ten (10) days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.
2.1 TERM. The term of this Agreement shall begin on July 1, 2022 and end on June 30, 2026, unless terminated in accordance with Section 6. This agreement may be extended for an additional two years by the City Manager following a written determination that Consultant has satisfactorily met all requirements of this Agreement.
- 3. Compensation.** City shall pay Consultant on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.
3.1 Not to Exceed Amount. Consultant's total compensation under this Agreement shall not exceed \$50,000.00 per fiscal year. Consultant's billing rates shall cover all costs and

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
MHD GROUP, INC.
Page 2 of 7

expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Consultant shall submit invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1 Consultant's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Consultant.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Consultant based upon the services described on the invoice and approved by the City.

4. Indemnification. Consultant shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Consultant's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

(The duty of a "design professional" to indemnify and defend the City is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, under Civ. Code § 2782.8.)

The provisions of this section survive completion of the services or the termination of this Agreement, and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Consultant shall, throughout the duration of this Agreement, maintain insurance to cover Consultant, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Consultant in an amount not less than \$1,000,000 per claim.

5.5 Endorsements. Consultant shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
MHD GROUP, INC.
Page 3 of 7

5.5.2 For any claims related to this Agreement, Consultant's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Consultant shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Consultant shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Consultant shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Consultant shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Consultant's Obligation. Maintenance of insurance by the Consultant as specified in this Agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Consultant may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Consultant. Upon termination, Consultant shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Consultant for this Agreement. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Consultant that cannot be settled after engaging in good faith negotiations, City and Consultant agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT

MHD GROUP, INC.

Page 4 of 7

8. Ownership of Work. All original documents prepared by Consultant for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Consultant's services, or upon demand from the City. No such documents shall be revealed or made available by Consultant to any third party without the City's prior written consent.

9. Independent Contractor Status. Consultant is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Consultant is not City's employee and Consultant shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Consultant is free to work for other entities while under contract with the City. Consultant, and its agents or employees, are not entitled to City benefits.

10. Conflicts of Interest. Consultant (including its employees, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Consultant maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Consultant's conflicting interest.

11. Rebates, Kickbacks, or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

12. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

Anna Cross
Cultural Arts Division Manager
Grand Theatre Center for the Arts
715 Central Avenue
Tracy, CA 95376

To Consultant:

Marcia Herrman
Owner/Creative Director
MHD Group, Inc.
1127 12th Street, Suite 203
Modesto, CA 95354

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT

MHD GROUP, INC.

Page 5 of 7

13. Miscellaneous.

1. 13.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Consultant's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

13.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

13.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

13.4 Assignment and Delegation. Consultant may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

13.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

13.6 Compliance with the Law. Consultant shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement. In particular, Consultant

13.6.1 Prevailing Wage Laws. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates; employment of apprentices (§ 1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. If the services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. These prevailing rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents, harmless from any and all claims, costs, penalties, or interests arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

13.6.2 Non-discrimination. Consultant represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Consultant shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

13.7 Business Entity Status. Consultant is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Consultant. By entering into this Agreement, Consultant represents that it is not a suspended corporation. If Consultant is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

13.8 Business License. Before the City signs this Agreement, Consultant shall obtain a City of Tracy Business License. Consultant shall maintain an active City of Tracy Business License during the term of this Agreement.

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT
MHD GROUP, INC.
Page 6 of 7

13.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

13.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

13.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

13.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's proposal (if any), the Exhibits shall control.

13.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

14. Signatures. The individuals executing this Agreement on behalf of Consultant represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Consultant.

The Parties agree to the full performance of the terms set forth here.

CITY OF TRACY

By: Nancy Young
Title: Mayor
Date: _____

Attest:

By: Adrienne Richardson
Title: CITY CLERK
Date: _____

Approved As To Form:

By: Bijal Patel
Title: CITY ATTORNEY
Date: _____

CONSULTANT
MHD GROUP, INC.


By: Marcia Herrmann
Title: Owner/Creative Director
Date: 05/23/2022
Fed. Employer ID No. 32-0369210

EXHIBIT A - SCOPE OF SERVICES

Presenting Program Season Brochure (4): one Season Brochure produced annually (spring/summer) to market the Presenting Season.

Format: 20 to 24-page booklet (plus cover)
Page/Trim Size: 7" W x 7" H
Binding: Score and Fold, Saddle Stitched
Paper: Cover – 80# Cover / Text – 80# Book
Ink: 4CP/Throughout + Spot Varnish
Quantity: estimated 6,000 copies per edition

2022-25 Season Brochures	Production/Edits	Print Ready Files to Printer	Printing complete and delivered to GTCFTA & USPS for distribution
Fall 2022/23/24/25	March – June	June	July – August

Arts Education Program Class Catalogs (12): three Catalogs produced seasonally to market classes in Dance, Drama, Literary Arts, Music, and Visual Arts.

Format: 20 to 24-page catalog booklet (plus cover)
Page/Trim Size: 8" W x 10" H
Binding: Fold, Saddle Stitched on 10" Side
Paper: Cover – 100# Silk Book Cover / Text – 70# Silk Book
Ink: 4CP/Throughout
Quantity: estimated 6,000 copies per edition

AEP Class Catalogs	Production/Edits	Print Ready Files to Printer/Media Outlets	Printing complete and delivered to GTCFTA for distribution
Fall 2022/23/24/25	June – July	July	August
Winter/Spring 2023/24/25/26	September – November	November	November
Summer 2023/24/25/26	February – March	March	April

EXHIBIT B – BILLING RATES

MHD Group, Inc. Hourly Rates

Creative Director	\$200/hr.
Marketing Manager	\$185/hr.
Art Director	\$185/hr.
Graphic Designer	\$150/hr.
Multimedia Designer	\$150/hr.
Web Developer	\$150/hr.
Web Designer	\$150/hr.
Print Supervision	\$200/hr.
Vendor Management	\$200/hr.
Ads & Merchandise Design	\$175/hr.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022- _____

APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH MHD GROUP, INC. FOR A TERM OF FOUR YEARS, WITH AN ADMINISTRATIVE OPTION TO EXTEND FOR ANOTHER TWO YEARS UPON SATISFACTORY PERFORMANCE, FOR MARKETING SERVICES FOR THE GRAND THEATRE CENTER FOR THE ARTS SEASON BROCHURE AND ARTS EDUCATION CATALOG, IN AN ANNUAL AMOUNT NOT TO EXCEED \$50,000.00

WHEREAS, The City of Tracy operates the Grand Theatre Center for the Arts; and

WHEREAS, The Grand Theatre Center for the Arts produces a Season Brochure annually and an Arts Education Catalog three times a year; and

WHEREAS, The Grand Theatre Center for the Arts requires third party marketing and design services to produce the Season Brochure and Arts Education Catalog; and

