

Tuesday, March 7, 2023, 7:00 P.M.

A quorum of City Council will be in attendance at
Tracy City Hall Chambers, 333 Civic Center Plaza, Tracy
Web Site: www.cityoftracy.org
and two Council Members will attend remotely at the following location:
Hyatt, 300 Reunion Boulevard, Dallas, Texas 75207

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

**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:*
 - o **Online by visiting** <https://cityoftracyevents.webex.com> and using the following **Event Number: 2557 956 2341** and **Event Password: TracyCC**
 - o ***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.
 - o **Join by phone by dialing +1-408-418-9388, enter 25579562341#8722922# Press *3 to raise the hand icon to speak on an item.**
- *Protocols for commenting via WebEx:*
 - o *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.*
 - o *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 agenda 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.

Full copies of the agenda are available on the City's website: www.cityoftracy.org

Date Posted: March 2, 2023

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL

PRESENTATIONS

1. Employee of the Month
2. Certificates of Recognition – San Joaquin County Mock Trial Winners

1. CONSENT CALENDAR

- 1.A Adoption of February 21, 2023 City Council Closed Session Minutes, Special Concurrent Meeting of the City Council and Transportation Advisory Commission Meeting Minutes and City Council Regular Meeting Minutes.
- 1.B Adopt a resolution approving permits under Tracy Municipal Code Chapter 4.40, to allow the consumption of alcoholic beverages on City streets for the following special events of community-wide interest occurring in 2023: (1) Downtown Block Parties (May 5, June 9, July 7, August 4, and September 8); (2) Blues, Brews, and BBQ (October 7); (3) Girls Night Out – Witches and Broomsticks (October 20); (4) Tracy City Center Association Events (Taps on Tenth on April 1, Downtown Tracy Wine Stroll on September 16, and Car Show with Clutch Burners on October 14); (5) Tracy African American Association Juneteenth Event (June 10); (6) Tracy Chamber of Commerce Centennial Celebration (June 24); and (7) South Side Community Organization Event (September 16).
- 1.C. Adopt a resolution approving a Professional Services Agreement with Kjeldsen, Sinnock & Neudeck, Inc. to provide Topographic Surveying and Mapping Services for the Recycled Water System Expansion Project (CIP 74168) for a period of three (3) months and a total not-to-exceed amount of \$61,191.
- 1.D. Adopt a resolution approving a Professional Services Agreement with West Yost & Associates, Inc. to provide Program Management Services for the Recycled Water System Expansion Project (CIP 74168) for a period of three (3) years and a total not-to-exceed amount of \$974,402.
- 1.E. Adopt a resolution approving Utility Agreements related to the relocation of existing utilities for the I-580/Patterson Pass Road Interchange Project, CIP 73147, between the City and the following utility providers, for the respective not-to-exceed cost liability split amounts: 1) Pacific Gas & Electric, Inc. for \$1,000,000, 2) Crimson Oil, for \$600,000, and 3) AT&T California, for \$1,000,000.
- 1.F. Adopt a resolution approving the execution of a Cooperative Agreement between City and the California Department of Transportation for Construction activities and the Right-of-Way Certification for the I-580/Patterson Pass Road Interchange Project, CIP 73147.
- 1.G. Adopt a resolution accepting the City of Tracy's Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2022.

2. ITEMS FROM THE AUDIENCE

3. REGULAR AGENDA

- 3.A City Council Conduct a public hearing to 1) consider the award of local priority funding allocations for Community Development Block Grant (CDBG) and HOME Investment Partnership program funds for Fiscal Year 2023-2024, and upon conclusion, 2) adopt a resolution authorizing the City Manager, or his designee, to execute the funding agreements and other implementing documents.
- 3.B. City Council 1) conduct a public hearing to receive comments regarding a temporary closure of the City-controlled portion of Hansen Road, at the north City limits, south of Interstate 205, for a period of eighteen (18) months to coincide with the County's closure of its portion of Hansen Road and, upon conclusion, 2) to adopt a resolution approving such temporary closure to mitigate traffic safety concerns.
- 3.C. City Council (1) conduct a public hearing to receive and consider comments on the proposed Citywide Master Fee Schedule, and upon conclusion, (2) adopt a resolution (A) approving and adopting, effective as of July 1, 2023, the proposed Citywide Master Fee Schedule, reflecting a cost recovery target of 72% and (B) rescinding, effective as of July 1, 2023, Resolution 2020-110 that approved the current Citywide Master Fee Schedule.
- 3.D Adopt a resolution 1) authorizing the issuance and sale of special tax bonds for the purpose of financing authorized facilities and 2) approving and authorizing related documents and actions for Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2
- 3.E Adopt a resolution approving 1) the updated Emergency Operations Plan to provide community support during an emergency, in compliance with State and Federal laws, and 2) a Business Continuity Plan addressing the needs of the City following an emergency.

4. ITEMS FROM THE AUDIENCE

5. STAFF ITEMS

6. COUNCIL ITEMS

7. ADJOURNMENT

TRACY CITY COUNCIL - SPECIAL MEETING MINUTES

February 21, 2023, 5:00 p.m.

Tracy City Hall, 333 Civic Center Plaza, Tracy, CA.

1. Mayor Young called the meeting to order at 5:00 p.m.
2. Roll call found Council Members Arriola, Bedolla, Evans, Mayor Pro Tem Davis and Mayor Young present.
3. ITEMS FROM THE AUDIENCE – None
4. Request to Conduct Closed Session

Conference with Labor Negotiators (Gov. Code § 54957.6)

- City Negotiators
Midori Lichtwardt, Acting City Manager
Karin Schnaider, Assistant City Manager
Kimberly Murdaugh, Human Resources Director
Sara Cowell, Finance Director
Bijal Patel, City Attorney
Che Johnson, Special Counsel
Michael W. Jarvis, Special Counsel
- Employee Organizations:
General Teamsters Local No. 439, IBT
Tracy Mid Managers Bargaining Unit
Tracy Police Management Association
Tracy Police Officers' Association
Tracy Technical and Support Services Employee Association

There was no public comment.

ACTION: Motion was made by Council Member Bedolla and seconded by Mayor Pro Tem Davis to recess to closed session. Roll call found all in favor; passed and so ordered. Time: 5:02 p.m.

5. Reconvened to Open Session – Time: 6:07 p.m.
6. Report of Final Action – None
7. Council Items and Comments – None

8. Adjournment – Time: 6:07 p.m.

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

The above agenda was posted at the Tracy City Hall on February 16, 2023. The above are action minutes. A recording is available at the office of the City Clerk.

Mayor

ATTEST:

City Clerk

SPECIAL CONCURRENT MEETING MINUTES OF THE TRACY CITY COUNCIL AND
THE TRANSPORTATION ADVISORY COMMISSION

February 21, 2023, 6:00 p.m.

Tracy City Hall, 333 Civic Center Plaza, Tracy, CA.

1. Mayor Young called the meeting to order at 6:20 p.m.
2. Roll call found Council Members Arriola, Bedolla, Evans, Mayor Pro Tem Davis and Mayor Young present.

Roll call found Transportation Advisory Commissioners Rajpal Dhillon, Sharanjit Dhillon, Francis, Vice Chair Silva and Chair Cooper present.

3. ITEMS FROM THE AUDIENCE – None

4. DISCUSSION ITEMS:

- 4.A The Tracy City Council and the Tracy Transportation Advisory Commission, concurrently, conduct a workshop to review the City's Transportation Master Plan Update and provide feedback

Jaylen French, Development Services Director provided the staff report and introduced Frederik Venter, Kimley-Horn who provided the presentation on the Transportation Master Plan and responded to questions.

Council and Commission questions followed.

A member of the public asked what plans the City has for improvements at the Patterson Pass/I-580 Interchange.

Robert Tanner asked if the VMT banking fees are over and above what developers are paying or is the fee set by state. Mr. Tanner asked if Valley Link was going to be downtown or down the middle of I-205.

Mike Souza spoke about Iron Horse Parkway Interchange Project and stated the Master Plan says no connections are known so that interchange is not evaluated in the Master Plan. It has already got PSR approved by Caltrans, being pushed by Prologis. Mr. Souza stated staff has to go back and analyze Iron Horse Interchange being in place and being impacted to the grid and impacts on other streets. Need to take into consideration what the cost increase means to fees and doing business in the City. Mr. Souza expressed the importance that the City gets funding.

Council accepted the report and provided feedback regarding the Transportation Master Plan and requested looking at the Iron Horse Interchange, Valley Link location and more information on the VMT bank not double dipping.

5. COUNCIL ITEMS AND COMMENTS – None
6. ADJOURNMENT – Time: 7:30 p.m.

ACTION: Motion was made by Council Member Arriola and seconded by Mayor Pro Tem Davis to adjourn. Roll call found Council Members Arriola, Bedolla, Evans, Mayor Pro Tem Davis, Mayor Young, Transportation Advisory Commissioners Rajpal Dhillon, Sharanjit Dhillon, Francis, Vice Chair Silva and Chair Cooper in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on February 16, 2023. The above are action minutes. A recording is available at the office of the City Clerk.

Mayor

ATTEST:

City Clerk

February 21, 2023, 7:00 p.m.

City Hall, 333 Civic Center Plaza, Tracy

Web Site: www.cityoftracy.org

Mayor Young called the meeting to order at 7:39 p.m.

Zola Dinsmore led the Pledge of Allegiance.

Rabbi Levi Meijers, Chabad of Tracy Jewish Center provided the invocation.

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

Mayor Young proclaimed March as Women's History Month and March 8 as International Women's Day.

Midori Lichtwardt, Acting City Manager announced Item 3.B will be pulled from the agenda as there are corrections that need to be made and the item will be brought back at the next regular Council meeting.

1. CONSENT CALENDAR – Following the removal of Consent Items 1.B by Alice English and 1.E by Karen Moore motion was made by Council Member Arriola and seconded by Mayor Pro Tem Davis to adopt the Consent Calendar. Roll call found all in favor; passed and so ordered.
 - 1.A Adoption of February 7, 2023, City Council Closed Session Minutes, Special Concurrent Meeting of the City Council and Transportation Advisory Commission Meeting minutes and City Council Regular Meeting Minutes – Minutes were adopted.
 - 1.C Adopt a resolution approving a Master Services Agreement with Crossroads, Inc. for the installation, implementation, training, and annual maintenance of automated traffic collision and citation technology for a term of five (5) years and a total not to exceed amount of \$180,000, and authorizing the City Manager to execute the Agreement and any amendments.- Resolution 2023-028 approved a Master Services Agreement with Crossroads, Inc.
 - 1.D City Council (1) accept the construction for the Pavement Rehabilitation Project, FY 2019-2020, CIP 73176, work completed by Tracy Grading and Paving, Inc., of Tracy, California, (2) authorize the City Clerk to File the Notice of Completion, (3) authorize the City Engineer to release the bonds and retention payment, and (4) authorize the Finance Department to close the Project.- Resolution 2023-029 accepted the construction for the Pavement Rehabilitation Project, FY 2019-2020, CIP 73176 by Tracy Grading and Paving, Inc., authorized filing the Notice of Completion and release of bonds.

- 1.F Adopt a resolution: (1) Approving a General Services Agreement with Sweeping Corp of America, LLC to provide street, alley, and parking lot sweeping services for an initial term of two (2) years and a total not to exceed amount \$859,100 annually; (2) Authorizing the City Manager to execute the General Services Agreement, extensions up to five (5) years, and amendments to the Agreement; and (3) Appropriating \$46,000 from the Solid Waste Fund (F531) to fund the Agreement for fiscal year 2023. – **Resolution 2023-030** approved a General Services Agreement with Sweeping Corp of America, LLC., authorized the City Manager to execute the agreement and approved the appropriation.
- 1.G Adopt a resolution declaring the intention to reimburse expenditures from proceeds of tax-exempt obligations to be issued by the City for and on behalf of City of Tracy Community Facilities District No. 2016-2 (ECFD). – **Resolution 2023-031** declared the intention to reimburse expenditures from proceeds of tax-exempt obligations to be issued by the City for and on behalf of City of Tracy Community Facilities District No. 2016-2 (ECFD).
- 1.H Adopt a resolution declaring the intention to reimburse expenditures from proceeds of tax-exempt obligations to be issued by the City for and on behalf of City of Tracy Community Facilities District No. 2016-1 (Tracy Hills) – **Resolution 2023-032** declared the intention to reimburse expenditures from proceeds of tax-exempt obligations to be issued by the City for and on behalf of City of Tracy Community Facilities District No. 2016-1 (Tracy Hills).
- 1.I. Adopt a resolution amending the City's Operating and Capital Budget for the Fiscal Year ending June 30, 2023, and authorize the Budget Officer to amend the City's position control roster for FY2022-23. – **Resolution 2023-033** amended the City's Operating and Capital Budget for the Fiscal Year ending June 30, 2023, and authorized the Budget Officer to amend the City's position control roster for FY2022-23.
- 1.B Adopt a resolution: (1) Authorizing a Professional Services Agreement with MGT of America, LLC for diversity, equity, and inclusion consultant services for a total not-to-exceed amount of \$166,500 for a one-year term; and (2) Appropriating funding in the amount of \$116,500 from the General Fund reserves to the Human Resources operating budget and amend the FY 2022-23 Operating Budget to reflect such appropriation.

Alice English pulled the item to ask why the item is on consent and why the City is spending money on this as the City has been doing well over so many years, this is more of a political thing and not necessary. Need to spend money on police and hospital.

Kimberly Murdaugh, Human Resources Director provided the staff report and responded to questions.

Council comments followed.

ACTION: Motion was made by Council Member Arriola and seconded by Mayor Young to adopt Consent Item 1.B.

Bernal Shull shared her concerns regarding hiring consultants when there are high paid City staff that can do it, suggested putting money towards potholes and other infrastructure issues, and shared concerns regarding the City not being clean. Ms. Shul added it is a very diversified area, and shared concerns regarding City workers sitting in their trucks.

Robert Tanner stated it is a waste of money, have a diversified Council and staff and shared his concerns regarding potholes all over town and ribbons of open asphalt.

Heather Smiddy asked if there have been any employees that have been treated unfairly, looking for something that does not exist. Ms. Smiddy stated she has watched people come together as a community and they are happy, do not need to look for reasons to find fault in each other and do not need to spend money to find out if we have an issue in house.

Karen Moore stated she was frustrated with lack of knowledge regarding Diversity, Equity and Inclusion (DEI) and explained DEI. Looking for people that have different styles of communication. Sounds like a lot but this isn't about the Police – it is listening to different kind of voices and respecting diverse people and their contribution in the workspace.

Lamont Browne, MGT Consultant provided input regarding the item.

Council comments continued.

ACTION: Council Member Arriola restated his motion to adopt Consent Item 1.B., which was previously seconded by Mayor Young. Roll call found Council Member Arriola and Mayor Young in favor. Council Members Bedolla, Evans and Mayor Pro Tem Davis opposed. Motion failed.

1.E Adopt a resolution approving the Local Roadway Safety Plan and setting a Vision Zero goal for 2050.

Karen Moore asked why the City would wait for Vision Zero and wait for areas in town to be redesigned.

Koosun Kim, Acting City Engineer provided the staff report.

Karen Moore clarified her question. Other cities implemented faster and asked why our City is taking almost three times longer than other cities.

There were no questions from Council.

ACTION: Motion was made by Council Member Bedolla and seconded by Council Member Arriola to approve **Resolution 2023-034** approving the Local Roadway Safety Plan and setting a Vision Zero for 2050. Roll call found all in favor; passed and so ordered.