WHEREAS, Pursuant to Tracy Municipal Code section 2.20.140, a Request for Proposals was posted on the City's website and sent to marketing vendors throughout the region on the City's Cultural Arts Division's contact list for these services; and

WHEREAS, MHD Group, Inc. was determined to be the most capable to provide the required high-quality marketing services out of the four proposals submitted; and

WHEREAS, The City reached an agreement for MHD Group, Inc. to provide the requested services in the form of the Professional Services Agreement attached as Exhibit A; and

WHEREAS, The Professional Services Agreement specifies that MHD Group, Inc. will provide the specified marketing and design services in an annual amount not to exceed \$50,000.00 a year and that the term of the agreement shall be four years, with an administrative option to extend for another two years, upon satisfactory performance; now, therefore it be

RESOLVED: That the City Council hereby approves the Professional Services Agreement, in substantially the form attached as Exhibit A, with MHD Group, Inc., reflecting the procurement of the specified marketing and design services in an annual amount not to exceed \$50,000 a year and a term of four years, with an administrative option to extend for another two years, upon satisfactory performance; and it be

FURTHER RESOLVED: That the City Council hereby authorizes the City Manager to extend the term of the Professional Services Agreement upon satisfactory performance; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Manager to take all actions needed to implement the purposes of this Resolution; and be it

FURTHER RESOLVED: That the final agreement shall be reviewed and approved as to form and legality by the City Attorney prior to final execution.

* * * * *

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of
the City of Tracy, California

June 7, 2022

AGENDA ITEM 1.I

REQUEST

APPROVE AMENDMENT NO.1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH MARK THOMAS AND COMPANY, INC. TO (1) AUGMENT THE SCOPE FOR PROJECT APPROVAL (PA), ENVIRONMENTAL DOCUMENT (ED), AND PLANS, SPECIFICATIONS AND ESTIMATES (PS&E) FOR MODIFICATION OF I-205 AND I-580 / MOUNTAIN HOUSE EXISTING INTERCHANGES CIP NOS. 73146 & 73147, AND (2) INCREASE THE CONTRACT AMOUNT BY AN ADDITIONAL \$389,688, FOR A NEW NOT-TO-EXCEED TOTAL CONTRACT AMOUNT OF \$4,687,724

EXECUTIVE SUMMARY

This agenda item, with City Council approval, would approve Amendment No.1 to the Professional Services Agreement with Mark Thomas and Company, Inc. for Professional Engineering Services for the Project Approval (PA), Environmental Document (ED), and Plans, Specifications and Estimates (PS&E) for Modification of I-205 and I-580/Mountain House Existing Interchanges CIP Nos. 73146 & 73147, to amend the scope of services and increase the contract amount by an additional \$389,688 for a new not-to-exceed total contract amount of \$4,687,724.

DISCUSSION

On October 16, 2018, Resolution No. 2018-216 was adopted by Council approving a Professional Services Agreement (PSA) for Mark Thomas and Company, Inc. for a Professional Engineering Services for the Project Approval (PA), Environmental Document (ED), and Plans, Specifications and Estimates (PS&E) for Modification of I-205 and I-580/Mountain House Existing Interchanges for a total contract amount of \$4,298,036.

The PSA requires that for the I-580/Mountain House interchange, Mark Thomas will complete the technical reports required for the PA and ED phase and deliver the final plans, specifications, and estimates. Generally, this will include project management, topographic surveying and base mapping, environmental and project approvals preliminary and final engineering, right-of-way engineering, bidding and construction services. Mark Thomas will also coordinate all design submittals and QA/QC for the project design. Mark Thomas will serve as the central coordinator for all activities between the consulting team, California Department of Transportation (CalTrans), City staff, and other regulatory agencies.

For the I-205/Mountain House interchange, Mark Thomas will complete the engineering and environmental technical reports required for completion of the Project Approval & Environmental Document (PA&ED) phase. Generally, this will include project management, topographic surveying and base mapping, geometric design, right-of-way & utilities evaluation, environmental analysis, public outreach, and project approvals. Mark Thomas will also coordinate all project submittals and perform QA/QC services for the deliverables. Mark Thomas will serve as the central coordinator for all activities between the consulting team, CalTrans, Federal Highway Administration, City staff, County staff, and other regulatory agencies.

The PA&ED Phase of I-205/Mountain House Interchange is in the final stage of completion. The I-580/Mountain House Interchange is in the design phase with anticipated completion by September 2022, followed by right-of-way certification by December 2022. The I-580/Mountain House Interchange is anticipated to be ready for bid for construction by February 2023.

Performance of additional tasks are required under this PSA to address changes in the project delivery work program as related to the revision of the I-580/Mountain House Interchange eastbound ramp design. The revision or re-design of the I-580 east bound ramps is to avoid the 20" Crimson Oil line identified during the PS&E phase.

The City requested a proposal from the Consultant for the time and materials required to complete the additional tasks. On October 14, 2021, the Consultant submitted its proposal to the City. After negotiations between the City and Consultant, the parties have reached an agreement for the performance of these additional services for a not-to-exceed amount of \$389,688.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix and services and cultivating connections to promote positive change and progress in our community.

FISCAL IMPACT

The PSA with Mark Thomas and Company, Inc. for Professional Engineering Services for the Project Approval (PA), Environmental Document (ED), and Plans, Specifications and Estimates (PS&E) for Modification of I-205 and I-580/Mountain House Existing Interchanges is budgeted under two approved Capital Improvement Projects, CIP 73146 and 73147, with sufficient funds available for the Amendment No.1 to the PSA in the amount of \$389,688.

RECOMMENDATION

Staff recommends that City Council, by resolution, approve Amendment No.1 to the PSA with Mark Thomas and Company, Inc. to amend the scope for the Project Approval (PA), Environmental Document (ED), and Plans, Specifications and Estimates (PS&E) for Modification of I-205 and I-580/Mountain House Existing Interchanges CIP Nos. 73146 & 73147, and increase the compensation by an additional \$389,688 for a new not-to-exceed total contract amount of \$4,687,724.

Prepared by: Anju Pillai, PE, Senior Civil Engineer

Reviewed by: Robert Armijo, PE, City Engineer / Assistant Director of Development Services
Karin Schnaider, Finance Director
William Dean, Assistant Director of Development Services
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENTS

Attachment A – Amendment No.1 to PSA with Mark Thomas & Company, Inc.

**CITY OF TRACY
AMENDMENT NO. 1 TO
PROFESSIONAL SERVICES AGREEMENT
FOR
PROJECT APPROVAL (PA), ENVIRONMENTAL DOCUMENT (ED), AND PLANS,
SPECIFICATIONS AND ESTIMATES (PS&E) FOR
MODIFICATION OF I-205 and I-580 / MT. HOUSE EXISTING INTERCHANGES
CIP NOS. 73146 & 73147**

This Amendment No. 1 (**Amendment**) to the Professional Service Agreement for the Modification of I-205 and I-580 / Mt. House Existing Interchanges is entered into between the City of Tracy, a municipal corporation (**City**), and Mark Thomas and Company, Inc. City and Consultant are referred to individually as "**Party**" and collectively as "**Parties**."

Recitals

- A.** The City and Consultant entered into a Professional Service Agreement (**Agreement**) for Modification of I-205 and I-580 / Mt. House Existing Interchanges in the amount not to exceed \$4,298,036 which was approved by the City Council on October 16, 2018, under Resolution No. 2018-216.
- B.** A contract amendment request is needed to perform additional tasks to address changes in the project delivery work program as related to the revision of the I-580/Mountain House Hwy interchange eastbound ramp design. The revision or re-design of the I-580 EB ramps is to avoid the 20" Crimson Oil line identified during the PS&E phase. The terms and requirements stated on the original contract remain in full force and effort.
- C.** This Amendment is being executed pursuant to Resolution No. _____ approved by Tracy City Council June 7th, 2022.

Now therefore, the Parties mutually agree as follows:

- 1. Incorporation by Reference.** This Amendment incorporates by reference all terms set forth in the Agreement, unless specifically modified by this Amendment. The terms which are not specifically modified by this Amendment will remain in effect.
- 2. Terms of Amendment.**
 - A.** The following language shall be added to Section 1. SCOPE OF SERVICES of the Agreement:
"For services performed pursuant to Exhibit A-1, City shall pay Consultant a not-to-exceed amount of \$389,688 at the billing rates set forth in Exhibit B-1.
 - B.** Exhibit A-1 "Scope of Services," attached hereto shall supplement Exhibit "A" of the Agreement. Consultant is responsible for completing all tasks identified in Exhibits "A" and "A-1."

3. Modifications. This Amendment may not be modified orally or in any manner other than by an agreement in writing signed by both parties, in accordance with the requirements of the Agreement.

4. Severability. If any term of this Amendment is held invalid by a court of competent jurisdiction, the Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.

5. Signatures. The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

Mark Thomas and Company, Inc.

By: _____

By:  _____

Title: Mayor

Robert Himes

Date: _____

Title: Vice President

Date: 03/01/2022

Attest:

By: _____
Adrienne Richardson, City Clerk

By:  _____
R. Matt Brogan
Title: Secretary
Date: 03/01/2022

Approved as to form

By: _____
Bijal Patel, City Attorney

EXHIBIT A-1 – Additional Services

- 1. PROJECT REPORT/ENVIRONMENTAL DOCUMENT/DESIGN STANDARD DECISION DOCUMENT:** As a result of the changes to the approved interchange design, prepare Supplemental Project Report, Environmental Re-Validation and Supplemental Design Standard Decision Document as required by Caltrans to document project revisions.
- 2. PLANS, SPECIFICATIONS AND ESTIMATE:** Perform additional design services required due to the revision of eastbound ramps. Services include revision to Storm water data Report, drainage study, Structure Advance Planning Study, geotechnical investigations, roadway/drainage design, stage construction, signal/lighting design, retaining wall design and potholing. The design revision involves modification of 116 plan sheets.
- 3. PRECONSTRUCTION RECORD OF SURVEY:** Perform additional right of way engineering services required to prepare a preconstruction Record of Survey per Caltrans requirements.
- 4. PROJECT MANAGEMENT:** Perform additional project management and meeting services as required to execute the work program.

COST PROPOSAL FOR PROJECT SCOPE: Tracy I-205/I-580 Mountain House Interchanges (CIP #73146 & #73147)

														Subconsultants			TOTAL COST	
	Engineering Manager	Sr. Technical Lead	Technical Lead	Sr. Project Engineer	Project Engineer	Design Engineer II	Design Engineer I	Sr. Survey Manager	Sr. Project Surveyor	Sr. Surveyor	Survey Technician	2 Person Field Crew	Total Hours	Total MT Cost				
	\$312	\$270	\$242	\$200	\$173	\$147	\$121	\$260	\$200	\$160	\$120	\$295						
200 MOUNTAIN HOUSE I-580																		
015 Fact Sheets for Design Exceptions	8		40			40							88	\$18,056				\$18,056
017 Prepare Project Report	8		40			40							88	\$18,056				\$18,056
018 Control & Supplemental Topographic Survey											8	16	24	\$5,680				\$5,680
022 Roadway Drainage Report					20		20						40	\$5,880				\$5,880
023 Storm Water Data Report					20		20						40	\$5,880				\$5,880
024 Geotechnical & Foundation Report					8								8	\$1,384				\$1,384
026 Structure Type Selection Report		20		40									60	\$13,400				\$13,400
029 Final Utility Coordination	8	16		40									64	\$13,736				\$13,736
030 Roadway Plans	32	80		160	400	400							1072	\$166,464				\$166,464
048 Preconstruction Record of Survey								16	50	24	100	20	210	\$35,900				\$35,900
099 MT REIMBURSABLES													0	\$26,251				\$26,251
200 F&P: Traffic Modeling/Analysis													0	\$0	10,000			\$10,000
201 F&P: Traffic Signal/Highway Lighting													0	\$0	19,907			\$19,907
202 F&P: TMP													0	\$0	4,204			\$4,204
300 GEOCON: Geotechnical/Foundation Reports													0	\$0	38,390			\$38,390
423 ICF: Final IS/MND													0	\$0		4,000		\$4,000
Subtotal Phase 200	56	116	80	40	248	480	440	16	50	24	108	36	1694	\$310,687	\$34,111	\$38,390	\$4,000	\$387,188
TOTAL HOURS	56	116	80	40	248	480	440	16	50	24	108	36	1694					
Anticipated Salary Increases														\$0	\$0	\$0	\$0	\$0
OTHER DIRECT COSTS														\$2,500	\$0	\$0	\$0	\$2,500
TOTAL COST	\$17,472	\$31,320	\$19,360	\$8,000	\$42,904	\$70,560	\$53,240	\$4,160	\$10,000	\$3,840	\$12,960	\$10,620	\$313,187	\$34,111	\$38,390	\$4,000	\$389,688	

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022-_____

APPROVING AMENDMENT NO.1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH MARK THOMAS AND COMPANY, INC. TO (1) AUGMENT THE SCOPE FOR PROJECT APPROVAL (PA), ENVIRONMENTAL DOCUMENT (ED), AND PLANS, SPECIFICATIONS, AND ESTIMATES (PS&E) FOR MODIFICATION OF I-205 and I-580 / MOUNTAIN HOUSE EXISTING INTERCHANGES CIP NOs. 73146 & 73147, AND (2) INCREASE THE CONTRACT AMOUNT BY AN ADDITIONAL \$389,688, FOR A NEW NOT-TO-EXCEED TOTAL CONTRACT AMOUNT OF \$4,687,724