2. ITEMS FROM THE AUDIENCE – Karen Moore shared a Lathrop Council process regarding agendizing a facilities property rental for a Juneteenth event and the Lathrop Mayor not understanding why staff had done that. Ms. Moore added that is what our City had done for the Pride Parade and nobody asked why we are looking at this group and making it part of an agenda to be voted on and stated because we are diverse does not mean we do not have blinders.

Council Member Bedolla disagreed with the characterization of the previous commenter.

Gabriella Machuca stated on October 18, 2022, Council requested that staff report back about possibly amending Ordinance 10.08.3193 – Mobile Food Vendors. There has not been an agenda item back to Council. Ms. Machuca formally requested an extension on Temporary Use Permits given to mobile food vendors to allow time for staff to present long term solutions to ensure they can continue to serve the community and urged Council to put on an agenda and for discussion.

Robert Tanner stated back in November there was an agenda item to reverse a couple of court rulings against the Aquatic Park and Development Agreement, but the item was pulled. In the agenda item there was a sentence about a possible lawsuit coming up from Surland. Mr. Tanner asked why the City did not accept the 16 acres back then. Mr. Tanner also shared concerns regarding potholes on Parker Street and west bound on 11th Street, also B Street and 11th, and 10th Street west bound potholes.

Sherri Mackay spoke for Tracy Youth Soccer League (TYSL) Tracy United Soccer Club (TUSC) and Tracy Top Soccer Special Needs Group stating they are all volunteers. Ms. Mackay shared her concerns regarding the warming center being located at the Sports Complex, TYSL relocating to Legacy Fields and the cost of restriping due to that relocation and requested a refund of \$3,888 which was used for repairs of the field. Ms. Mackay submitted a handout to the City Clerk.

Jennifer Dulkevich shared her concerns regarding the location of a warming center, and unsafe situation. Why approve a location that would take away from children to hold their sports activities.

Karin Schnaider, Assistant City Manager responded to questions regarding why the Sports Complex was selected for a warming center.

John Viera stated there has been four inches of rain recently, found a 30-inch hole in pond #10 which is on Middle Road and met with two City engineers and was told to wait until the water goes down to find the hole. Their engineer found the swirling hole and asked Public Works to sandbag it so it would quit leaking which they did. Mr. Viera stated he owns property behind the pond and shared his concerns about flooding again.

Greg Wright spoke about flooding from ponds going into the main drain and backing it up. Under 5 inches of water and City staff said it was ground water. It took 15 days of pumping to get water out of his yard as the drain was completely full. Pumped City water for 26 days on Naglee Burk Irrigation District pumps. Have to suffer consequences of water that is sent to that pond and no one takes care of it. The City needs to do something about it.

Everett Rankins stated the way this system is set up right now with the leaks, their properties have become an extension of the drainage pond. For 16 days they were semi under water with fields flooded and requested Council fix it.

Ms. Schnaider encouraged people to submit claims.

A member of the public stated he is one inch from being under water. Has a hay field not sure if it will grow this summer.

Bubba Paris, TCCC stated they did not choose where the warming center is located but from 7:00 p.m. to 7:00 a.m. they operate the warming center. Mr. Paris added he personally makes sure it is managed in a proper way and very little impact to the community, and feels bad if anyone harasses children but cannot control what happens during the day.

Heather Smiddy shared concerns regarding the warming center not going before Council, stated if this had been handled differently it wouldn't have ended up in the park. It is a misuse of power. There are groups in this town that work with the homeless. Ms. Smiddy suggested as we close the warming center to focus on making the shelter worth the money that is being spent and a place the homeless want to go to and be better when they leave it.

Jamie Medina stated the Homeless Advisory Commission meeting was comprehensive but missing services and counseling. Every organization and shelter in our County is staying in the same line and waiting for the same services. Mr. Medina stated he had submitted an unsolicited proposal to the Homeless Services Manager to let her know there are individuals here that provide services, stated he would come out of retirement and provide counseling for substance abuse onsite and spoke about his proposal.

Alice English stated she hoped new leadership does not let them dictate to Council what needs to be done. The reports aren't being transparent to Council. Recommend having the Homeless Advisory Committee meetings once a month until we catch up. Ms. English hoped the soccer folks get their money reimbursed. Ms. English thanked Mayor Pro Tem Davis for the street sweeping schedule and asked for it to be in different languages.

Dotty Nygard asked for an update on the downtown parklets, is tired of orange barricades, businesses have been patient long enough and need more pleasant and inviting area.

3. REGULAR AGENDA

3.A Staff recommends that the City Council

1. Conduct a hearing on the Resolutions of Necessity (RON) to authorize the acquisition of fee simple interests, permanent easements and/or temporary construction easements for the I-580/Patterson Road Interchange Project (Project) and to make the required findings for five properties owned by and located at:

1. ARP Minimart Corporation – 25775 Patterson Pass Road (Assessor's Parcel Number 209-100-040) (Minimart).

2. Debra Ann Leal & Janice Lynn Gee – 26116 Patterson Pass Road (Assessor's Parcel Number 209-090-21) (Leal/Gee).
 3. Harminder Kaur; Rajwinder Kaur; Gupreet Singh; Charnit Singh and Ramandeep Kaur, Trustees – 25883 S. Patterson Pass Road (Assessor's Parcel Number 209-100-280) (Kaur et al).
 4. Pankaj Kalra and Tanu Kalra, Trustees; Kanwar Raj Singh and Priya Aggarwal, Trustees; Smile Dhir and Antima Ghai, Trustees; Atul Arora and Shefali Arora, Trustees; Tabir Singh Dhillon- 26106 Patterson Pass Road (Assessor's Parcel Number 209-100-300) (Kalra et al).
 5. Jet Mulch, Inc. – Via Nicolo Road (Assessor's Parcel Number 209-100-310) (Jet Mulch).
2. Adopt RONs for Minimart, Leal/Gee, Kaur et al, Kalra et al, and Jet Mulch, finding that the Public Interest, Convenience and Necessity require the Acquisition of Certain Property Interests for the Project, Authorizing the Acquisition Thereof, and directing the City Attorney to file Eminent Domain Proceedings

Mayor Young opened the public hearing.

Bijal Patel, City Attorney provided the staff report.

Anju Pillai, Senior Engineer continued with the staff report.

Council questions and comments followed.

Adrienne Richardson, City Clerk announced an email was received from David Hubbard, Hubbard Law Firm regarding the ARP Minimart Corporation property.

Mayor Young closed the public hearing.

ACTION: Motion was made by Council Member Arriola and seconded by Mayor Pro Tem Davis to adopt **Resolution of Necessity 2023-035** of the City Council of the City of Tracy finding and determining that the public interest, convenience and necessity require the acquisition of certain property interests for a public project (I-580/Patterson Pass Road Interchange Project), authorizing the acquisition thereof, and directing the City Attorney to file eminent domain proceedings – (ARP Mini Mart Corporation, Assessor's Parcel Number 209-100-040). Roll call found all in favor; passed and so ordered.

ACTION: Motion was made by Council Member Arriola and seconded by Mayor Pro Tem Davis to adopt **Resolution of Necessity 2023-036** of the City Council of the City of Tracy finding and determining that the public interest, convenience and necessity require the acquisition of certain property interests for a public project (I-580/Patterson Pass Road Interchange Project), authorizing the acquisition thereof, and directing the City Attorney to file eminent domain proceedings – (Debra Ann Leal & Janice Lynn Gee – Assessor's Parcel Number 209-090-21). Roll call found all in favor; passed and so ordered.

ACTION: Motion was made by Council Member Arriola and seconded by Mayor Pro Tem Davis to adopt **Resolution of Necessity 2023-037** of the City Council of the City of Tracy finding and determining that the public interest, convenience and necessity require the acquisition of certain property interests for a public project (I-580/Patterson Pass Road Interchange Project), authorizing the acquisition thereof, and directing the City Attorney to file eminent domain proceedings – (Harmander Kaur; Rajwinder Kaur; Gupreet Singh; Charnit Singh and Ramandeep Kaur, Trustees - APN 209-100-280). Roll call found all in favor; passed and so ordered.

ACTION: Motion was made by Council Member Arriola and seconded by Mayor Pro Tem Davis to adopt **Resolution of Necessity 2023-038** of the City Council of the City of Tracy finding and determining that the public interest, convenience and necessity require the acquisition of certain property interests for a public project (I-580/Patterson Pass Road Interchange Project), authorizing the acquisition thereof, and directing the City Attorney to file eminent domain proceedings – (Pankaj Kalra and Tanu Kalra, Trustees; Kanwar Raj Singh and Priya Aggarwal, Trustees; Smile Dhir and Antima Ghai, Trustees; Atul Arora and Shefali Arora, Trustees; Tabir Singh Dhillon – Assessor's Parcel Number 209-100-300). Roll call found all in favor; passed and so ordered.

ACTION: Motion was made by Council Member Arriola and seconded by Mayor Pro Tem Davis to adopt **Resolution of Necessity 2023-039** of the City Council of the City of Tracy finding and determining that the public interest, convenience and necessity require the acquisition of certain property interests for a public project (I-580/Patterson Pass Road Interchange Project), authorizing the acquisition thereof, and directing the City Attorney to file eminent domain proceedings - (Jet Mulch Inc., Assessor's Parcel Number 209-100-310). Roll call found all in favor; passed and so ordered.

3.B Receive an informational report regarding the City of Tracy Police Department's Annual Report for 2022.- **ITEM PULLED FROM AGENDA**

3.C Receive the annual informational report for the Parks and Community Services Commission for Fiscal Year 2021/2022.

Jolene Jauregui-Correll, Recreation Services Manager introduced Parks and Community Services Commissioners Lori Souza, and Steve Abercrombie, Vice Chair who provided the staff report and presentation.

Council questions and comments followed.

ACTION: Motion was made by Council Member Bedolla and seconded by Mayor Pro Tem Davis to receive the informational report for the Parks and Community Services Commission for Fiscal Year 2021/2022. Roll call found all in favor; passed and so ordered.

3.D Receive an informational report regarding the annual report of the Transportation Advisory Commission.

Ed Lovell, Transit Manager introduced Tim Silva, Vice Chair on the Transportation Advisory Commission who provided the staff report and presentation.

Council comments and questions followed.

Mr. Lovell responded to questions.

Dotty Nygard asked for an update for money from Measure K funds for Holly or Bessie Road for bike lane improvements.

Alice English stated she is glad the City is looking into the bus stop at Ellis because we are spreading more at South Tracy and thanked Tim Silva for his continued support on the commission and hopefully will see more improvements at the Airport.

ACTION: Motion was made by Council Member Evans and seconded by Mayor Pro Tem Davis to receive the informational report regarding the annual report of the Transportation Advisory Commission. Roll call found all in favor; passed and so ordered.

4. ITEMS FROM THE AUDIENCE – Sherri Mackay thanked Council for listening to TYSL and thanked Mayor Pro Tem Davis personally for talking to nervous and upset parents. Ms. Mackay asked if there is a way for Council to look at the proposal given to the Clerk because their special needs and top soccer group do not pay one dime when they sign up for Tracy Youth Soccer. Field maintenance cuts into the budget and they also give scholarships and hoped Council can help them out.

Alice English spoke about effects of the warming center at the Sports Complex. Ms. English stated she has a lot of faith with Council Member Bedolla being on Valley Link and asked for a report/update in April on the budget. It was supposed to come back last year with the EIR if Valley Link was going to go to I-205. Ms. English stated we have received \$142 million in state funding and would like clarification if money will stay here. Need transparency on Valley Link.

Kimberly Range asked to revisit discussion on Diversity, Equity and Inclusion. Lot of blind spots people have and having someone come in and do an assessment would serve our residents.

5. STAFF ITEMS – Midori Lichtwardt, Acting City Manager reported on the following:
- A wind advisory is in effect for Tracy through 4:00 a.m. March 22, and PG&E is mobilizing for this winter storm – customers are urged to prepare for potential weather-related power outages. Please report downed limbs and trees in the City of Tracy via our GoTracy! App or by calling Tracy Police's non-emergency number: (209) 831-6550 after hours. Our overnight warming center at Tracy Sports Complex is open and a full list of warming locations is on the City's homepage. Call 211 to find one nearest you.

- Tomorrow is the deadline for residents in San Joaquin County who have been impacted by the severe winter storms to file for federal Disaster Unemployment Assistance (DUA), visit edd.ca.gov/unemployment or call 211 for support from your nearest disaster recovery center.
 - The regular Planning Commission Meeting scheduled for tomorrow has been canceled but invite anyone interested in sharing their feedback about a potential BMX pump track at Clyde Bland Park to join us for a public meeting being held tomorrow at 6:00 p.m. upstairs in room 203 of Tracy City Hall.
 - The City of Tracy is currently recruiting for both youth and adult community representatives to serve on the Youth Advisory Commission – applications are available on the City's website (CityOfTracy.org), and the deadline to apply is April 28th.
6. COUNCIL ITEMS – Council Member Bedolla stated he received a letter and there were also two public comments made at the last meeting about possible loss of funding for the Animal Shelters neuter and return program. Received a response from Police Chief mid meeting and had not been able to review it, and requested for staff to look into anything that should be followed up on. Also regarding communications Council received from Gabriella Machuca, Council Member Bedolla wanted to confirm with staff if there is a pending conversation whether Council action item or item brought forward by the City Manager for a food truck ordinance.

Midori Lichtwardt, Acting City Manager responded staff is working on bringing an item regarding the food truck ordinance back to Council in late spring at this point.

Council Member Bedolla asked if there is any way to include in that discussion how the City can help with a food truck area like Lathrop.

Council Member Bedolla stated that he and Mayor Pro Tem Davis had talked about it and was requesting for the Homeless Advisory Committee to meet on a monthly basis and Council and the public to receive weekly memos on homeless services, construction and any updates. Council Member Evans and Mayor Pro Tem Davis seconded the request.

Mayor Pro Tem Davis echoed the sentiments of Council Member Bedolla and shared support for modifying the bylaws for the Homeless Advisory Committee to meet monthly for transparency. Mayor Pro Tem Davis asked how the City can help Ms. Machuca, is it in the authority of Council to extend the TUP and if so, is that something we can bring back sooner than later.

Bijal Patel, City Attorney responded the actual regulations are codified in the Planning Code so there are specific regulations or requirements under the Temporary Use Permit. There is a separate section for the mobile food vending program, the food truck ordinance has not been updated in recent years, and is outdated as to what other cities may be doing. Council cannot override that without a formal amendment to those sections of the code. Because they are under the Planning Code, under state law an item would first have to go to Planning Commission for consideration, make a recommendation and then it comes to Council.

Mayor Young stated Ms. Machuca's TUP specifically expires on March 14, asking to come back sooner than spring, can it go to the Planning Commission so that it can get to

Council in time or is there any way to extend it so that these businesses are not having lulls or drops within their service and their ability to maintain business.

Ms. Patel responded under the code section for TUP's they are only for 30 days but Ms. Machuca was granted a 6-month TUP and that is expiring in March. Understand there was a separate Council/Planning Commission action to extend the 30 days to 6 months for certain types of TUP's during COVID. There is no specific extension right in the current code so it would have to be an amendment to extend and wouldn't just be for this one TUP, it would apply to a category of TUP's. Ms. Patel stated she would have to research how it was previously extended from 30 days to 6 months. The only mechanism to do it is to do an amendment to existing code.

Mayor Young responded whatever we can do to not have businesses break in business, whatever you need from Council let us know.

Mayor Pro Tem Davis stated this was something that was requested and supported in October. For it to be six months later and not have it brought back is a disservice to all the mobile food trucks and in particular to this family who may be looking at not being able to operate and supported if the Council can do something to support.