WHEREAS, On October 16, 2018, Resolution No. 2018-216 was adopted by Council approving a Professional Services Agreement (PSA) with Mark Thomas and Company, Inc. for Professional Engineering Services for the Project Approval (PA), Environmental Document (ED), and Plans, Specifications and Estimates (PS&E) for Modification of I-205 and I-580/Mountain House Existing Interchanges for a total contract amount of \$4,298,036; and

WHEREAS, The PSA requires that for the I-580/Mountain House interchange, Mark Thomas will complete the technical reports required for the PA and ED phase and deliver the final plans, specifications, and estimates; and

WHEREAS, For the I-205/Mountain House interchange, Mark Thomas will complete the engineering and environmental technical reports required for completion of the Project Approval & Environmental Document (PA&ED) phase; and

WHEREAS, The PA&ED Phase of I-205/Mountain House Interchange is in the final stage of completion; and

WHEREAS, The I-580/Mountain House Interchange is in the design phase with anticipated completion by September 2022, followed by right-of-way certification by December 2022; and

WHEREAS, The I-580/Mountain House Interchange is anticipated to be ready for bid for construction by February 2023; and

WHEREAS, It is required to perform additional tasks under this PSA to address changes in the project delivery work program as related to the revision of the I-580/Mountain House Interchange eastbound ramp design; and

WHEREAS, The revision or re-design of the I-580 eastbound ramps is to avoid the 20" Crimson Oil line identified during the PS&E phase; and

WHEREAS, The City requested a proposal from the Consultant for the time and materials required to complete the additional tasks and on October 14, 2021, the Consultant submitted its proposal to the City; and

WHEREAS, After negotiations between the City and Consultant, the parties have reached an agreement for the performance of these additional services for a not-to-exceed amount of \$389,688, and now, therefore; be it

RESOLVED: That the City Council of the City of Tracy, by resolution, hereby approves Amendment No.1 to the PSA with Mark Thomas and Company, Inc. to (1) augment the scope for the Project Approval (PA), Environmental Document (ED), and Plans, Specifications and Estimates (PS&E) for Modification of I-205 and I-580/Mountain House Existing Interchanges CIP Nos. 73146 & 73147, and (2) increase the contract amount by an additional \$389,688 for a new not-to-exceed total contract amount of \$4,687,724.

* * * * *

The foregoing Resolution 2022-_____ was passed and adopted by the Tracy City Council on the 7th day of June 2022, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of the
City of Tracy, California

June 7, 2022

AGENDA ITEM 1.J

REQUEST

APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH TRACY CITY CENTER ASSOCIATION TO COORDINATE AND HOST THE ANNUAL 4TH OF JULY PARADE AND PANCAKE BREAKFAST WITH A NOT TO EXCEED AMOUNT OF \$10,000

EXECUTIVE SUMMARY

Historically, the Tracy Chamber of Commerce (Chamber) has partnered with the City of Tracy to host the annual 4th of July celebrations in Tracy. Due to several limitations, the Chamber informed the City it does not have the resources to continue hosting the 4th of July Pancake Breakfast and Parade for 2022 and beyond. Staff requests that City Council approve a Professional Service Agreement (PSA) for the Tracy City Center Association (TCCA) to host these annual events.

DISCUSSION

Tracy City Center Association (TCCA) is a non-profit public benefit California corporation that operates the Downtown Tracy Community Benefit District ("District"). The District exists to benefit businesses and to revitalize Downtown Tracy by promoting beautification and marketing efforts of particular benefit to the properties located within its boundaries. The District was formed in 2009 pursuant to the Property and Business Improvement District law of 1994, and generates revenue through annual property assessments from the properties located within its boundary. The District has a western boundary of A and 10th Street, a northern boundary of 11th Street and Central Avenue, an eastern boundary east of Central Avenue, with the southern boundary at 6th Street and the commercial block between 6th and D Streets. TCCA's goal "is to facilitate the investment of private and public capital, the offering of quality public improvements, educational, cultural, artistic, charitable, and social events & services that will result in the increased economic well-being of residents, employees, business & property owners within the TCCA district and the downtown locality".

Historically, the Chamber has partnered with the City to host the annual 4th of July celebrations. The events on the 4th have included hosting a Lion's Club Pancake Breakfast, Hot Air Balloon launch, Parade from Central to Lincoln Park, Day in the Park at Lincoln Park, and Fireworks show launched from the old Heinz plant in the evening. Due to several limitations, the Chamber informed the City it does not have the resources to continue with the Pancake Breakfast and Parade for 2022 and beyond. The Chamber intends to continue to partner with the City to host the hot air balloon launch at Lincoln Park and 4th of July Fireworks show from the Heinz plant on 11th Street (viewable from Wayne Schneider Stadium at Tracy High School).

As a result, TCCA has offered to host the 4th of July Parade (to begin at 10th and A St, ending at Front Street Plaza) and the Lion's Club Pancake Breakfast at Front Street Plaza within their District Boundaries to preserve the tradition of these events. TCCA will host and organize these events in partnership with the City, taking on coordinating, staffing, cleaning, and other responsibilities. TCCA hopes these events will become

important investments in the local community, and to provide social, economic, and artistic opportunities to local businesses and residents to celebrate and come together in the City.

This PSA formalizes the services TCCA will be providing, including submitting applications, acquiring permits, maintaining insurance, and hosting/coordinating these events in a timely manner. The compensation for these services will not exceed \$10,000.

City staff is amenable to the negotiated terms included in the PSA and is able to fund support through existing operating budgets.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, and specifically implements the following goal:

Goal 3: Provide City programming and events that bolster quality of life.

FISCAL IMPACT

Approval of this PSA will have a fiscal impact to the General Fund which will be absorbed by department operating budgets. TCCA will pay the application fee for the event permit, and the cost of this agreement is not to exceed \$10,000. Exhibit A to this report outlines the direct funding for these events. The hosting of Special Events in Downtown Tracy generates additional foot and vehicle traffic that leads to tax revenue for the City from Downtown Businesses.

RECOMMENDATION

That City Council, by resolution, approve the professional services agreement between the City of Tracy and Tracy City Center Association to coordinate and host the annual 4th of July parade and pancake breakfast with not to exceed amount of \$10,000.

Prepared by: Katie Akre, Recreation Program Coordinator

Reviewed by: Thien Nguyen, Recreation Services Supervisor
Jolene Jauregui-Correll, Recreation Services Manager
Brian MacDonald, Director of Parks & Recreation
Karin Schnaider, Director of Finance
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENTS

Attachment A – PSA with Tracy City Center Association

**CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT WITH
TRACY CITY CENTER ASSOCIATION**

This Professional Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Tracy City Center Association (TCCA), a non-profit public benefit California corporation (**Consultant**). City and Consultant are referred to individually as "Party" and collectively as "Parties."

Recitals

- A. The City is in need of services to coordinate and host annual 4th of July events including an annual 4th of July Parade and Pancake Breakfast. City has determined that Consultant possesses the skills, experience, and certification required to provide the services.
- B. After negotiations between the City and Consultant, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.
- C. This Agreement is exempt from formal procurement procedure requirements pursuant to Tracy Municipal Code section 2.20.120.
- D. This Agreement is being executed pursuant to Resolution No. 2022 - _____, approved by City Council on June 7, 2022.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Consultant shall perform the services described in Exhibit "A" attached hereto and incorporated by reference. The services shall be performed by, or under the direct supervision of, Consultant's Authorized Representative: John Oh. Consultant shall not replace its Authorized Representative, nor shall Consultant replace any of the personnel listed in Exhibit "A," nor shall Consultant use or replace any subcontractor or subconsultant, without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor/subconsultant may result in the termination of this Agreement.

1.1. Permit Requirements. In addition to the services described in Exhibit "A," Consultant shall submit a facility use and special event permit application, including any applicable supplemental permits for operation of the events described above, and permit applications for all required safety inspections. Any City obligations will be specified in any permits issued.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Consultant shall begin performance and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Consultant in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Consultant. Consultant shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on July 1, 2022 and end on July 31, 2022, unless terminated in accordance with Section 6.

City of Tracy -- Professional Services Agreement with Tracy City Center Association

3. Compensation. City shall pay Consultant on a time and expense basis, at the billing rates set forth in Exhibit "B," attached hereto and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Consultant's total compensation under this Agreement shall not exceed \$10,000.00. Consultant's billing rates shall cover all costs and expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Consultant shall submit annual invoice(s) to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1 If Consultant is providing services in response to a development application, separate invoice(s) must be issued for each application and each invoice shall contain the City's designated development application number.

3.2.2 Consultant's failure to submit invoice(s) in accordance with these requirements may result in the City rejecting said invoice(s) and thereby delaying payment to Consultant.

3.3 Payment. Within 30 days after the City's receipt of invoice(s), City shall make payment to the Consultant based upon the services described on the invoice(s) and approved by the City.

4. Indemnification. Consultant shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Consultant's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

(The duty of a "design professional" to indemnify and defend the City is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, under Civ. Code § 2782.8.)

The provisions of this section survive completion of the services or the termination of this Agreement, and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Consultant shall, throughout the duration of this Agreement, maintain insurance to cover Consultant, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$4,000,000 general aggregate and \$2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Consultant in an amount not less than \$1,000,000 per claim.

City of Tracy -- Professional Services Agreement with Tracy City Center Association

5.5 Endorsements. Consultant shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Consultant's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Consultant shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Consultant shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Consultant shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Consultant shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Consultant's Obligation. Maintenance of insurance by the Consultant as specified in this Agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Consultant may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten (10) days' written notice to Consultant. Upon termination, Consultant shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Consultant for this Agreement. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Consultant that cannot be settled after engaging in good faith negotiations, City and Consultant agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

City of Tracy -- Professional Services Agreement with Tracy City Center Association

8. Ownership of Work. All original documents prepared by Consultant for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Consultant's services, or upon demand from the City. No such documents shall be revealed or made available by Consultant to any third party without the City's prior written consent.

9. Independent Contractor Status. Consultant is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Consultant is not City's employee and Consultant shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Consultant is free to work for other entities while under contract with the City. Consultant, and its agents or employees, are not entitled to City benefits.

10. Conflicts of Interest. Consultant (including its employees, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Consultant maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Consultant's conflicting interest.

11. Rebates, Kickbacks, or Other Unlawful Consideration. Consultant warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

12. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

Parks and Recreation Director
Community Facilities Division
333 Civic Center Plaza
Tracy, CA 95376

To Consultant:

Tracy City Center Association
John Oh
20 W. 11th Street
Tracy, CA 95376

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

13. Miscellaneous.

13.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Consultant's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

13.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

13.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

13.4 Assignment and Delegation. Consultant may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

13.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

13.6 Compliance with the Law. Consultant shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

13.6.1 Prevailing Wage Laws. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates; employment of apprentices (§ 1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. If the services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. These prevailing rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents, harmless from any and all claims, costs, penalties, or interests arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

13.6.2 Non-discrimination. Consultant represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Consultant shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

13.7 Business Entity Status. Consultant is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Consultant. By entering into this Agreement, Consultant represents that it is not a suspended corporation. If Consultant is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

13.8 Business License. Before the City signs this Agreement, Consultant shall obtain a City of Tracy Business License. Consultant shall maintain an active City of Tracy Business License during the term of this Agreement.

13.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

13.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

13.11 Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

13.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's proposal (if any), the Exhibits shall control.

City of Tracy -- Professional Services Agreement with Tracy City Center Association

13.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

14. Signatures. The individuals executing this Agreement on behalf of Consultant represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Consultant.

The Parties agree to the full performance of the terms set forth here.

City of Tracy, a Municipal Corporation

By: _____
Nancy Young
Title: Mayor

Date: _____

Attest:

Adrienne Richardson, City Clerk

Approved as to form:

Bijal M. Patel, City Attorney

**Tracy City Center Association, a Non-profit
Public Benefit California Corporation**

By: 
John Oh
Title: President

Date: 5/18/2022 | 12:52 PM PDT

Federal Employer Tax ID No.: 37-1605304

By: 
Dennis Barta
Title: Treasurer

Date: 5/18/2022 | 6:16 PM PDT

Exhibits:

- A - Scope of Work
- B - Compensation

EXHIBIT A - Scope of Work

Tracy City Center Association's (TCCA) Obligations: TCCA agrees to diligently and faithfully furnish the following services to the City:

1.1 Personnel.

- 1.1.1 Plan, coordinate, organize, promote, and host annual 4th of July Parade including registration process with community members for floats and participants, promotional material for parade, identify judging panel for parade, and submit event layout map for designated areas of event (parade staging, spectator locations, judges booth, etc.) in Tracy, CA on July 4, 2022
- 1.1.2 Partner with Tracy Breakfast Lion's, or comparable organization, to host annual Pancake Breakfast including acquiring all necessary permits for preparation of food onsite, providing equipment and food onsite, submit event layout for designated areas of event (location of cooking trailer, volunteer stations, tables, and chairs for eating, etc.) and staff/volunteers necessary for event in Tracy, CA on July 4, 2022.
- 1.1.3 Provide necessary staff, volunteers, equipment, and promotions to successfully conduct the 4th of July Parade and Lion's Pancake Breakfast, or comparable event, and have a TCCA representative on site during all permitted reservation times.

1.2 Operations.

- 1.2.1 Conduct regular meetings with TCCA staff, volunteers, and City staff to coordinate event details, and adhere to the final, City-approved event schedule and layout map.
- 1.2.2 Provide supplemental portable toilets, trash receptacles, and dumpsters on site for event. Coordinate with City Staff for delivery.
- 1.2.3 Clean and restock portable toilets and empty trash receptacles during event.
- 1.2.4 Adequately clean any City facilities and public right of way to acceptable condition after permitted use and facilitate and pay for any repairs to damages caused by such use, other than normal wear and tear, in excess of the damage deposit.