Mayor Pro Tem Davis stated as Tracy is growing there is a need for a trauma ready hospital and asked for support for staff to look at how we get a hospital here. Council Member Bedolla supported the request.

Mayor Pro Tem Davis stated she has asked repeatedly for a memo regarding when the Corral Hollow Road widening in South Tracy from the aqueduct to I-580 will be completed. Still have not received that information and also have not received the information regarding Prologis's responsibility to construct a roadway. Would love to get a memo sometime this year and would appreciate transparency about why it isn't widened and when the repairs are going to be done. Council Member Bedolla supported the request. Council Member Bedolla asked Mayor Pro Tem Davis if she would be willing to include south of Linne. Mayor Pro Tem Davis responded yes.

Ms. Lichtwardt asked Mayor Pro Tem Davis for clarification if she is directing staff to expend the resources to do some research on how we can get a trauma ready hospital to our region or did she want it to come back as a discussion for Council and then direction for staff.

Mayor Pro Tem Davis clarified she was trying to get support for staff to research how to get a hospital and then bring it back and discuss it.

Mayor Pro Tem Davis stated she is not sure if anyone is having difficulty accessing the mandatory AB 1234 and the Anti-Harassment training. Did not know it was required until a direct email was received. Looking to find out if there is an easier way to fulfil the mandatory training online or in person. It is not user friendly.

Adrienne Richardson, City Clerk responded she is setting up AB 1234 training with the assistance of the City Attorney. Outside Counsel will do an in-person and virtual training. An email will be sent this week to provide an option of the training.

Ms. Lichtwardt responded that she would have Human Resources reach out to Mayor Pro Tem Davis regarding the Target Solutions.

Council Member Arriola expressed condolences to the San Joaquin Sheriff's Office as canine Duke was killed in line of duty in support of the Tracy Police Department incident. Expressed condolences to the Sheriff's Office, Tracy Police Department and the Duke's handler and family. Council Member Arriola wished safe travels to his colleagues who will be going to the P3 Conference.

Council Member Evans thanked Council Member Bedolla for requesting a weekly report on homelessness and asked for support to ensure some things included in that weekly report that currently there are 39 rooms at the interim shelter on site for going on six weeks. Been at the site multiple times, looked at issues and have provided a full list of what he has seen to staff and would like all issues currently holding those rooms from being open listed on that report along with the current resolution, what needs to be done in order to get those rooms open and an estimated completion date of each one of those items. Should see a rolling report every week to track progress. It is critical to getting that finalization to clearing out El Pescadero Park. Mayor Pro Tem Davis seconded the request.

Council Member Evans asked with respect to the invoice paid for the field repair for the Tracy Soccer League does staff need direction from Council or is that something staff can pay or does staff need something from Council.

Ms. Patel responded the process is for the member of the public to file a claim. It is a claim process. Under the government tort claim, a claim is filed and the City processes that claim.

Council Member Evans stated although well intended, the warming center at the Tracy Sports Complex is the wrong location. The weather will be in the low 30's for next few evenings, once we see decent weather we have to get that issue resolved. Wrong location.

Karin Schnaider, Assistant City Manager responded the warming center is scheduled to close on February 28 and that is still the target.

Council Member Evans asked the community to come out and support Jared Schmitz pub crawl from February 24 to 26. Raise a glass and help raise money. This event is in support of our veterans and honor heroes locally and nationwide that made the ultimate sacrifice for our freedoms. Council Member Evans announced the names of various restaurants participating and added the event will also be supporting Tracy home grown businesses.

Mayor Young requested support for an update on the downtown parklets. Mayor Pro Tem Davis supported the request.

Mayor Young requested to bring back a discussion on Diversity, Equity and Inclusion. Council Member Arriola seconded the request but asked, what he heard earlier, it was specifically to external policy, and asked if Mayor Young's intent for that discussion to be related to external policy.

Mayor Young responded we need to have a discussion and can decide from that discussion what we would like to bring out from that and what the focus will be. Council Member Arriola seconded the request.

Ms. Patel stated working with the Acting City Manager, it came to our attention in the last Council meeting there was an adopted implementation plan and the steps proposed today was one of the specific items that was in the implementation plan so asked Mayor Young for clarification of whether she is asking staff to bring back the implementation plan to consider further discussion if you want to reaffirm that plan.

Mayor Young responded it would be good to take a look at the implementation plan and where we want to go from that so we are all on the same page. Ms. Patel responded it would be a comprehensive discussion Council can do. Council Member Arriola seconded Mayor Young's request.

Mayor Young reported on meetings and events she has attended from February 14, announced tomorrow is the Menchie's awards and there will be a special Council meeting next Tuesday at 7:00 p.m.

Council Member Bedolla stated at the next regular meeting he will have an update on his attendance and occurrences at the EBCE meeting and Homeless Advisory Committee meeting.

7. ADJOURNMENT – Time: 10:51 p.m.

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

The above agenda was posted at the Tracy City Hall on February 16, 2023. The above are action minutes. A recording is available at the office of the City Clerk.

Mayor

ATTEST:

City Clerk

Agenda Item 1.B

RECOMMENDATION

Staff recommends that City Council adopt a resolution approving permits under Tracy Municipal Code Chapter 4.40, to allow the consumption of alcoholic beverages on City streets for the following special events of community-wide interest occurring in 2023: (1) Downtown Block Parties (May 5, June 9, July 7, August 4, and September 8); (2) Blues, Brews, and BBQ (October 7); (3) Girls Night Out – Witches and Broomsticks (October 20); (4) Tracy City Center Association Events (Taps on Tenth on April 1, Downtown Tracy Wine Stroll on September 16, and Car Show with Clutch Burners on October 14); (5) Tracy African American Association Juneteenth Event (June 10); (6) Tracy Chamber of Commerce Centennial Celebration (June 24); and (7) South Side Community Organization Event (September 16).

EXECUTIVE SUMMARY

The Tracy Municipal Code allows the City Council, by resolution, to issue a permit allowing the consumption of alcohol on public streets at an organized event of community-wide interest. The Parks & Recreation Department is coordinating several requests for alcohol permits in conjunction with community events and is seeking Council approval.

BACKGROUND AND LEGISLATIVE HISTORY

Tracy Municipal Code Section 4.12.1190(d) states: “The Council, by resolution, may issue a permit under Chapter 4.40 allowing the consumption of intoxicating beverages on public property at an organized event of community-wide interest. The consumption of intoxicating beverages shall be restricted to the perimeters of the event as described in the permit.”

Additionally, Tracy Municipal Code Chapter 4.40 governs special event permits occurring on or within the public right-of-way.

For many years, the City of Tracy has successfully coordinated special community events that have community-wide interest with various local non-profit organizations, including the Tracy Chamber of Commerce (Chamber), Tracy City Center Association (TCCA), Tracy African American Association (TAAA), and South Side Community Organization (SSCO). Many of these events have received City approval for the consumption of alcoholic beverages within the boundary of the events, with most of the approved events taking place within the Downtown Tracy Business District, also known as the downtown TCCA district boundaries.

The City and TCCA entered into a Memorandum of Understanding (MOU) on October 7, 2014, providing TCCA exclusive rights for purchase and resale of alcoholic beverages associated with any co-presented or City-sponsored event held within the downtown TCCA district boundaries, in exchange for a revenue share with the City, under Resolution 2014-166. This agreement is now being renewed as a Professional Service Agreement by authority of the City Manager according to the terms of the agreement, effective March 8, 2023. Therefore, for 2023 City events hosted in the downtown area, TCCA is requesting the alcohol permit.

ANALYSIS

At the present time, the Parks & Recreation Department is coordinating several requests for alcohol permits to allow alcoholic beverages to be served as a component of the following community events:

- Tracy Chamber Centennial Celebration Event hosted by the Tracy Chamber of Commerce.
- Downtown Tracy Wine Stroll, Taps on Tenth, and Car Show, hosted by TCCA.
- Juneteenth Event hosted by TAAA.
- September 16th Event hosted by the SSCO; and
- Girls' Night Out – Witches & Broomsticks, Blues, Brews & BBQ, and a series of five Downtown Block Parties hosted by the City of Tracy.

Staff is requesting that City Council approve permits for the consumption of alcohol on City streets for the following special events:

Taps on Tenth: TCCA has requested a permit to serve alcoholic beverages at its event on Saturday, April 1, 2023, from 4:00 p.m. to 8:00 p.m., on 10th Street from A Street to Central Avenue, and on B Street from Gillett Alley to Grunauer Alley.

Downtown Block Parties: TCCA has requested a permit to serve alcoholic beverages at the City of Tracy's five (5) block party events on Fridays, May 5, June 9, July 7, August 4, and September 8, 2023, from 6:00 p.m. to 9:00 p.m. on east- and west-bound 6th Street between Central Avenue and D Street and at Front Street Plaza.

Juneteenth Event: TAAA has requested a permit to serve alcoholic beverages at its event on Saturday, June 10, 2023, from 10:00 a.m. to 6:00 p.m., at Lincoln Park located on Eaton Avenue between Holly Drive and East Street.

Tracy Chamber Centennial Celebration: Chamber has requested a permit to serve alcoholic beverages at its event on Saturday, June 24, 2023, from 10:00 a.m. to 7:00 p.m., on Central Avenue from 11th Street to 6th Street.

September 16th Event: SSCO has requested a permit to serve alcoholic beverages at its event on Saturday, September 16, 2023, from 11:00 a.m. to 6:00 p.m., at Lincoln Park located on Eaton Avenue between Holly Drive and East Street.

Downtown Tracy Wine Stroll: TCCA has requested a permit to serve alcoholic beverages at its event on Saturday, September 16, 2023, from 5:00 p.m. to 8:00 p.m., on Central Avenue from 11th Street to 6th Street, on 10th Street from A Street to Central Avenue, and on B Street from Gillett Alley to Grunauer Alley.

Blues, Brews and BBQ: TCCA has requested a permit to serve alcoholic beverages at the City of Tracy's event on Saturday, October 7, 2023, from 12:00 p.m. to 6:00 p.m. on east- and west-bound 6th Street between Central Avenue and D Street and at Front Street Plaza.

TCCA Car Show with Clutch Burners: TCCA has requested a permit to serve alcoholic beverages at its event on Saturday, October 14, 2023, from 8:00 a.m. to 3:00 p.m., on Central Avenue from 10th Street to 6th Street to coincide with the Farmers Market.

Girls' Night Out – Witches and Broomsticks: TCCA has requested a permit to serve alcoholic beverages at the City of Tracy's event on Friday, October 20, 2023, from 6:00 p.m. to 10:00 p.m. on east- and west-bound 6th Street between Central Avenue and D Street and at Front Street Plaza.

FISCAL IMPACT

ABC license fees shall be paid by the event hosts. Costs for City of Tracy events are included in each City event budget. Special Events held within the City of Tracy have the opportunity to increase vehicle and pedestrian traffic to local businesses which in turn increase sales tax revenue for the City.

STRATEGIC PLAN

This agenda item supports the Council's Quality of Life Strategic Priority 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, and specifically implements the following goal:

Goal 3: Provide City programming and events that bolster quality of life

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that City Council adopt a resolution approving permits under Tracy Municipal Code Chapter 4.40, to allow the consumption of alcoholic beverages on City streets for the following special events of community-wide interest occurring in 2023: (1) Downtown Block Parties (May 5, June 9, July 7, August 4, and September 8); (2) Blues, Brews, and BBQ (October 7); (3) Girls Night Out – Witches and Broomsticks (October 20); (4) Tracy City Center Association Events (Taps on Tenth on April 1, Downtown Tracy Wine Stroll on September 16, and Car Show with Clutch Burners on October 14); (5) Tracy African American Association Juneteenth Event (June 10); (6) Tracy Chamber of Commerce Centennial Celebration (June 24); and (7) South Side Community Organization Event (September 16).

Prepared By: Katie Akre, Recreation Program Coordinator

Reviewed By: Jolene Jauregui-Correll, Recreation Services Manager
Brian MacDonald, Parks & Recreation Director
Karin Schnaider, Assistant City Manager

Approved By: Midori Lichtwardt, Acting City Manager

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

APPROVING PERMITS UNDER TRACY MUNICIPAL CODE CHAPTER 4.40, TO ALLOW THE CONSUMPTION OF ALCOHOLIC BEVERAGES ON CITY STREETS FOR THE FOLLOWING SPECIAL EVENTS OF COMMUNITY-WIDE INTEREST OCCURRING IN 2023: (1) DOWNTOWN BLOCK PARTIES (MAY 5, JUNE 9, JULY 7, AUGUST 4, AND SEPTEMBER 8); (2) BLUES, BREWS, AND BBQ (OCTOBER 7); (3) GIRLS NIGHT OUT – WITCHES AND BROOMSTICKS (OCTOBER 20); (4) TRACY CITY CENTER ASSOCIATION EVENTS (TAPS ON TENTH ON APRIL 1, DOWNTOWN TRACY WINE STROLL ON SEPTEMBER 16, AND CAR SHOW WITH CLUTCH BURNERS ON OCTOBER 14); (5) TRACY AFRICAN AMERICAN ASSOCIATION JUNETEENTH EVENT (JUNE 10); (6) TRACY CHAMBER OF COMMERCE CENTENNIAL CELEBRATION (JUNE 24); AND (7) SOUTH SIDE COMMUNITY ORGANIZATION EVENT (SEPTEMBER 16)

WHEREAS, Tracy Municipal Code (TMC) Section 4.12.1190(d) provides that the City Council, by resolution, may issue a permit under Chapter 4.40 allowing the consumption of intoxicating beverages on public property at an organized event of community-wide interest, and the consumption of intoxicating beverages shall be restricted to the perimeters of the event as described in the permit; and

WHEREAS, the Downtown Block Parties on May 5, June 9, July 7, August 4, and September 8, Blues, Brews, and BBQ on October 7, and Girls Night Out – Witches and Broomsticks on October 20, 2023, require approval of a permit for the consumption of alcoholic beverages in public places pursuant to the TMC; and

WHEREAS, Tracy African American Association (TAAA) has requested a permit to conduct a Juneteenth Event in the City of Tracy on June 10, 2023, that requires approval of City Council to permit the consumption of alcoholic beverages in public places; and

WHEREAS, Tracy Chamber of Commerce (Chamber) has requested a permit to conduct a Tracy Chamber Centennial Celebration in the City of Tracy on June 24, 2023, that requires approval of City Council to permit the consumption of alcoholic beverages in public places; and

WHEREAS, Tracy City Center Association (TCCA) has requested permits to conduct a Taps on Tenth Event on April 1, Downtown Tracy Wine Stroll on September 16, and Car Show with Clutch Burners on October 14, 2023, in the City of Tracy that require approval of City Council to permit the consumption of alcoholic beverages in public places; and

WHEREAS, the South Side Community Organization (SSCO) has requested a permit to conduct a September 16th Event in the City of Tracy on September 16, 2023, that requires approval of City Council to permit the consumption of alcoholic beverages in public places; now, therefore, be it

RESOLVED: That City Council approves the issuance of permits for the following special events of community-wide interest occurring in 2023: (1) Downtown Block Parties (May 5, June 9, July 7, August 4, and September 8); (2) Blues, Brews, and BBQ (October 7); (3) Girls Night Out – Witches and Broomsticks (October 20); (4) Tracy City Center Association Events (Taps on Tenth on April 1, Downtown Tracy Wine Stroll on September 16, and Car Show with Clutch Burners on October 14); (5) Tracy African American Association Juneteenth Event (June 10); (6) Tracy Chamber of Commerce Centennial Celebration (June 24); and (7) South Side Community Organization Event (September 16).