*City of Tracy -- Professional Services Agreement with Tracy City Center Association***EXHIBIT B - Compensation**

Compensation listed below are estimated expenses for TCCA to host this annual event, with TCCA intending to pursue and seek different funding and sponsorships opportunities in the future. The City will provide TCCA with compensation not to exceed \$10,000.00 for miscellaneous expenses related to coordination and organization of the event specified in the Agreement:

<u>EXPENSE</u>	<u>AMOUNT</u>
1. Staff Time	\$ 1,269.40
2. Advertising/ Promotion	\$ 2,350.00
3. Insurance	\$ 1,212.94
4. Rentals	\$ 2,788.40
5. Decorations	\$ 500.00
6. Security	\$ 960.00
7. Entertainment	\$ 500.00
8. Miscellaneous items - Judges Station	\$ 150.00
<u>TOTAL:</u>	<u>\$ 9,730.74</u>

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022-

**APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH TRACY
CITY CENTER ASSOCIATION TO COORDINATE AND HOST THE ANNUAL
4TH OF JULY PARADE AND PANCAKE BREAKFAST WITH A NOT TO
EXCEED AMOUNT OF \$10,000**

WHEREAS, Tracy City Center Association (TCCA) is a non-profit public benefit California corporation that operates the Downtown Tracy Community Benefit District ("District"); and

WHEREAS, TCCA has offered to host the annual 4th of July Parade and a Pancake Breakfast within their District boundaries to preserve the tradition of these events; and

WHEREAS, the Tracy City Council recognizes TCCA as a valuable partner to the City of Tracy in providing events and supporting the economic growth within the City; and

WHEREAS, TCCA and the City reached an agreement regarding the services TCCA will provide the City to host and coordinate the 4th of July Parade and Pancake Breakfast in the form of the Professional Services Agreement attached as Exhibit A; and

WHEREAS, Pursuant to the Professional Services Agreement, TCCA is responsible for submitting applications, acquiring permits, maintaining insurance, and hosting/coordinating these events in a timely manner; and

WHEREAS, the City will provide an estimated payment for direct services not to exceed \$10,000; and

WHEREAS, the Professional Services Agreement is exempt from formal procurement requirements pursuant to Tracy Municipal Code section 2.20.120; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby approves the Professional Services Agreement, in substantially the form attached as Exhibit A, with Tracy City Center Association, reflecting the procurement of the specified services to host the 4th of July Parade and Pancake Breakfast with a not to exceed amount of \$10,000; and be it

FURTHER RESOLVED: That the final agreement shall be reviewed and approved as to form and legality by the City Attorney prior to final execution.

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7, 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of
the City of Tracy, California

June 7, 2022

AGENDA ITEM 1.K

REQUEST

APPROVE A CHANGE ORDER TO THE SAAS AGREEMENT WITH TYLER TECHNOLOGIES, INC. TO LICENSE TWO ADDITIONAL MODULES FOR TIMEKEEPING AND BID MANAGEMENT TO THE MUNIS ERP SYSTEM AND FIND THAT IT IS IN THE BEST INTEREST OF THE CITY TO FOREGO THE REQUEST FOR PROPOSALS PROCESS FOR THESE SERVICES

EXECUTIVE SUMMARY

The City of Tracy uses the Munis Enterprise Resource Planning software (Munis ERP), a product of Tyler Technologies, Inc., to run the City's financial, budgeting, payroll, human resources, timekeeping and utility billing systems. The City entered into a seven-year SaaS (Software as a Service) Agreement to license the Munis ERP system in 2014. The SaaS Agreement was renewed in 2021 for three-years and now extends through June 2024, with automatic one-year renewals thereafter. Staff is recommending a change order for the licensing of two additional modules, ExecuTime Advanced Timekeeping and Vendor Self Service (VSS) Bid Management to enhance the functionality of Munis ERP. These two modules will increase efficiency, add additional features to the existing software, and provide additional on-line services for vendors.

TMC 2.20.140(b)(6) allows for an exception to the Request For Proposals (RFP) process when the City Council determines that it is not in the best interest of the City to issue an RFP. These additional software modules are specific to this vendor and an extension of the existing system. City staff feel that given these are vendor specific modules, it is in the best interest of the City to forego the RFP process. This is considered a change order, so no contract modification is necessary.

DISCUSSION

The City has been using the cloud-based Tyler Munis ERP system since 2015 for most of the City's financial functions including accounting, budgeting, purchasing, payroll, human resources, electronic timesheets and utility billing. We originally entered into a seven-year SaaS Agreement to license the Munis ERP software and renewed the SaaS Agreement in 2021. The current SaaS Agreement extends through June 2024 with automatic one-year renewals thereafter. Tyler has additional modules that the City did not license in the original SaaS Agreement due to resource requirements of implementing a full ERP system. Finance now has the resources available to implement additional modules.

ExecuTime

The City first implemented basic electronic timekeeping in 2017. The functionality is limited to time entry and accruals requests via the City's Employee Self-Service (ESS) web portal. ExecuTime is an add-on module to ESS that provides advanced timekeeping, administration and advanced scheduling. Many departments will benefit from these advanced features including Police, Parks and Public Works, all of which have a need for advanced scheduling software. One department currently uses

scheduling software that is not compatible with Munis ERP. Using ExecuTime would be more efficient by eliminating double entry of time while bringing additional scheduling features to the department. This module will cost \$36,800 annually plus one-time implementation costs of \$59,200, or approximately \$132,800 over the remaining two years of the SaaS Agreement. Additionally, there is a 3rd party electronic timekeeping option for an additional \$2,510 one-time cost and \$251 annually.

VSS Bid Management

The City does not currently have any system in place for compressive bid management. This module will add a web-based portal for introducing and receiving many of the various bids for which the City advertises. In combination with the secure Vendor Self-Service (VSS) on-line portal and the existing contracts management module, this module provides additional on-line services to vendors. Vendors will be able to submit invoices for payment, check payment status, submit additional documentation, check the status of bids submitted and finalize contracts. This combines several manual tasks that will increase the overall efficiency of the bid and contract management processes. This module will cost \$11,078 annually plus one-time implementation costs of \$8,000, or approximately \$30,156 over the remaining two years of the SaaS Agreement.

The combined licensing cost of both modules is \$47,878 annually for two years with a one-time implementation cost of \$67,200, without the addition of an electronic timekeeping system. The total two-year cost is \$162,956 without electronic timekeeping and \$165,717 with electronic timekeeping. Electronic timekeeping is a third-party additional feature and staff is not recommending the purchase of the optional electronic timekeeping system at this time.

The attached Sales Quote constitutes a change order to the SaaS Agreement. No amendments to the SaaS Agreement are necessary.