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on March 7, 2023, 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

RECOMMENDATION

Staff recommends that City Council adopt a resolution approving a Professional Services Agreement with Kjeldsen, Sinnock & Neudeck, Inc. to provide Topographic Surveying and Mapping Services for the Recycled Water System Expansion Project (CIP 74168) for a period of three (3) months and a total not-to-exceed amount of \$61,191.

EXECUTIVE SUMMARY

The California Department of Water Resources (DWR) has awarded an Urban and Multibenefit Drought Relief Grant to the City in the amount of \$20 million for a Recycled Water System Expansion Project. Proposed improvements under this project include the construction of a new recycled water booster pump station and recycled water pipelines within the streets right-of-way. Design support services, such as topographic surveying and mapping, are necessary to support the design of the booster pump station and pipelines. This agenda item requests authorization to enter into a PSA with Kjeldsen, Sinnock & Neudeck, Inc., selected through a Request for Proposal (RFP) process, to provide topographic surveying and mapping services for a not-to-exceed amount of \$61,191.

BACKGROUND AND LEGISLATIVE HISTORY

1. Background

In 2022, DWR awarded an Urban and Multibenefit Drought Relief Grant to the City in the amount of \$20 million for a Recycled Water System Expansion Project to extend the existing recycled water system to the far southern areas of the City.

2. Project

The scope of work for this project includes the design and construction of a recycled water booster pump station and recycled water pipelines within the streets right-of-way. To facilitate the development of the recycled water booster pump station and pipelines, topographic surveying and mapping services are needed from qualified engineering firms.

3. Professional Services Agreement

To proceed with next steps, a Request for Proposals was posted on the City website on January 03, 2023, and a total of seven (7) proposals were received on January 17, 2023.

After careful review of the proposals, the City believes that Kjeldsen, Sinnock & Neudeck, Inc. demonstrates the highest degree of relevant experience and past performance in providing topographic surveying and mapping services for projects of similar type and complexity in a satisfactory and timely manner.

ANALYSIS

The scope of services includes providing an aerial survey of the pipeline route and perform associated field surveying. These services will provide critical field information to support the design of the pipelines and pump station for the Recycled Water System Expansion Project (CIP 74168).

If approved, Kjeldsen, Sinnock & Neudeck, Inc. will provide the necessary and required topographic surveying and mapping services for the City's Recycled Water System Expansion Project (CIP 74168). This will contribute to ensuring that the project design is completed on schedule.

FISCAL IMPACT

The Recycled Water System Expansion (CIP 74168) is an approved project within the FY2022-23 Capital Improvement Plan. Sufficient funding exists to cover the cost of the agreement for Kjeldsen, Sinnock & Neudeck, Inc.

PUBLIC OUTREACH/ INTEREST

No public outreach activity was conducted for this agenda item.

COORDINATION

No departments, agencies, and/or consultants were consulted with, for this agenda item.

CEQA DETERMINATION

This specific agenda item is exempt from CEQA requirements.

STRATEGIC PLAN

This agenda item is consistent with the City's Quality of Life Strategy and meets the goals to ensure physical infrastructure and systems necessary for the delivery of safe and clean water.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that City Council adopt a resolution approving a Professional Services Agreement with Kjeldsen, Sinnock & Neudeck, Inc. to provide Topographic Surveying and Mapping Services for the Recycled Water System Expansion Project (CIP 74168) for a period of three (3) months and a total not-to-exceed amount of \$61,191.

Prepared by: Lemar Saffi, Associate Engineer

Reviewed by: James A. Jackson, Director of Operations and Utilities
Sara Cowell, Finance Director
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

Attachments: A – PSA Kjeldsen, Sinnock & Neudeck, Inc.

**CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT WITH**

Kjeldsen, Sinnock & Neudeck, Inc. for Topographic Surveying and Mapping Services related to the
Recycled Water System Expansion Project (CIP 74168)

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

Recitals

A. City desires to retain Consultant to perform topographic surveying and mapping services; and

B. On January 3, 2023, the City issued a Request for Proposals (RFP) for Design Support Services – topographic surveying and mapping, geotechnical drilling and investigation, potholing services (**Project**). On January 17, 2023, Consultant submitted its proposal for the Project to the City. City has determined that Consultant possesses the skills, experience and certification required to provide the services.

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. 2023-____ approved by Tracy City Council on March 7, 2023.

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: Kris F. Nehmer, PLS. 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.

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 March 8, 2023 and end on July 1, 2023, 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 \$61,191. 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 \$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."

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 electronic files in .pdf format of deliverable 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:

Director of Operations & Utilities
520 N. Tracy Blvd.
Tracy, CA 95376

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

To Consultant:

Kjeldsen, Sinnock & Neudeck, Inc.
Stephen K. Sinnock, PE
711 N. Pershing Ave.
Stockton, CA 95203

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: Nancy D. Young
Title: Mayor
Date: _____

Attest:

Adrianne Richardson, City Clerk

Approved as to form:

Bijal M. Patel, City Attorney

Consultant


By: Stephen K. Sinnock
Title: Vice President
Date: 2/8/2023

Federal Employer Tax ID No. 94-2877535


By: Neal T. Colwell
Title: Chief Financial Officer
Date: 2/8/2023

Exhibits:

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

EXHIBIT A - Scope of Work

Consultant shall provide topographic surveying and mapping.

Task 1: Survey Control Network

- Establish a horizontal and vertical survey control network for the project based on the City of Tracy control system
- Horizontal control will be provided based on the California Coordinate System of 1983, Zone 3, U.S. Foot units
- Vertical control will be referenced to the North American Vertical Datum of 1988 (NAVD88)

Task 2: Topographic Surveying and Mapping

- Set aerial control panels at locations and frequency adequate to meet national mapping accuracy standards
- Coordinate with and obtain permission from property owners prior to setting photo control targets
- Prepare aerial based topography mapping at the stated mapping scale and contour interval showing all visible surface features, contours, and spot elevations within the mapping limits

Task 3: Supplemental Ground Surveys

- Perform ground surveys to collect critical design elements necessary for the design of the project

Scope of Service Deliverables

- Digital files of the topographic mapping in an AutoCAD Civil3D format
- Comma delimited text file of all surveyed points
- Electronic files of aerial photos in tiff format
- PDF files of the final topographic survey

EXHIBIT B – Compensation

Compensation shall include all items as outlined in Exhibit A for a total not to exceed amount of \$61,191. Optional Task No. 4 is not included in the compensation.

TASKS AND DESCRIPTIONS	KJELDTSEN, SINNOCK & NEUDECK, INC. STAFF HOURS											Total Labor Hours	Total Labor Budget	EQUIPMENT					Total Equipment Budget	OTHER DIRECT COSTS			Other Direct Costs Budget	Total Budget (Rounded)
	Principal Engineer	Associate Principal Engineer	Senior Surveyor	Surveyor	Assistant Surveyor	1 Man P/W Field Crew	2 Man P/W Field Crew	Field Control	Technician/CAD III	Project Accountant	Admin II			3D Print Cloud	GPS Equip (1-rec)	Robotic Total Station	HDS Scanner	Boat		Direct Expense	Mileage Expense	Sub Consultant		
	Staff Initials	SKS	JAM	KFN	BAS	B,J,F,JLP			CGS	PLF				\$25	\$25	\$35	\$150	\$55		110%	0.585	110%		
03-001 Surveying		4	8	86	16	60	40	48	28	16		306	\$ 69,718						\$ -	\$ -	\$ -	\$ 10,120	\$ 10,120	\$ 79,838
03-100 Existing Conditions		4	8	86	16	60	40	48	28	16		306	\$ 69,718						\$ -	\$ -	\$ -	\$ 10,120	\$ 10,120	\$ 79,838
Task No. 1 - Survey Control Network		1	2	22		8	8			4		45	\$9,817											\$9,817
Task No. 2 - Topographic Surveying and Mapping (14 Targets)		1	2	24		12		16	16	4		75	\$17,207									\$10,120	\$10,120	\$27,327
Task No. 3 - Supplemental Ground Surveys		1	2	24		24	32	16		4		103	\$24,047											\$24,047
Task No. 4 - Pre-Construction Record of Survey (Optional)		1	2	16	16	16		16	12	4		83	\$18,647											\$18,647
PROJECT TOTALS		4	8	86	16	60	40	48	28	16		306	\$ 69,718						\$ -	\$ -	\$ -	\$ 10,120	\$ 10,120	\$ 79,838
GRAND TOTALS		4	8	86	16	60	40	48	28	16		306	\$ 69,718						\$ -	\$ -	\$ -	\$ 10,120	\$ 10,120	\$ 79,838

General Note: This costs allocation represents our best estimate at this time and may change subject to future developments during the project. It is possible that some of the estimated manpower requirements for specific task items may increase while others may not require the entire anticipated effort. Charges to this project will be made for actual time spent on the project and will be charged as per the attached Fee Schedule.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH KJELDSSEN, SINNOCK & NEUDECK, INC. TO PROVIDE TOPOGRAPHIC SURVEYING AND MAPPING SERVICES FOR THE RECYCLED WATER SYSTEM EXPANSION PROJECT (CIP 74168) FOR A PERIOD OF THREE (3) MONTHS AND A TOTAL NOT-TO-EXCEED AMOUNT OF \$61,191

WHEREAS, the California Department of Water Resources (DWR) has awarded an Urban and Multibenefit Drought Relief Grant to the City of Tracy in the amount of \$20 million for a Recycled Water System Expansion Project; and

WHEREAS, proposed improvements under the project include the construction of a new recycled water booster pump station and recycled water pipelines within the streets right-of-way; and

WHEREAS, a Request for Proposals for design support services was posted on the City website on January 3, 2023, and a total of seven (7) proposals were received on January 17, 2023; and

WHEREAS, after careful review of the proposals, the City has determined that Kjeldsen, Sinnock & Neudeck, Inc. demonstrated the highest degree of relevant experience and past performance in providing geotechnical investigation, topographic surveying and mapping, and potholing services; and

WHEREAS, the scope of services includes providing an aerial survey of the pipeline route, associated field surveying, providing geotechnical investigation, and drilling services, and providing potholing for the purpose of precisely locating underground utilities within the project area; now, therefore, be it

RESOLVED: that the City Council of the City of Tracy hereby approves a Professional Services Agreement with Kjeldsen, Sinnock & Neudeck, Inc. to provide topographic surveying and mapping services for the Recycled Water System Expansion project (CIP 74168) for a period of three (3) months and a total not to exceed amount of \$61,191.

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on March 7, 2023, 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

Agenda Item 1.D

RECOMMENDATION

Staff recommends that City Council adopt a resolution approving a Professional Services Agreement with West Yost & Associates, Inc. to provide Program Management Services for the Recycled Water System Expansion Project (CIP 74168) for a period of three (3) years and a total not-to-exceed amount of \$974,402.

EXECUTIVE SUMMARY

The California Department of Water Resources (DWR) has awarded an Urban and Multibenefit Drought Relief Grant to the City in the amount of \$20 million for a Recycled Water System Expansion Project. Proposed improvements under the project include the construction of a new booster pump station and recycled water pipelines within the streets right-of-way. Due to the complexity of the project, program management services are crucial as they ensure that the project is executed, monitored, and controlled effectively. The program manager will oversee the coordination of pertinent activities involved in the project, such as grant administration, design, procurement, and construction, to ensure that they are completed on time, within budget, and to the required quality standards. This agenda item requests authorization to enter into a PSA with the most qualified proposer, West Yost & Associates, Inc., selected through a Request for Proposal (RFP) process, to provide the program management services for a not-to-exceed amount of \$974,402.

BACKGROUND AND LEGISLATIVE HISTORY

1. Background

In 2022, DWR awarded an Urban and Multibenefit Drought Relief Grant to the City in the amount of \$20 million for a Recycled Water System Expansion Project to extend the existing recycled water system to the far southern areas of the City.

2. Project

The scope of work for this project includes the design and construction of a recycled water booster pump station and recycled water pipelines within the streets right-of-way. An experienced program manager is deemed necessary for the success of the project. This is due to the importance of aligning the project goals with the objectives outlines in DWR's grant agreement. The program manager must possess not only a strong background in managing complex and large-scale recycled water projects, but also have expertise in grant management. This will help ensure that the project is delivered in a structured and efficient manner, with the right resources and support in place.

3. Professional Services Agreement

A Request for Proposals for program management services was posted on the City website on December 21, 2022, and a total of three (3) proposals were received on January 24, 2023.

After careful review of the proposals, the City believes that West Yost & Associates, Inc. demonstrates the highest degree of relevant experience and past performance in providing program management services for projects of similar type and complexity in a satisfactory and timely manner.

ANALYSIS

A key issue in completing the project successfully will be meeting the construction schedule outlined in the grant agreement. The support of an experienced program manager and their team will help ensure that the project is executed and completed in a timely and efficient manner.

Program management services are vital to ensure that the project stays on track, the objectives outlined in the grant agreement are met, and the use of all pertinent resources are optimized. The program manager will work closely with the design and construction teams to ensure that the design and construction of the recycled water booster pump station and pipelines are in line with the project requirements and budget. In addition, the program manager will assist the City to complete all required grant related deliverables such as: invoices, progress reports, progress completion report, and any other required deliverables to the Department of Water Resources.

If approved, West Yost & Associates, Inc. will provide program management services for the City's Recycled Water System Expansion Project (CIP 74168). This will contribute to ensuring that the project is completed on schedule, within its allocated budget, and to the required quality standards.

FISCAL IMPACT

The Recycled Water System Expansion (CIP 74168) is an approved project within the FY2022-23 Capital Improvement Plan. Sufficient funding exists to cover the cost of the agreement with West Yost & Associates.

PUBLIC OUTREACH/ INTEREST

No public outreach activity was conducted for this agenda item.

COORDINATION

No departments, agencies, and/or consultants, outside of West Yost & Associates, Inc., were consulted with, for this agenda item.

CEQA DETERMINATION

West Yost & Associates, Inc. will assist the City to complete the required CEQA documentation for the Recycled Water System Expansion Project (CIP 74168).

STRATEGIC PLAN

This agenda item is consistent with the City's Quality of Life Strategy and meets the goals to ensure physical infrastructure and systems necessary for the delivery of safe and clean water.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that Tracy City Council adopt a resolution approving a Professional Services Agreement with West Yost & Associates, Inc. to provide program management services for the Recycled Water System Expansion Project (CIP 74168) for a period of three (3) years and a total not-to-exceed amount of \$974,402.

Prepared by: Lemar Saffi, Associate Engineer

Reviewed by: James Jackson, Director of Operations and Utilities
Sara Cowell, Finance Director
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

Attachments: A – PSA West Yost Associates

**CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT WITH
West Yost & Associates, Inc. for Program Management for the
Recycled Water Expansion Project (CIP 74167)**

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

Recitals

A. City desires to retain Consultant to perform program management services; and

B. On December 21, 2022, the City issued a Request for Proposals (RFP) for the Program Management Services for City of Tracy Recycled Water Expansion Project (CIP 74167) (**Project**). On January 24, 2023, Consultant submitted its proposal for the Project to the City. City has determined that Consultant possesses the skills, experience and certification required to provide the services."]

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. 2023-_____ approved by Tracy City Council on March 7, 2023.

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: Elizabeth Drayer, PE. 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 March 8, 2023 and end on February 28, 2026, 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 \$974,402. 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 \$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."

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.

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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.

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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.

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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.

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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:
Operations & Utilities Director
James A. Jackson
520 N Tracy Blvd
Tracy, CA 95376

To Consultant:
West Yost & Associates, Inc.
Elizabeth Drayer, PE
2020 Research Park Drive
Suite 100
Davis, CA 95618

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

City of Tracy – Professional Services Agreement with West Yost & Associates, Inc.

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]

City of Tracy -- Professional Services Agreement with West Yost & Associates, Inc.

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

City of Tracy

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

Attest:

Adrianne Richardson, City Clerk

Approved as to form:

Bijal M. Patel, City Attorney

Consultant

West Yost & Associates, Inc., a California Corporation

DocuSigned by:

Elizabeth Drayer

By: Elizabeth Drayer

Title: Vice President

Date: 2/9/2023 | 10:05 AM PST

Federal Employer Tax ID No. _____

DocuSigned by:

Lindsay Smith

By: Lindsay Smith

Title: Treasurer

Date: 2/9/2023 | 10:16 AM PST

Exhibits:

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

EXHIBIT A - Scope of Work

Task 1: Program Management

- Kick off workshop and regular progress meetings
- Weekly meetings with City's project manager
- Monthly Project Team meetings
- Attend necessary City Council meetings
- Project Controls
 - Work Breakdown Structure
 - Schedule Tracking
 - Budget Tracking
 - Project Status Reports
 - Document Controls
- Master Project Schedule Development
- Permit Matrix

Task 2: Consultant Management

- Request for Proposals Development
- Coordination of Consultants
- Deliverables Review

Task 3: Grant Administration

- Grant Administration Support

Task 4: Optional Services

- Construction Bidding Support
- Construction Management
- Recycle Water System Permitting and Compliance Monitoring

EXHIBIT B -- Compensation

The total contract amount for services outlined in Exhibit A shall be for a not to exceed amount of \$974,402.

2023 Billing Rate Schedule

(Effective January 1, 2023 through December 31, 2023)*



POSITIONS	LABOR CHARGES (DOLLARS PER HOUR)
ENGINEERING	
Principal/Vice President	\$338
Engineer/Scientist/Geologist Manager I / II	\$319 / \$334
Principal Engineer/Scientist/Geologist I / II	\$288 / \$307
Senior Engineer/Scientist/Geologist I / II	\$259 / \$272
Associate Engineer/Scientist/Geologist I / II	\$215 / \$231
Engineer/Scientist/Geologist I / II	\$173 / \$201
Engineering Aide	\$101
Field Monitoring Services	\$125
Administrative I / II / III / IV	\$92 / \$115 / \$138 / \$152
ENGINEERING TECHNOLOGY	
Engineering Tech Manager I / II	\$332 / \$334
Principal Tech Specialist I / II	\$305 / \$315
Senior Tech Specialist I / II	\$279 / \$291
Senior GIS Analyst	\$252
GIS Analyst	\$239
Technical Specialist I / II / III / IV	\$178 / \$203 / \$228 / \$254
Technical Analyst I / II	\$128 / \$152
Technical Analyst Intern	\$103
Cross-Connection Control Specialist I / II / III / IV	\$133 / \$144 / \$162 / \$180
CAD Manager	\$201
CAD Designer I / II	\$156 / \$176
CONSTRUCTION MANAGEMENT	
Senior Construction Manager	\$322
Construction Manager I / II / III / IV	\$197 / \$211 / \$224 / \$283
Resident Inspector (Prevailing Wage Groups 4 / 3 / 2 / 1)	\$172 / \$191 / \$213 / \$221
Apprentice Inspector	\$156
CM Administrative I / II	\$83 / \$112
Field Services	\$221

- Hourly rates include Technology and Communication charges such as general and CAD computer, software, telephone, routine in-house copies/prints, postage, miscellaneous supplies, and other incidental project expenses.
- Outside Services such as vendor reproductions, prints, shipping, and major West Yost reproduction efforts, as well as Engineering Supplies, etc. will be billed at actual cost plus 15%.
- The Federal Mileage Rate will be used for mileage charges and will be based on the Federal Mileage Rate applicable to when the mileage costs were incurred. Travel other than mileage will be billed at cost.
- Subconsultants will be billed at actual cost plus 10%.
- Expert witness, research, technical review, analysis, preparation and meetings billed at 150% of standard hourly rates. Expert witness testimony and depositions billed at 200% of standard hourly rates.
- A Finance Charge of 1.5% per month (an Annual Rate of 18%) on the unpaid balance will be added to Invoice amounts if not paid within 45 days from the date of the Invoice.

* This schedule is updated annually

Page 1 of 2

2023 Billing Rate Schedule

(Effective January 1, 2023 through December 31, 2023)*

**Equipment Charges**

EQUIPMENT	BILLING RATES
2" Purge Pump & Control Box	\$300 / day
Aquacalc / Pygmy or AA Flow Meter	\$28 / day
Emergency SCADA System	\$35 / day
Field Vehicles (Groundwater)	\$1 / mlie
Gas Detector	\$80 / day
Generator	\$60 / day
Hydrant Pressure Gauge	\$10 / day
Hydrant Pressure Recorder, Impulse (Transient)	\$55 / day
Hydrant Pressure Recorder, Standard	\$40 / day
Low Flow Pump Back Pack	\$135 / day
Low Flow Pump Controller	\$200 / day
Powers Water Level Meter	\$32 / day
Precision Water Level Meter 300ft	\$30 / day
Precision Water Level Meter 500ft	\$40 / day
Precision Water Level Meter 700ft	\$45 / day
QED Sample Pro Bladder Pump	\$65 / day
Stainless Steel Wire per foot	\$0 / day
Storage Tank	\$20 / day
Sump Pump	\$24 / day
Transducer Components (per Installation)	\$23 / day
Trimble GPS -- Geo 7x	\$220 / day
Tube Length Counter	\$22 / day
Turbidity Meter	\$30 / day
Vehicle (Construction Management)	\$10 / hour
Water Flow Probe Meter	\$20 / day
Water Quality Meter	\$50 / day
Water Quality Multimeter	\$185 / day
Well Sounder	\$30 / day

* This schedule is updated annually

Page 2 of 2

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH WEST YOST & ASSOCIATES, INC. TO PROVIDE PROGRAM MANAGEMENT SERVICES FOR THE RECYCLED WATER SYSTEM EXPANSION PROJECT (CIP 74168) FOR A PERIOD OF THREE (3) YEARS AND A TOTAL NOT-TO-EXCEED AMOUNT OF \$974,402

WHEREAS, the California Department of Water Resources (DWR) has awarded an Urban and Multibenefit Drought Relief Grant to the City of Tracy in the amount of \$20 million for a Recycled Water System Expansion Project; and

WHEREAS, proposed improvements under the project include the construction of a new booster pump station and recycled water pipelines within the streets right-of-way; and

WHEREAS, the program manager must possess not only a strong background in managing complex and large-scale recycled water projects, but also have expertise in grant management; which will help ensure that the project is delivered in a structured and efficient manner with the right resources and support in place; and

WHEREAS, a Request for Proposals for program management services was posted on the City website on December 21, 2022, and a total of three (3) proposals were received on January 24, 2023; and

WHEREAS, after careful review of the proposals, the City has determined that West Yost & Associates, Inc. demonstrates the highest degree of relevant experience and past performance in providing program management services for projects of similar type and complexity in a satisfactory and timely manner; and, now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby approves a Professional Services Agreement with West Yost and Associates, Inc. to provide program management services for the Recycled Water System Expansion Project (CIP 74168) for a period of three (3) years and a total not-to-exceed amount of \$974,402.

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on March 7, 2023 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

Agenda Item 1.E

RECOMMENDATION

Staff recommends that City Council adopt a resolution approving Utility Agreements related to the relocation of existing utilities for the I-580/Patterson Pass Road Interchange Project, CIP 73147, between the City and the following utility providers, for the respective not-to-exceed cost liability split amounts: 1) Pacific Gas & Electric, Inc. for \$1,000,000, 2) Crimson Oil, for \$600,000, and 3) AT&T California, for \$1,000,000.

EXECUTIVE SUMMARY

The City of Tracy, in partnership with the California Department of Transportation (Caltrans), has completed the design Phase of the I-580/Patterson Pass Road Interchange Project, CIP 73147. The Project includes a new interchange, freeway auxiliary lanes, and connecting roadways at the existing Patterson Pass Road/International Parkway overcrossing on Interstate 580. In order to complete the construction of the interchange, relocation, and protection in place of existing private utilities is required. The total project cost (including construction, right of way, and support) is approximately \$52.3 Million which is to be funded through a combination of Tracy Infrastructure Master Plan (TIMP) Transportation Impact Fees, City Regional Transportation Impact Fee (RTIF), Measure K, and Senate Bill (SB)-1 Trade Corridor Enhancement Program (TCEP) grant funding. The SB1 TCEP funding is a total \$24.9 Million. To meet the grant funding deadlines, the California Transportation Commission (CTC) needs to obligate the funds at their June 2023 meeting. If this funding is not obligated in June, the City could lose the TCEP grant funding. In order to obtain approvals through Caltrans, the City is required to prepare a right of way certification to document those agreements for private utility relocation plans, which are in conflict with the proposed construction, have been executed. City is also required to enter into a cooperative agreement with Caltrans to assume construction responsibilities for the Project.

BACKGROUND AND LEGISLATIVE HISTORY

I-580/Patterson Pass Road Interchange Project is an approved City of Tracy Capital Improvement Project (CIP). On October 16, 2018, Resolution No. 2018-216 was adopted by Tracy City Council approving a Professional Services Agreement (PSA) with Mark Thomas and Company, Inc. to provide professional engineering services for the Project Approval (PA), Environmental Document (ED), and Plans, Specifications and Estimates (PS&E) phases of the Project, and for the I-205/Mountain House Interchange project.

As the Project Sponsor, the City of Tracy, has been actively involved in the development of project in partnership with Caltrans. The Draft Environmental Document was approved for public circulation on June 10, 2020, and the Draft Project Report was approved on June 23, 2020. Community outreach took place during circulation of the Draft Environmental Document in July 2020. The Final Initial Study/Mitigated Negative Declaration (IS/MND) (California Environmental Quality Act (CEQA) Approval) and Categorical Exclusion (National Environmental Protection Act (NEPA) Approval) were obtained on February 25, 2021.

The design of the Project is now complete. The project's design includes the reconstruction of

the existing interchange from a tight diamond configuration to a Diverging Diamond Interchange (DDI). The Project is important to the region as it will increase access to the growing fulfillment and distribution centers in the area, will improve freight operations along a federal Primary Freight Network (PFN) Route, will enhance safety, and benefit the regional and national economy.

The City received a grant of \$24.9 million in 2020 from the California Transportation Commission (CTC) for the construction phase of the project. At the February 21, 2023 City Council meeting, the Council approved the Resolutions of Necessity (RONs) to authorize the acquisition of fee simple interests, permanent easements and/or temporary construction easements required for the construction of the project.

To ensure the City secures the \$24.9 million Trade Corridor Enhancement Program (TCEP) grant, the Project is required to be included in the agenda for the CTC's June 2023 meeting. The City must achieve RTL (Ready to List) status with Caltrans prior to that meeting, which enables the City to proceed into the construction phase of the project. In order to obtain the RTL status, the City is required to prepare a right of way certification per Caltrans requirements to document that agreements for utility relocation plans for private utilities that conflict with the proposed construction have been executed. Staff is also bringing before Council, at the March 7, 2023 agenda, the approval for execution of the Cooperative Agreement with Caltrans identifying the City of Tracy as the project Construction lead.

ANALYSIS

As a part of the design process, the City has been coordinating with the following private utility companies to develop designs and approvals for utility relocation/protection plans that will clear conflicts with the proposed interchange design.

1. AT&T California – Underground telecommunication facilities.
2. Pacific Gas & Electric Company (PG&E) – Overhead fiber optic and overhead electric facilities.
3. Crimson Oil Company – Underground oil pipeline facilities.
4. Lumen Technologies – Underground fiber optic duct bank.
5. Zayo Group – Underground fiber optic duct bank.

Documentation for the utility coordination must follow Caltrans' Right of Way Manual (Manual), which outlines the process and standard agreements needed for approval of the utility certification. Chapter 13 of the Manual prescribes the policies, procedures, standards, and practices for the statewide coordination of utility relocations required for construction projects. Per the requirements of the Manual, the following agreements need to be executed between the City and the private utility companies:

1. Notice to Owner – The California Streets & Highways Code Sections 673, 680, and 720 require that Owners be given formal notice to relocate, remove, abandon, protect, pothole, etc., their utility facilities to accommodate proposed transportation projects.
2. Utility Agreements – Pursuant to State Administrative Manual 8300, et seq., and the California Streets & Highways Code Division 1, Chapter 1, Article 3, Section 94, the City, and the Utility Owner must enter into a Utility Agreement whenever the City is paying or receiving payment for all or a portion of the cost of relocation of a utility facility, regardless of who performs the work.

As a part of the coordination with the private utility companies, the City completed an investigation for each private utility facility to determine cost liability for each relocation. This investigation included research of any prior land rights for each facility along with a review of the guidelines outlined in Chapter 13 of the Manual. Following this investigation, the appropriate cost liability split was determined for each private utility.

The cost liability split, and agreements needed with each private utility company are as follows:

1. AT&T California – Notice to Owner and Utility Agreement for the relocation of existing underground telecommunication facilities. The responsibility for the relocation costs will be split between the City and AT&T. The City is responsible for 50% of the relocation costs, and AT&T is responsible for 50% of the relocation costs.
2. Pacific Gas & Electric Company – Notice to Owner and Utility Agreement for the relocation of existing overhead fiber optic facilities. The responsibility for the relocation costs will be split between the City and PG&E. The City is responsible for 50% of the relocation costs, and PG&E is responsible for 50% of the relocation costs.
3. Pacific Gas & Electric Company – Notice to Owner and Utility Agreement for the relocation of existing overhead electric facilities. The responsibility for the relocation costs will be split between the City and PG&E. The City is responsible for 50% of the relocation costs, and PG&E is responsible for 50% of the relocation costs.
4. Crimson Oil Company – Notice to Owner and Utility Agreement for the protection in place of an existing underground oil pipeline. The City is responsible for 100% of the relocation costs.
5. Lumen Technologies – Notice to Owner for relocation of an existing underground fiber optic duct bank. Lumen Technologies is responsible for 100% of the relocation costs.
6. Zayo Group – Notice to Owner for relocation of an existing underground fiber optic duct bank. Zayo Group is responsible for 100% of the relocation costs.

FISCAL IMPACT

The total project costs (including construction, right of way, and support) is approximately \$52.3 Million and will be funded through a combination of City TIMP, City RTIF, Measure K, and SB1 TCEP funding.

Based on preliminary relocation costs and the determined cost liability splits, the City will be responsible for payment of the following not to exceed amounts:

1. Pacific Gas & Electric Company - \$1,000,000
2. AT&T California - \$1,000,000
3. Crimson Oil Company - \$600,000

PUBLIC OUTREACH / INTEREST

Caltrans and the City of Tracy circulated the draft Initial Study/Mitigated Negative Declaration (IS/MND) for public comment and review on July 1, 2020. An opportunity for a public meeting was offered, but none was requested. All written comments received were addressed in the final IS/MND and in the Categorical Exclusion, a National Environmental Protection Act (NEPA), the federal requirement. The Resolutions of Necessity (RONs) hearing for the required property acquisitions for the project was conducted by City Council on February 21, 2023.

COORDINATION

The City's Engineering Division coordinated with several stakeholders including Caltrans, San Joaquin County, San Joaquin Council of Governments (SJCOG), Federal Highway Administration (FHWA), California Public Utility Commission, and public and private utility companies.

CEQA DETERMINATION

The Final IS/MND (CEQA Approval) and CE (NEPA Approval) for the Project was obtained on February 25, 2021.