Enterprise-wide Philosophy

In combination with the City's Information Technology Division, staff is promoting an Enterprise-wide software philosophy. This philosophy is designed to leverage existing vendors for products that communicate with one-another and provide seamless integration, thus increasing both efficiency and productivity within the City. Too often, software products are being picked because they are 'best in class' and suit a single department's needs over 'best for the enterprise'. Often these systems do not integrate well, if at all, with existing systems. This lack of integration induces internal control risk into the environment and tends to result in duplicate data entry and incomplete data reporting. Additionally, when products do integrate, using multiple vendors adds unnecessary support issues as finger-pointing between vendors invariably happens. Without integration, the processes are often inefficient, causing duplicate work to be performed.

The Enterprise-wide philosophy seeks to maximize efficiency and productivity while decreasing overall risk, including internal control risk. Often existing vendors with proven track records have products that meet the needs of both the department and the overall enterprise. These may not be the preferred vendor for a specific task, or the 'best in class'; however, they are the 'best for the enterprise' and provide all the necessary functionality and integration for efficient and productive operations and comprehensive reporting. Products should be chosen that benefit the City as a whole

rather than benefiting a single department to the detriment of all other departments. This may mean that the chosen software does not provide everything that a department wants, but rather is the best, and most efficient product, for the City as a whole.

Both of these modules fit this philosophy by providing the most benefit to the City, while still meeting the needs of individual departments.

These additional modules are vendor specific and designed as a comprehensive part of the Munis ERP system. Due to this fact, no other modules from any other vendor can be used in their place. TMC 2.20.140(b)(6) allows for an exception to the Request For Proposals (RFP) process when the City Council determines that it is not in the best interest of the City to issue an RFP. Given the uniqueness of these modules, City staff has determined that it is not in the City's best interest to explore changing systems.

FISCAL IMPACT

The total general fund cost over the remaining two years of the SaaS agreement is \$162,956. Funds are included in the Fiscal Year 2022-23 proposed budgeted for this purchase.

STRATEGIC PLAN

This agenda item supports the City Council's Governance Strategic Priority; Goal 2, which is to ensure continued fiscal sustainability through financial and budgetary stewardship; and Goal 3, which is to identify technological resources to promote communication, enhance City services, and promote organizational productivity.

RECOMMENDATION

It is recommended that the City Council approve, by resolution, this change order to the SaaS Agreement with Tyler Technologies, Inc. to include the licensing and implementation of the Tyler ExecuTime and Bid Management modules, authorize the Finance Director to sign the Sales Quote, and find that it is in the best interest of the City to forego the Request for Proposals process for these services.

Prepared by: Robert Harmon, Senior Accountant

Reviewed by: Karin Schnaider, Finance Director

Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENTS

Attachment A – Sales Quote

ATTACHMENT "A"



Quoted By: Karen Grosset
 Quote Expiration: 05/30/22
 Quote Name: City of Tracy - ERP - ExecuTime
 and Bid Management
 Quote Description: ExecuTime and Bid Management
 Saas Term 2.00

Sales Quotation For:

City of Tracy
 333 Civic Center Plz
 Tracy CA 95376-4059
 Phone: +1 (209) 831-4100

Tyler SaaS and Related Services

Description	Qty	Imp. Hours	Annual Fee
Financial Management			
Bid Management	1	56	\$ 11,078.00
Human Resources Management			
Advanced Scheduling - Up to 150 Employees	1	64	\$ 10,083.00
Advanced Scheduling Mobile Access	1	0	\$ 2,352.00
Time & Attendance - Up to 750 Employees	1	176	\$ 18,317.00
Time & Attendance Import	1	0	\$ 3,045.00
Time & Attendance Mobile Access	1	0	\$ 3,003.00
TOTAL		296	\$ 47,878.00

Professional Services

Description	Quantity	Unit Price	Extended Price	Maintenance
2021-294099-C0M5N4	CONFIDENTIAL			Page 1

ATTACHMENT "A"

Project Management	40	\$ 200.00	\$ 8,000.00	\$ 0.00
Remote Implementation	296	\$ 200.00	\$ 59,200.00	\$ 0.00
	TOTAL		\$ 67,200.00	\$ 0.00

3rd Party Hardware, Software and Services

Description	Qty	Unit Price	Unit Discount	Total Price	Unit	Maint/SaaS	Discount	Total
					Maint/SaaS			
Touchscreen 10: Proximity Reader (HID)	1	\$ 2,510.00	\$ 0.00	\$ 2,510.00	\$ 251.00	\$ 0.00	\$ 251.00	\$ 251.00
	TOTAL				\$ 2,510.00			\$ 251.00

Summary

	One Time Fees	Recurring Fees
Total Tyler Software	\$ 0.00	\$ 0.00
Total Annual	\$ 0.00	\$ 47,878.00
Total Tyler Services	\$ 67,200.00	\$ 0.00
Total Third-Party Hardware, Software, Services	\$ 2,510.00	\$ 251.00
Summary Total	\$ 69,710.00	\$ 48,129.00
Contract Total	\$ 165,717.00	

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held
For six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____ Date: _____

Print Name: _____ P.O.#: _____

All Primary values quoted in US Dollars

ATTACHMENT "A"

ATTACHMENT "A"

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
 - Implementation and other professional services fees shall be invoiced as delivered.
 - Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
 - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and materials basis.
 - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
 - If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
 - Notwithstanding anything to the contrary stated above, the following payment terms shall apply to services fees specifically for migrations: Tyler will invoice Client 50% of any Migration Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite. Unless otherwise indicated on this Sales quotation, annual services will be invoiced in advance, for annual terms commencing on the date this sales quotation is signed by the Client. If listed annual service(s) is an addition to the same service presently existing under the Agreement, the first term of the added annual service will be prorated to expire coterminous with the existing annual term for the service, with renewals to occur as indicated in the Agreement.
- Expenses associated with onsite services are invoiced as incurred.

ATTACHMENT "A"

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the scope, level of engagement, and timeline as defined in the Statement of Work (SOW) for your project. The actual amount of services required may vary, based on these factors.

Tyler's pricing is based on the scope of proposed products and services contracted from Tyler. Should portions of the scope of products or services be altered by the Client, Tyler reserves the right to adjust prices for the remaining scope accordingly.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting. Installations are completed remotely but can be done onsite upon request at an additional cost.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

The Implementation Hours included in this quote assume a work split effort of 70% Client and 30% Tyler.

Implementation Hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

The annual SaaS fees for the quoted modules will start on 7/1/22 and run through 6/30/24 to coincide with the City's current SaaS contract.

Standard Project Management responsibilities include project plan creation, initial stakeholder presentation, bi-weekly status calls, updating of project plan task statuses, and go-live planning activities.

Your acquisition of clocks and/or clock maintenance is subject to the following terms: <https://www.tylertech.com/terms/executime-clock-terms>.