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.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that City Council, by resolution, approve Utility Agreements related to the relocation of existing utilities for the I-580/Patterson Pass Road Interchange Project, CIP 73147, between the City and the following utility providers, for the respective not-to-exceed cost liability split amounts: 1) Pacific Gas & Electric, Inc. for \$1,000,000, 2) Crimson Oil, for \$600,000, and 3) AT&T California, for \$1,000,000.

Prepared by: Anju Pillai, PE, Senior Civil Engineer

Reviewed by: Koosun Kim, PE, City Engineer / Assistant Director of Development Services
Jaylen French, Development Services Director
Sara Cowell, Finance Director
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2023-_____

APPROVING UTILITY AGREEMENTS RELATED TO THE RELOCATION OF EXISTING UTILITIES FOR THE I-580/PATTERSON PASS ROAD INTERCHANGE PROJECT, CIP 73147, BETWEEN THE CITY AND THE FOLLOWING UTILITY PROVIDERS, FOR THE RESPECTIVE NOT-TO-EXCEED COST LIABILITY SPLIT AMOUNTS: 1) PACIFIC GAS & ELECTRIC, INC. FOR \$1,000,000, 2) CRIMSON OIL, FOR \$600,000, AND 3) AT&T CALIFORNIA, FOR \$1,000,000

WHEREAS, I-580 / Patterson Pass Road Interchange Project is an approved City of Tracy Capital Improvement Project (CIP); and

WHEREAS, as the Project Sponsor, the City of Tracy, has been actively involved in the development of the project in partnership with the California Department of Transportation (Caltrans); and

WHEREAS, the Draft Environmental Document was approved for public circulation on June 10, 2020, and the Draft Project Report was approved on June 23, 2020, and the community outreach took place during circulation of the Draft Environmental Document in July 2020; and

WHEREAS, the Final Initial Study/Mitigated Negative Declaration (California Environmental Quality Act Approval) and Categorical Exclusion (National Environmental Protection Act Approval) were obtained on February 25, 2021; and

WHEREAS, the Project is now complete in design, which calls for the replacement of the existing interchange from a tight diamond configuration to a Diverging Diamond Interchange (DDI), and the Project is important to the region as it will increase access to the growing fulfillment and distribution centers in the area, will improve freight operations along a federal Primary Freight Network (PFN) Route, will enhance safety, and benefit the regional and national economy; and

WHEREAS, the City also approved the Resolutions of Necessity to authorize the acquisition of fee simple interests, permanent easements and/or temporary construction easements required for the construction of the project at the February 21, 2023 Tracy City Council meeting; and

WHEREAS, the Project is required to be included in the agenda for the CTC's June 2023 meeting for the City to secure the \$24.9 million Trade Corridor Enhancement Program grant that was allocated to the project and the City should secure the Ready to List status with

Caltrans prior to that meeting, which enables the City to proceed into the construction phase of this project; and

WHEREAS, in order to obtain the Ready To List, the City is required to prepare a right of way certification per Caltrans requirements to document that agreements for utility relocation plans for private utilities that conflict with the proposed construction have been executed and specifically, utility agreements need to be prepared/executed by the City and sent to the private utility companies along with Notices to Owners per Caltrans guidelines; and

WHEREAS, as a part of the design process, the City has been coordinated with the following private utility companies to develop designs and approvals for utility relocation/protection plans that will clear conflicts with the proposed interchange designs:

1. AT&T California – Underground telecommunication facilities.
2. Pacific Gas & Electric Company (PG&E) – Overhead fiber optic and overhead electric facilities.
3. Crimson Oil Company – Underground oil pipeline facilities.
4. Lumen Technologies – Underground fiber optic duct bank.
5. Zayo Group – Underground fiber optic duct bank; and

WHEREAS, Caltrans requires that the documentation for the utility coordination follow the Caltrans Right of Way Manual, which outlines the process and standard agreements needed for approval of the utility certification; and

WHEREAS, as a part of the coordination with the private utility companies, the City completed an investigation for each private utility facility to determine cost liability for each relocation and this investigation included research of any prior land rights for each facility along with a review of the guidelines outlined in Chapter 13 of the Right of Way Manual; and

WHEREAS, the cost liability split between City and each Utility company is as follows:

1. AT&T California – 50% City of Tracy, 50% AT&T
2. PG&E – 50% City of Tracy, 50% PG&E
3. Crimson Oil Company – 100% City of Tracy
4. Lumen Technologies – 100% Lumen Technologies
5. Zayo Group – 100% Zayo Group

WHEREAS, based on preliminary relocation costs and the determined cost liability splits, the City will be responsible for payment of the following not-to-exceed amounts:

1. Pacific Gas & Electric Company - \$1,000,000
2. AT&T California - \$1,000,000
3. Crimson Oil Company - \$600,000; and now, therefore, be it

RESOLVED: That the City Council of the City of Tracy, by resolution, hereby approves the execution of Utility Agreements related to the relocation of existing utilities for the I-580/Patterson Pass Road Interchange Project, CIP 73147, between the City and the following utility providers, for the respective not-to-exceed cost liability split amounts: 1) Pacific Gas & Electric, Inc. for \$1,000,000, 2) Crimson Oil, for \$600,000, and 3) AT&T California, for \$1,000,000.

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on the 7th day of March 2023 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

Agenda Item 1.F

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving the execution of a Cooperative Agreement between City and the California Department of Transportation for Construction activities and the Right-of-Way Certification for the I-580/Patterson Pass Road Interchange Project, CIP 73147.

EXECUTIVE SUMMARY

The City of Tracy, in partnership with the California Department of Transportation (Caltrans), has completed the design phase of the I-580/Patterson Pass Road Interchange Project, CIP 73147 (Project). The Project includes a new interchange, freeway auxiliary lanes, and connecting roadways at the existing Patterson Pass Road/International Parkway overcrossing on Interstate 580 (I-580). In order to complete the construction of the interchange, it is required to relocate or protect in place existing private utilities. The total project cost (including construction, right of way, and support) is approximately \$52.3 Million which is to be funded through a combination of Tracy Infrastructure Master Plan (TIMP) Transportation Impact Fees, City Regional Transportation Impact Fee (RTIF), Measure K, and Senate Bill (SB)-1 Trade Corridor Enhancement Program (TCEP) grant funding. The SB1 TCEP funding is a total \$24.9 Million. To meet the grant funding deadlines, the California Transportation Commission (CTC) needs to obligate the funds at their June 2023 meeting. If this funding is not obligated in June, the City could lose the TCEP grant funding. In order to obtain approvals through Caltrans, the City is required to prepare a right-of-way certification to document those agreements for private utility relocation plan, which are in conflict with the proposed construction, have been executed. City is also required to enter into a cooperative agreement with Caltrans to assume construction responsibilities for the Project.

BACKGROUND AND LEGISLATIVE HISTORY

I-580/Patterson Pass Road Interchange Project is an approved City of Tracy Capital Improvement Project (CIP). On October 16, 2018, Resolution No. 2018-216 was adopted by Tracy City Council approving a Professional Services Agreement (PSA) with Mark Thomas and Company, Inc. to provide professional engineering services for the Project Approval (PA), Environmental Document (ED), and Plans, Specifications and Estimates (PS&E) phases of the Project, and for the I-205/Mountain House Interchange project.

As the Project Sponsor, the City of Tracy, has been actively involved in the development of project in partnership with Caltrans. The Draft Environmental Document was approved for public circulation on June 10, 2020, and the Draft Project Report was approved on June 23, 2020. Community outreach took place during the circulation of the Draft Environmental Document in July 2020. The Final Initial Study/Mitigated Negative Declaration (IS/MND) (California Environmental Quality Act (CEQA) Approval) and Categorical Exclusion (National Environmental Protection Act (NEPA) Approval) were obtained on February 25, 2021.

The design of the Project is now complete. The project's design includes the reconstruction of the existing interchange from a tight diamond configuration to a Diverging Diamond Interchange (DDI). The Project is important to the region as it will increase access to the growing fulfillment

and distribution centers in the area, as well as improve the freight operations along a federal Primary Freight Network (PFN) Route. The Project will also enhance traffic safety and benefit the regional and national economy.

The City received a grant of \$24.9 million in 2020 from the California Transportation Commission (CTC) for the construction phase of the project. At the February 21, 2023, City Council meeting, the Council approved the Resolutions of Necessity (RONs) to authorize the acquisition of fee simple interests, permanent easements, and/or temporary construction easements required for the construction of the Project.

To ensure the City secures the \$24.9 million Trade Corridor Enhancement Program (TCEP) grant, the Project is required to be included in the agenda for the CTC's June 2023 meeting. The City must achieve RTL (Ready to List) status with Caltrans prior to that meeting, which enables the City to proceed into the construction phase of the project. In order to obtain the RTL status, the City is required to prepare a right-of-way certification per Caltrans requirements to document those agreements for utility relocation plans for private utilities that conflict with the proposed construction that has been executed. Staff is also bringing before Council, at the March 7, 2023 agenda, the approval for execution of utility agreements and the Cooperative Agreement with Caltrans identifying the City of Tracy as the project Construction lead.

ANALYSIS

As a part of the design process, the City is coordinating with Caltrans on the agreements needed to finalize design and begin construction of the proposed interchange.

1. Cooperative Agreement for Construction.
2. Right of Way Certification.

The requirements and guidelines for these agreements are outlined in the Caltrans Project Development and Procedures Manual. These agreements are required to be approved by the City and Caltrans prior to the approval to advertise the project for construction. Details for each of the agreements are shown below.

- Cooperative Agreement – According to California law, Caltrans is the agency assigned to plan, design, construct, operate, and maintain the State Highway System. Whenever there is an exchange of effort, funding, or materials between Caltrans and a public entity regarding the planning, design, or construction of an improvement or facility on the State Highway System, a cooperative agreement is required. A Cooperative Agreement between the City and Caltrans is required for the construction of the I-580/Patterson Pass Road Interchange Project. The Cooperative Agreement identifies the City as the implementing agency for the construction of the interchange project.
- Right of Way Certification – The Right of Way Certification is a written statement summarizing the status of each Right of Way related matter pertaining to a proposed construction project. The Right of Way Certification documents that the construction project is ready for advertising. The City must have control of the property before work can be performed which affects that property. A Right of Way Certification is needed for the construction of the I-580/Patterson Pass Road Interchange Project. The Right of Way Certification occurs after all the utility agreements have been executed in

accordance with the agenda item that is brought before City Council on this current date of March 7, 2023.

FISCAL IMPACT

The total project costs (including construction, right of way, and support) is approximately \$52.3 Million and will be funded through a combination of City TIMP, City RTIF, Measure K, and SB1 TCEP funding. The SB1 TCEP funding is a total \$24.9 Million, which needs to be obligated by the California Transportation Commission (CTC) at their June 2023 meeting. If this funding is not obligated by this meeting, the City could lose the TCEP share of the funding.

PUBLIC OUTREACH / INTEREST

Caltrans and the City of Tracy circulated the draft IS/MND for public comment and review on July 1, 2020. An opportunity for a public meeting was offered, but none was requested. All written comments received were addressed in the final IS/MND for CEQA and CE for NEPA. The RONS hearing for the required property acquisitions for the project was conducted by City Council on February 21, 2023.

COORDINATION

The City's Engineering Division coordinated with several stakeholders including Caltrans, San Joaquin County, San Joaquin Council of Governments (SJCOG), Federal Highway Administration (FHWA), California Public Utility Commission, public and private utility companies.

CEQA DETERMINATION

The Final IS/MND (CEQA Approval) and CE (NEPA Approval) for the Project was obtained on February 25, 2021.

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.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council, by resolution, approve the execution of a Cooperative Agreement between City and the California Department of Transportation for Construction activities and the Right-of-Way Certification for the I-580/Patterson Pass Road Interchange Project, CIP 73147.

Prepared by: Anju Pillai, PE, Senior Civil Engineer

Reviewed by: Koosun Kim, PE, City Engineer / Assistant Director of Development Services
Jaylen French, Development Services Director
Sara Cowell, Finance Director
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2023-_____

APPROVING THE EXECUTION OF A COOPERATIVE AGREEMENT BETWEEN CITY AND THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR CONSTRUCTION ACTIVITIES AND THE RIGHT-OF-WAY CERTIFICATION FOR THE I-580/PATTERSON PASS ROAD INTERCHANGE PROJECT, CIP 73147

WHEREAS, I-580/Patterson Pass Road Interchange Project is an approved Capital Improvement Project (CIP); and

WHEREAS, as the Project Sponsor, the City of Tracy, has been actively involved in the development of project in partnership with the California Department of Transportation (Caltrans); and

WHEREAS, the Draft Environmental Document was approved for public circulation on June 10, 2020, and the Draft Project Report was approved on June 23, 2020, and the community outreach took place during circulation of the Draft Environmental Document in July 2020; and

WHEREAS, the Final IS/MND (CEQA Approval) and CE (NEPA Approval) were obtained on February 25, 2021; and

WHEREAS, the Project is now complete in design, and it reconstructs the existing interchange from a tight diamond configuration to a Diverging Diamond Interchange (DDI), and the Project is very important to the region as it will increase access to growing fulfillment and distribution centers, improve freight operations along a federal Primary Freight Network (PFN) Route, enhance safety, and benefit the regional and national economy; and

WHEREAS, the City also approved the Resolutions of Necessity to authorize the acquisition of fee simple interests, permanent easements and/or temporary construction easements required for the construction of the project on the February 21, 2023 Council date; and

WHEREAS, the Project is required to be included in the agenda for the CTC's June 2023 meeting for the City to secure the \$24.9 million Trade Corridor Enhancement Program (TCEP) grants that was allocated to the project and the City should secure the RTL (Ready to List) status with Caltrans prior to that meeting, which enables the City to proceed into the construction phase of this project and get it advertised for construction; and

WHEREAS, in order to obtain the RTL, the City is required to prepare a right of way certification per Caltrans requirements to document that agreements for utility relocation plans for private utilities that conflict with the proposed construction have been executed; and

WHEREAS, staff is also bringing before City Council the approval for execution of utility agreements on this current Council date of March 7, 2023; and

WHEREAS, the City is also required to execute the Cooperative Agreement with Caltrans for the construction of the Project; and

WHEREAS, as a part of the design process, the City has been coordinating with Caltrans on the below agreements needed to finalize design and begin construction of the proposed interchange.

1. Cooperative Agreement for Construction.
2. Right of Way Certification; and

WHEREAS, whenever there is an exchange of effort, funding, or materials between Caltrans and a public entity regarding the planning, design, or construction of an improvement or facility on the State Highway System, a cooperative agreement is required, and a Cooperative Agreement between the City and Caltrans is required for construction of the I-580/Patterson Pass Road Interchange Project; and

WHEREAS, the Right of Way Certification documents that the construction project is ready for advertising and the City must have control of the property before work can be performed which affects that property, and a Right of Way Certification is needed for construction of the I-580/Patterson Pass Road Interchange Project; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy, by resolution, hereby approves the execution of a Cooperative Agreement between City and the California Department of Transportation for Construction activities and the Right-of-Way Certification for the I-580/Patterson Pass Road Interchange Project, CIP 73147.

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on the 7th day of March 2023 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

Agenda Item 1.G

RECOMMENDATION

Adopt a resolution accepting the City of Tracy's Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2022.

EXECUTIVE SUMMARY

The City of Tracy's (City) auditor, The Pun Group, has completed the review of the City's annual financial statements for the fiscal year ending June 30, 2022. The audited financial statements are incorporated into an Annual Comprehensive Financial Report (ACFR). The auditors have issued an unmodified ("clean") audit opinion. An unmodified opinion indicates that the financial data of the City is fairly presented in accordance with accounting principles generally accepted in the United States of America and the standards applicable to financial audits contained in Government Audit Standards, issued by the Comptroller General of the United States. These standards require that the City's auditors plan and perform the audits to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

BACKGROUND AND LEGISLATIVE HISTORY

The City Council, on January 19, 2021, authorized the appointment of The Pun Group as the City's Auditor for fiscal years 2020-2021 through 2022-2023. The City is required to have an independent audit of its financial records conducted on an annual basis. The auditors have completed their review of the June 30, 2022, financial statements and have issued an unmodified opinion stating that the "financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tracy..."

The audited financial statements are incorporated into an Annual Comprehensive Financial Report, which provides additional analytical and statistical information to fully describe the City's financial condition. The ACFR is submitted to the Government Financial Officers Association of the United States and Canada (GFOA) for consideration of Award of the Certificate of Achievement for Excellence in Financial Reporting. The City has received this award for 34 consecutive years.

At June 30, 2022, the City's governmental funds reported combined fund balances of \$350.8 million, which is an increase of \$85.0 million or 32.0%, from \$254.3 million at June 30, 2021. Total revenues increased by \$49.7 million or 30.2%, from \$164 million at June 30, 2021, to \$214 million at June 30, 2022. Of this total, \$132 million was in the General Fund. Total expenditures increased by \$15.5 million or 14.4%, from \$107 million at June 30, 2021, to \$123 million at June 30, 2022. Of this total, \$85.3 million was in the General Fund. Expenditures increased in relation to capital outlay for capital improvement projects and the addition of City staff. Staffing levels expanded by an average of 4% annually throughout the organization.

	FY 2022	FY 2021	Difference
	(in thousands of dollars)		
Governmental Fund Balance	\$ 350,762	\$ 265,747	\$ 85,015
Total City Revenues	\$ 301,909	\$ 254,377	\$ 47,532
Total City Expenditures	\$ 202,314	\$ 191,980	\$ 10,334

At June 30, 2022, the General Fund balance of \$36.9 million, was comprised of \$2.3 million restricted funds for medical leave banks, \$16.4 million committed funds for Contingency/Emergency reserve, and \$11.3 million in assigned funds. Included in this amount is \$10.9 million for Economic/Budget stability and \$0.4 million for carryover to balance FY23. There were \$6.9 million in unassigned funds at June 30, 2022. Fund balances have been classified in accordance with generally accepted accounting principles. While amounts have been categorized as unassigned, they may be informally earmarked by the City Council for specific purposes.

(in thousands)	Fiscal Year				
	2022	2021	2020	2019	2018
General Fund:					
Non-spendable	\$ -	\$ 40	\$ 40	\$ 470	\$ 1,525
Restricted	\$ 3,175	\$ 2,348	-	-	-
Committed	\$ 14,505	\$ 16,401	\$ 14,479	\$ 14,883	\$ 14,961
Assigned	\$ 11,435	\$ 11,277	\$ 6,112	\$ 15,213	\$ 20,997
Unassigned	\$ 7,762	\$ 3,964	-	-	\$ 842
Total General Fund	\$ 36,877	\$ 34,030	\$ 20,631	\$ 30,566	\$ 38,325

Fiscal Year 2021-22 was the sixth year of “Measure V” collection; a voter approved additional half cent sales tax approved in the November 2016 elections. The amount of Measure V tax proceeds received and recorded during fiscal year 2021-22 was \$13,017,279. The City Council has committed Measure V funds toward the development of a new aquatic center and multi-generational community gymnasium center, improvements at Legacy Fields Sports Complex, and a nature park.

Measure V Capital Funded City Amenities

Project	Accumulated Fund Balance as of June 30, 2021
Aquatic Center	\$41M
Multi-Gen Rec Center	\$3.6M
Legacy Fields-Phase 1E	Debt Finance
Nature Park	\$0M
Ritter Family Ball Park	\$0M
Operations & Maintenance	\$1.2M

The Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022 can be found on the City of Tracy's website.

STRATEGIC PLAN

This agenda item addresses Goal 2 of the Governance Strategy to ensure continued fiscal sustainability through financial and budgetary stewardship.

FISCAL IMPACT

There is no fiscal impact associated with this action.

RECOMMENDATION

Staff recommends that the City Council adopt a resolution accepting the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022.

Prepared by: Robert Harmon, Interim Accounting Manager

Reviewed by: Sara Cowell, Finance Director
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

ATTACHMENTS:

Attachment A - Annual Comprehensive Financial Report (ACFR) for fiscal year ended June 30, 2022

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the
CITY OF TRACY, CALIFORNIA

For the fiscal year ended
June 30, 2022

Prepared by the
Finance Department

KARIN SCHNAIDER
Finance Director

SARA COWELL
Accounting Manager

ROBERT HARMON, CPA
Senior Accountant

FELICIA GALINDO
Budget Officer

GUADALUPE PENA
Senior Accountant

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Introductory Section



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City of Tracy
Annual Comprehensive Financial Report
For the Year Ended June 30, 2022
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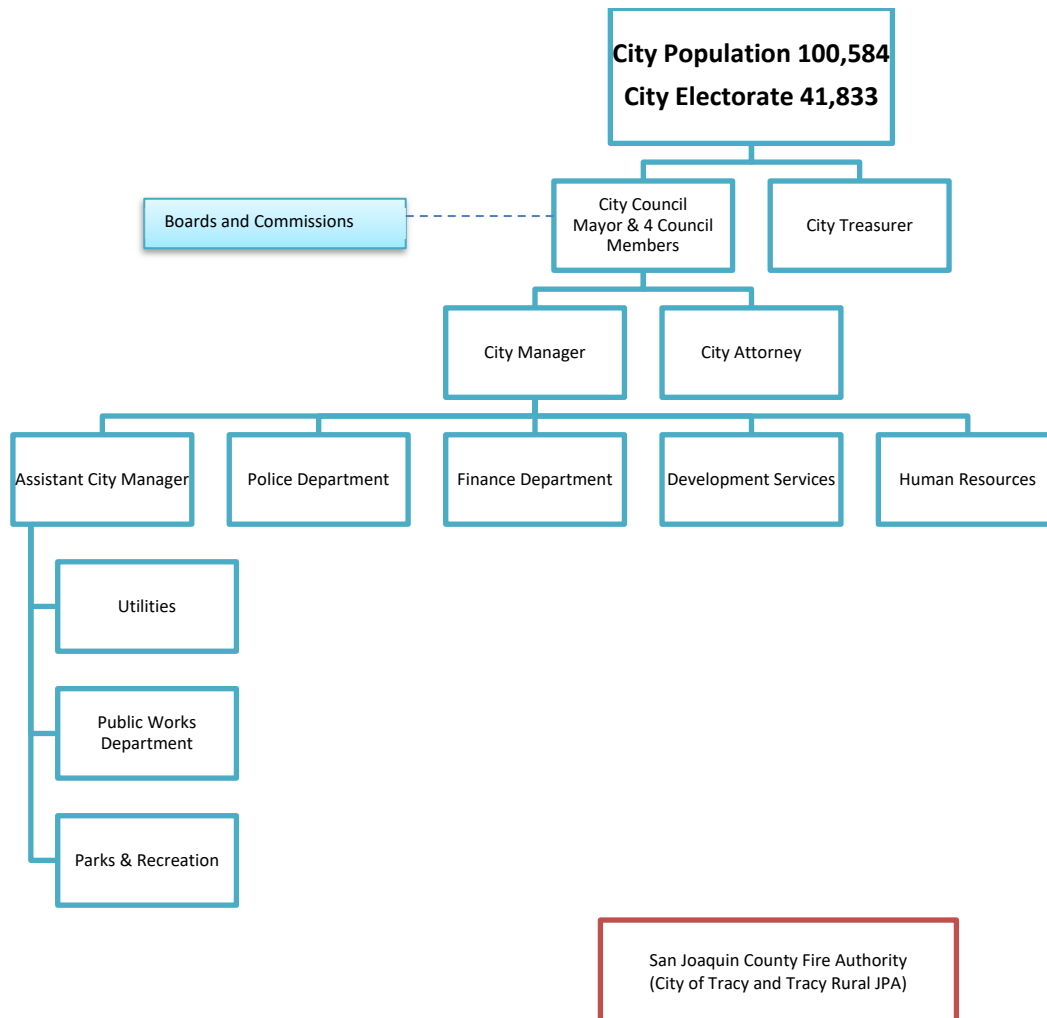
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CITY OF TRACY ORGANIZATIONAL CHART

FISCAL YEAR 2021-2022



CITY OF TRACY, CALIFORNIA

COUNCIL – MANAGER FORM OF GOVERNMENT

June 30, 2022

CITY COUNCIL

NANCY YOUNG

Mayor

VERONICA VARGAS

Mayor Pro Tem

DAN ARRIOLA

Council Member

ELEASSIA DAVIS

Council Member

MATT BEDOLLA

Council Member

OTHER ELECTED OFFICIAL

RAYMOND MCCRAY

City Treasurer

CITY OF TRACY, CALIFORNIA

EXECUTIVE TEAM

MICHAEL ROGERS

City Manager

MIDORI LICHTWARDT

Assistant City Manager

BIJAL M. PATEL

City Attorney

KRIS BALAJI

Director of Development Services

KARIN SCHNAIDER

Director of Finance

SEKOU MILLINGTON

Chief of Police

KIMBERLY MURDAUGH

Director of Human Resources

DONALD SCHOLL

Director of Public Works

BRIAN MACDONALD

Director of Parks & Recreation

KULDEEP SHARMA

Director of Utilities

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City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

CITY MANAGER'S OFFICE

MAIN 209.831.6000
FAX 209.830.6120
www.cityoftracy.org

February 27, 2023

Honorable Mayor and City Council Members
Citizens of the City of Tracy:

We are pleased to present the City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report fulfills that requirement for the fiscal year ended June 30, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report; based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The data in this report is presented in a manner that is designed to fairly set forth the financial position and results of operations of the City of Tracy (the City). It contains the disclosures necessary to promote in-depth understanding of the City's financial affairs and evaluate its financial condition. The City annually publishes a complete set of financial statements, presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited by an independent, certified public accounting firm.

The City's financial statements have been audited by The Pun Group, Accountants & Advisors of San Diego, Ca. The independent auditors concluded, based on their audit, that there was a reasonable basis for rendering an unmodified opinion; the City's financial statements for the fiscal year (FY) ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is the first item presented in the financial section of this report.

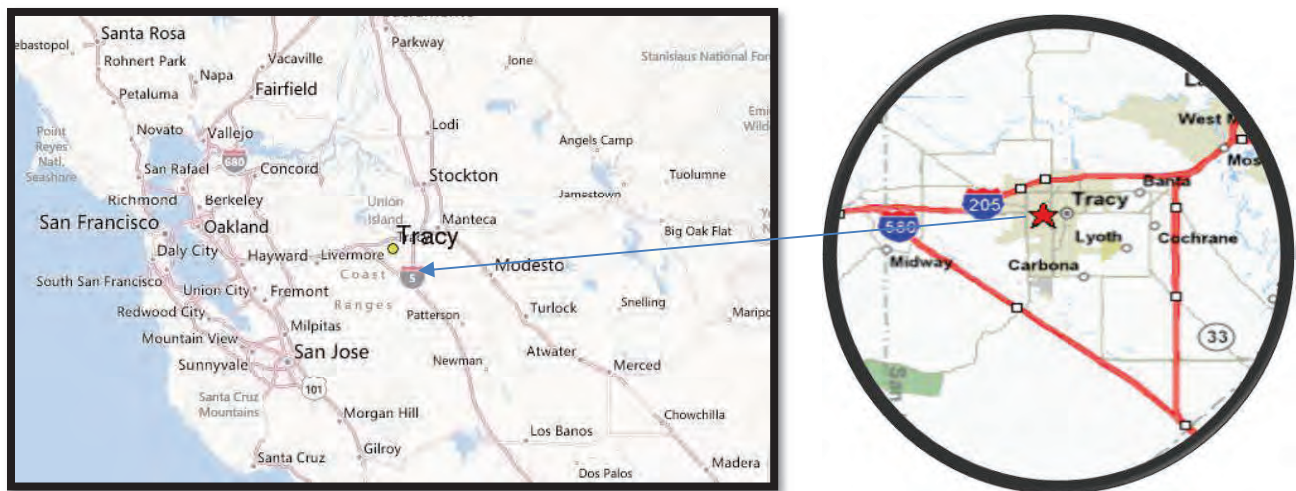
In addition to the financial audit, each year the City is required to undergo an audit of federal grant expenditures. That report is commonly referred to as a Single Audit report and is issued as a separate document and is not included herein. The Single Audit report includes the Schedule of Expenditures of Federal Awards, Findings and Recommendations, and an auditor's report on the internal control structure and compliance with applicable laws and regulations.

GAAP and Management require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements entitled, "Management Discussion & Analysis" (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A, which can be found immediately following the report of the independent auditors in the financial section of the ACFR.

Profile of the Government: Tracy is located on the western edge of the Central Valley in San Joaquin County. The City is 60 miles east of San Francisco and 70 miles south of Sacramento. The City is situated within a triangle formed by three interstate freeways: I-5, I-205 and I-580.

Tracy was founded in 1878 as a railroad center and was incorporated as a city in 1910. For many decades, it served both as a railroad center and farm market town. After World War II, the US Army opened and continues to operate a defense supply center, which shifted transportation of goods and people from railway to highways as the interstate system was developed. By 1960, the City's employment base included a few food-processing plants and small-related manufacturing operations. Over the decades, the City saw growth that has reflected the progression of suburban areas in the Bay Area; with large expansion in the 1980's, 2000's and now again as the housing markets have rebounded after the Great Recession. The City's economy has diversified into local and international manufacturing, commercial and distribution centers.

The City's proximity to three major highway systems has promoted the City's motto of "Think Inside the Triangle" where Interstate 5, 580, and 205 create a triangle of transportation around the city's sphere of influence.



Situated as the first major city east of the Altamont Pass, Tracy is considered an outer suburb of the Bay Area. It is the second largest City in San Joaquin County, and although the Stockton-Lodi Metropolitan Statistical Area (MSA) does not directly border San Francisco, it has now been added to the San Jose – San Francisco – Oakland Combine Statistical Area (CSA) due to being economically connected to the other nine counties in the region. The population and size of Tracy has increased from 18,428 and 7.0 square miles in 1980 to over 95,000 and 29.1 square miles in 2022. The San Joaquin Council of Governments (SJCOG) forecasts that Tracy's population is anticipated to grow to nearly 130,000-150,000 by 2040. The SJCOG population projections are based on the growth projections developed by the Eberhardt School of Business at University of the Pacific (UOP) in collaboration with SJCOG.

The City operates under the council-manager form of government. Policymaking and legislative authority are vested in the City Council, which consists of a Mayor and a four-member Council. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for

overseeing the day-to-day operations of the government, and for appointing the heads of the government's departments. The Council is elected on a non-partisan basis. Council members are elected to four-year staggered terms, with two Council members elected every two years. The Mayor is elected every two years.

Economic Conditions and Outlook: Despite national worries about economic uncertainty, inflation, and rising energy prices, Tracy continues to thrive with a rapidly growing economy and robust development activity. In 2021, the City of Tracy experienced unparalleled growth in residential and industrial development, fueled by housing demands and growth in e-commerce and logistics. For example, Prologis is completing its 800,000 – square foot state of the art e-commerce facility called Big Bird. With Amazon as the tenant, the building reflects cutting edge supply chain technology, robotics, and design features. The City's International Park of Commerce (IPC), an 1,800-acre master planned business park and regional hub of economic activity, is more than half built out. As the largest asset in Prologis' global portfolio and one of the largest business parks across the Country, it is home to Amazon, Crate and Barrel, FedEx, Medline, Smuckers, Thermo Fisher Scientific and Zinus. New businesses added in 2021 include Ghirardelli and Home Depot. Also under development is a retail/hotel site adjacent to the IPC area that will generate additional tax dollars to support City services. The City's Sales Tax revenues growth are reflective of the investment in e-commerce businesses.