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2022- _____

**APPROVING A CHANGE ORDER TO THE SAAS AGREEMENT WITH
TYLER TECHNOLOGIES, INC. TO LICENSE TWO ADDITIONAL
MODULES FOR TIMEKEEPING AND BID MANAGEMENT TO THE
MUNIS ERP SOFTWARE**

WHEREAS, The City of Tracy uses the Tyler Technologies, Inc. Munis ERP software for most fiscal and human resource functions; and

WHEREAS, The City has an existing SaaS Agreement with Tyler Technologies, Inc. extending through June 2024, with automatic one-year renewals thereafter; and

WHEREAS, Tyler Technologies offers additional software modules that provide enhanced features to the existing software; and

WHEREAS, These enhanced features will promote more efficient and productive operations while providing additional on-line services to the City's vendors; and

WHEREAS, The City follows an enterprise-wide philosophy of using existing vendors and products that interface seamlessly with existing software; and

WHEREAS, Staff recommends licensing two additional modules for advanced timekeeping and scheduling, and vendor bid management: now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby approves a Change Order to the SaaS Agreement with Tyler Technologies, Inc. for the additional licensing of the ExecuTime and Bid Management modules; and be it

FURTHER RESOLVED: That the City Council of the City of Tracy has determined that it is in the best interest of the City to forego issuing a Request for Proposal for these services under TMC 2.20.140(b)(6).

* * * * *

The foregoing Resolution 2022-_____ was adopted by the Tracy City Council on June 7th, 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST:

ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of
the City of Tracy, California

June 7, 2022

AGENDA ITEM 3.B

REQUEST

INTRODUCE AN ORDINANCE OF THE CITY OF TRACY AMENDING SECTION 6.36.080 OF THE TRACY MUNICIPAL CODE TOLLING THE EXPIRATION DATE OF EACH EXISTING COMMERCIAL CANNABIS BUSINESS PERMIT FOR AN ADDITIONAL 12 MONTHS

EXECUTIVE SUMMARY

Chapter 6.36 of the Tracy Municipal Code (TMC) establishes regulations for commercial cannabis activities in the City of Tracy. The proposed ordinance amends TMC Section 6.36.080 to toll the expiration of existing Cannabis Business Permits for an additional year to provide existing permit holders more time to establish and become operable prior to expiration of the permits.

DISCUSSION

Under the current ordinance (TMC Section 6.36.080), each Cannabis Business Permit issued expires 12 months after the date of issuance. TMC Sections 6.36.050 and 6.36.150 require that all interested parties and employees undergo fingerprint-based background checks. In order for the City to conduct fingerprint based background checks, the Department of Justice (DOJ) must approve a Resolution so the City may access such criminal history information. Due to the delay in obtaining DOJ approval, the proposed ordinance will facilitate permit holders' ability to establish and become operable prior to the expiration of the permits.

The first four provisional Cannabis Business Permits were issued June 21, 2021, with an expiration date of June 20, 2022. The next 13 were issued March 3, 2022, with an expiration date of March 2, 2023. No renewal applications have been received to date. Per City Council's direction on May 17, 2022, in order to assist this group of permittees to have the ability to establish and become operable prior to expiration of the permits, staff recommends the proposed ordinance amending Section 6.36.080, Expiration of Cannabis Business Permits.

Rather than expiration occurring 12 months after the issuance of each respective permit, the expiration date will be tolled for an additional 12 months. While the City has issued 17 Cannabis Business Permits, and to date nine have applied for the required Conditional Use Permit (one has been approved thus far), most permit holders will be unable to commence operations under the current 12-month expiration date.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Public Safety and Quality of Life Strategic Priorities.

FISCAL IMPACT

There is no fiscal impact associated with this agenda item.

RECOMMENDATION

That the City Council introduce and waive the full reading of an ordinance of the City of Tracy amending Section 6.36.080 of the Tracy Municipal Code tolling the expiration of each existing commercial cannabis business permit for an additional 12 months.

Prepared by: Victoria Lombardo, Senior Planner

Reviewed by: Bill Dean, Assistant Director of Development Services
Karin Schnaider, Finance Director
Bijal Patel, City Attorney
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENTS

Attachment A - Ordinance Amending Section 6.36.080 of the Tracy Municipal Code

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 6.36.080 OF THE TRACY MUNICIPAL CODE TOLLING THE EXPIRATION DATE OF EACH EXISTING COMMERCIAL CANNABIS BUSINESS PERMIT FOR AN ADDITIONAL 12 MONTHS

WHEREAS, The Tracy Municipal Code ("TMC") Chapter 6.36, Commercial Cannabis Activity, establishes regulations for commercial cannabis activity in the City of Tracy; and

WHEREAS, TMC section 6.36.080 provides that cannabis business permits shall expire twelve months after the date of issuance; and

WHEREAS, TMC sections 6.36.050 and 6.36.150 require that all interested parties and employees of a cannabis business undergo fingerprint based background checks; and

WHEREAS, in order for the City to conduct fingerprint based background checks, the Department of Justice (DOJ) must approve a Resolution so the City may access such criminal history information; and

WHEREAS, due to the delay in obtaining DOJ approval, the City Council desires to amend TMC section 6.36.080 to toll the expiration of existing cannabis business permits issued twelve months; and

WHEREAS, tolling the expiration of existing cannabis business permits twelve months will allow permit holders additional time to comply with the requirements under Chapter 6.36 to operate a cannabis business within the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TRACY DOES ORDAIN AS FOLLOWS:

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment of Section 6.36.080. Section 6.36.080, Expiration of Cannabis Business Permits, of the Tracy Municipal Code is hereby amended to read as follows (with additions underlined, and deletions in ~~strikethrough~~):

Each cannabis business permit issued pursuant to this chapter shall expire twelve (12) months after the date of its issuance, except that the expiration date of any cannabis business permit issued prior to May 2022 shall be tolled for an additional twelve (12) months from the date of

issuance of any such permit. Cannabis business permits may be renewed as provided in section 6.36.100.

SECTION 3. CEQA Determination. The City Council finds that this Ordinance is exempt from CEQA in accordance with Business and Professions Code section 26055(h) because it requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity.

SECTION 4. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 5. Effective Date. This ordinance shall become effective upon the thirtieth (30th) day after final adoption.

SECTION 6. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 7. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the _____ day of _____ 2022, and finally adopted on the _____ day of _____, 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST: _____
ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

NOTICE AND DIGEST

**AN ORDINANCE AMENDING SECTION 6.36.080 OF THE TRACY MUNICIPAL
CODE TOLLING THE EXPIRATION DATE OF EACH EXISTING COMMERCIAL
CANNABIS BUSINESS PERMIT FOR AN ADDITIONAL 12 MONTHS**

The Ordinance (Ordinance) amends Tracy Municipal Code section 6.36.080 to toll the expiration date of each existing commercial cannabis business permit for an additional 12 months. This Ordinance does not change the 12-month expiration period for any new cannabis business permits obtained after adoption of the Ordinance.