Tracy's economy is diverse with over 3,000 businesses. In addition to many supply chain and e-commerce businesses in its business parks, over half of the businesses are considered small businesses, which are the backbone of our community. The City of Tracy has been fortunate to experience a high number of new businesses since the beginning of the pandemic, which is reflective of our local entrepreneurial spirit and desire to invest in our community. The City also implemented the Retail Incentive Program, designed to encourage the private sector to invest in Tracy. As a result, Tracy's employment reached a record level of 43,900 by April 2022, while the unemployment rate was at a historic low of 3.1%, below that of the Country and state.

Tracy's growth is attributed to its strategic location at the gateway to the Tri-Valley portion of the Bay Area. Residents tend to work in the Livermore Valley, East Bay, and San Jose, but relocate to Tracy for the wide range of housing options, business-friendly environment, and high quality of life. The transit linkage to the Tri-Valley and the Silicon Valley with the ACE line and future Valley Link plan, combined with investment into historic downtown have allowed the City to emerge as a great place to live, work, and play.

Tracy's premier location and welcoming, business friendly climate has also generated interest from "green" technologies to locate and grow their cutting-edge businesses. These include carbon capture technologies, desalinization plants, green energy power plants, hydrogen fuel suppliers, EV technology companies, and more.

As with the rest of the economy, the City has experienced labor shortages with most of its industries. The City has partnered with multiple training agencies that target the needs of the hardest hit and most in demand occupations. These no-cost agencies/programs include WorkVine209, San Joaquin County WDB, Codestack Academy, Bay Valley Tech, Delta College High School Apprenticeship Program, Volt Institute, and Community Workforce Initiative (CWI) funded by Prologis.

The City also is engaged with regional partners that are focused on many Pro-Business Initiatives to assist our businesses. These groups include iHub San Joaquin, San Joaquin Partnership, Northern San Joaquin Valley CERF initiative, and Team California.

Over the last two fiscal years, the City received approximately \$15 million in stimulus from the American Rescue Plan Act (ARPA). The funds have provided services to the community with the construction of a temporary emergency housing facility, reconstruction of City streets, and aided residents and local business in their fiscal recovery from the pandemic.

General Fund Fiscal Highlights: New housing units being added to the assessor's roll, coupled with commercial developments in the community, and higher property values, have led to a steady increase in local property tax revenues. Developments in the community, in conjunction with increased consumer confidence and a strong labor market, have all contributed to the strengthening of the General Fund. Property Tax revenue increased in FY 2021-22 over FY 2020-21 by \$1.5 million, approximately 5%. While the housing market has begun to slow, Tracy continues to see residential and commercial growth. The City estimates property tax will continue to grow another 3% annually over the next 3-5 years.

In addition to the growth in commercial and residential, the City Council and voters passed in November 2016 an additional ½ cent local sales tax (known as Measure V) that has a twenty-year sunset (expires April 2037). In fiscal year 2021-22, the Measure V tax proceeds received and recorded were \$13.8 million. It should be noted that California Department of Tax and Fee Administration (CDTFA) is currently auditing one of the City's reported tax collectors, which may result in the City having to refund some Measure V Sales Tax revenue that was potentially errantly reported by the retailer. The City anticipates a resolution to the audit in FY2025-26. Staff will monitor and continue to update the City Council as the audit progresses.

Over the last five years, the City Council has adopted several resolutions, which prioritized Measure V Sales Tax to fund four amenities located in the City: The Aquatic Center, Multigenerational Recreation Center, Legacy Fields Sports Complex, and the Nature Park.

Below are the City Council's priorities (in no particular order) and the projected timelines of the projects, based on a hybrid of debt and pay-as-you-go funding.

Measure V Funded City Amenities

Project	Measure V Budget	Accumulated Fund Balance as of June 30, 2022	Pay-Go Funding Timeline*
Aquatic Center	\$55M	\$41.3M	2019-2026
Multi-Gen Rec Center-Phase 1	\$31M	\$3.1M	2019-2023
Legacy Fields-Phase 1E	\$21M	Debt finance	2022 (debt is fifteen-year term)
Nature Park	\$1M	\$0	After 2030
Operations & Maintenance	\$40M	\$0	2019-2037

Note: Timelines may shift based on future Council direction regarding pay-go projects. Projects may have multiple phases and/or funding during timeline.

Shortly after the adoption of the FY 2021-22 operating and capital budget, the City received the January-March 2021 Sales tax disbursement from the State of California Department of Tax Franchise Administration (CDTFA), which resulted in a significant change in the City's estimated General Fund revenues. The result was due to a recent change in tax reporting by a predominant e-commerce business located within Tracy. This reporting change shifted the tax allocation directly to Tracy as the point-of-sale jurisdiction. Prior to this, the e-commerce business reported California Bradley Burns Sales Tax through the County sales tax pool where the tax was distributed pro-rata throughout the State regardless of the location of the distribution center from which the goods shipped. The change has had a significant impact on the City's General Fund revenues; nearly doubling the current Sales Tax revenues for the City. The revenues from the reporting change have grown an average of over \$4.5 million a quarter.

The City's General Fund is expected to maintain a surplus for the next three years. The City Council and staff developed a fiscal sustainability funding policy adopted with the FY2022-23 budget to fund liabilities, invest in infrastructure maintenance and new capital, and developing new or expanded programs to serve the community and businesses in Tracy.

Other Fund Fiscal Highlights: The Council has been committed to having development pay its own way. The City continues to review and update the developer impact fees throughout the City to ensure adequate infrastructure is in place to meet the demands of an ever-growing city. The Council also adopted a Citywide Services Community Facilities District, CFD 2018-1, in January of 2018. It will be superseded by Citywide Services Community Facilities District, CFD 2021-2, which provides for a broader use of funded services. Any new development of 5 or more units is expected to join or mitigate the costs associated with the Police and Public Works services demands connected to new development. The CFD taxes are set at \$70 per parcel, per year and has an inflation rate set to the Consumer Price Index; and will offset the costs associated with adding personnel to meet future population growth in the developing communities of Tracy. The City conditions new commercial development to fund street improvements and both residential and commercial to fund street and traffic light costs.

Development throughout the City has resulted in an increase in planning, engineering, and building revenues over prior year, \$5.6 million or 50%.

In addition, the City has adopted several financing infrastructure plans (FIPs) and Master Plan Impact Fees to fund the improvements for new road, expansion of utility services, and enlargement of facilities needs that are brought on by new development. The City is also in the design and construction of several roadway and highway widening projects. These projects will be paired with regional impact fees, State and Federal grants and are estimated at \$100 million over the next several years. The FY 2020-21 revenues increased approximately \$9.5 million in total for all project areas, which is a 38% increase over FY 2020-21. For more information on City impact fees and authorized projects, please see the City's website for the annual [AB 1600 report](#).

The City received the second American Rescue Plan Act (ARPA) payment in the amount of \$7.4 million in FY 2021-22. These funds have been used to provide services to the community with the construction of a temporary emergency housing facility, reconstruction of City streets, and aided residents and local business in their fiscal recovery from the pandemic.

The City of Tracy has four utilities: Water, Wastewater, Solid Waste, and Storm Drain with approximately 27,000 customers depending on the service. The growth in residential and commercial development translated to a growth of 964 customers, or 3.6%. In FY 2021-22, the City applied and received grant funding in the amount of \$1.2 million from the State Water Board for water and wastewater Customer Arrearages. The funding provided bill credits to approximately 2,000 past due utility customers.

Budgetary Controls: The Tracy Municipal Code requires that the City Council adopt a budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund (i.e. General Fund, Enterprise Fund, etc.), by department (e.g. Police, Fire, etc.), and by program (i.e. Patrol Services, Traffic Enforcement, Fire Support, etc.). Department heads may transfer resources within a department as they see fit with the approval of the City Manager. Amendments to total fund appropriations or transfers between funds, however, need approval from the City Council.

Quarterly, staff prepares a report to the City Council on the year-to-date revenues and expenditures as compared to the adopted and amended budget as part of the on-going budget monitoring process. These reports provide timely updates to the City Council on operating and capital budgets and provides the opportunity for consideration of budget augmentations.

Long-term Fiscal Planning: The City Council of Tracy remains committed to maintaining fiscal sustainability while providing high quality public safety, public works, and community development to meet its existing and future needs. In 2020, the Council adopted a two-year Strategic Priority Work plan and identified desired outcomes related to the City's social, economic, organizational, and environmental landscape. The Council adopted a governance strategy designed to retain and attract talent, enhance fiscal stability, improve the use of technology, and enhance transparency for the betterment of the community. In response, a set of strategic priorities, goals and objectives were adopted to carry out the vision of the City Council. The Council's strategic priorities, along with their goals and objectives, are the foundation for development of the budget and forecast.

The City prepares a ten-year fiscal plan annually as a tool for the Council to meet these strategic priorities and budget development. The City's fiscal strategy includes the creation of a financial forecast to evaluate current and future fiscal conditions and is to guide policy and programmatic decisions. As part of building the multi-year forecast, the City uses information based on past, current, and projected financial conditions. As part of the strategic planning and long-term forecasts, the City has developed and maintains several tools to provide analytic measurements of future fiscal impacts. First, the ten-year forecast includes two separate actuarial studies to analyze the impacts of employee retirement benefits on the City's finances over time. One is focused on the fiscal impacts of pension and one on retiree medical costs. Secondly, the City has three separate studies on revenue forecasts based on economic trends surrounding short and long-term retail and housing markets. The City overlays each of these studies into the planning documents to create a multi-faceted approach to fiscal analysis and planning.

The goal of the City's annual Operating and Capital budget is to provide a plan that allocates resources to meet the needs and desires of Tracy's residents. It balances City revenues and costs with community priorities and requirements. In preparing the FY 2021-22 Operating and Capital Budget, City staff reviewed the FY 2020-21 budget and estimated the expenditures and revenues anticipated for the next year, FY 2021-22.

Tracy's local economy has recovered both in housing prices that bolster property tax and diversification in commercial and retail that grows and strengthens our sales tax revenue. With that being said, the economy has natural growth and contractions that are outside of the City's control. Housing prices are beginning to hold as interest rates have risen. Even with solid financial planning and long-term forecasting, not all future outcomes can be predicted. Knowing that, the City has positioned itself well by building financial reserves, adopting strong fiscal policies, and passing important revenue measures to support City services. However, even with these proactive steps, the City, like other agencies, will continue to be faced with unmet needs in an environment where resources are limited.

Creating a long-term financial forecast has helped identify future revenue and expenditure trends that may have an immediate or long-term influence on government policies, strategic goals, funding obligations, or community services. The City uses the five-year financial forecast as a management tool to best anticipate inflows and outflows of City resources in the short-term, then projects out these trends into the longer ten-year model to ensure budget sustainability. Modeling of long-term strategies also allows marginal shifts to occur over time to maintain healthy reserves while still actively improving services to the public. The forecast has become an integral part of the annual and mid-year budget process.

City Council Strategic Priorities and Major Initiatives in 2021-2023: The Annual Comprehensive Financial Report echoes our continued investment in City services to our residents and businesses, but also to those we invite to work in and/or visit the City of Tracy. There are a number of economic development efforts that have been a City focus for several years, with job creation and growth being at the forefront. This continues to be a priority for the City, including ensuring a positive working relationship with the business community, so that the City's business attraction efforts successfully bring targeted industries and retailers to our community. Tracy strives to provide services that promote a safe community for our residents, businesses, and visitors. This remains a high priority to our City Council and City Administration. The financials reflect the desired operational outcomes of each City department as they relate to the City Council's 2021-2023 Strategic Priorities Work Plan:

Economic Development

To enhance the competitiveness of the City while developing a strong and diverse economic base.

- Approved over 160 zoning/land use/development-related permits, including 33 Development Review projects requiring Director, Commission or Council action.
- Approved 6 Cannabis Dispensary CUPs.
- Building valuation for construction work completed totaled \$1.2 million.
- Began Transit Oriented Development (TOD) Plan to develop land use planning and investment strategy to further revitalize Downtown by maximizing zoning opportunities on vacant lands, identifying greater connectivity options for access to Downtown and planning for successful integration of transit (including possible train station) into the Downtown fabric.
- Completed one Specific Plan Amendment (SPA) for Tracy Hills Phase 2.
- Secured funding for a downtown parklet program for continued outside dining opportunities in downtown.

Public Safety

To enhance community safety by promoting a responsive public safety system that includes civic engagement and partnerships, community involvement, public education and prevention, intervention, and suppression services that meet the needs of our community, inclusive of businesses and residents.

- Secured capital funding and began constructing the City's Temporary Emergency Housing Facility Project
- Coordinated the transition of personnel from the City of Tracy to SSJCFA effective January 2, 2022
- Upgraded interview rooms to compliment single platform of evidence collection to evidence.com that is compatible with body worn cameras and cars
- Awarded \$213,000 for Familiar Faces grant to provide funding for an ADA transport van, equipment, training and a consultant to develop the program for cost effective alternatives to police response and expand the City's reach and sustainability related to vulnerable populations within our community
- Awarded \$255,000 from Byrne Discretionary Grant to implement and fund a robust License Plate Reader (LPR) program that includes 46 license plate readers within the City to aid in improving our capacity to identify leads, solve criminal cases, reduce crime and effectively plan, manage and allocate response and investigative resources
- Installed Cradlepoint wireless routers and upgraded patrol vehicle in-car cameras to Axon Fleet 3 system to include license plate readers
- Seized 3,057 marijuana plants, 6,392 lbs. of marijuana for sale, 998 grams of methamphetamine, and \$278,343 in cash

Quality of Life

To provide an outstanding quality of life by enhancing the City's amenities, business mix and services, and cultivating connections to promote a positive change and progress in our community.

- Completed 39,216 building-related inspections; processed 4,515 building permits and issued 3,927 building permits; generated \$11 million in permit review revenue.
- Engaged in legislative advocacy efforts that support the City's fiscal foundation and quality of life.
- Accepted Park 1, Park 2, and Park 3 of Tracy Hills Phase 1A development adding approximately 11 acres of parkland.
- Completed construction of \$130,000 sidewalk, curb/gutter repairs for various streets.
- Awarded \$495,584 in CDBG funding to local non-profits and \$180,173 in HOME funding to support the Tracy Affordable Senior Housing Project.

- Completed construction of Alden and Yasui Park playgrounds.
- Opened a new disc golf course at Dr. Powers Park
- Received a \$5M grant from California Senator Susan Talamantes-Eggman's office that will be applied to the design and construction of the Multi-Generational Recreation Center.
- Awarded construction contract for the Legacy Fields Sports Complex Phase 1E improvements, which include paving all parking lots and renovating 5 baseball fields with added stadium lighting.
- Completed construction on the Legacy Fields Pump Station Improvements.
- Completed the Lolly Hansen Senior Center renovations and reopened to the public
- Following a COVID-19 pause, the community events team hosted 5 block parties averaging 1,00 people per event.
- Completion of the painting all City school yellow crosswalks.
- Replacement of 2,400 water meters across the City.
- Began design work of the Tracy Hills Phase 5 Water Pump Station; continued the connection of the Outfall Effluent Pipeline Project and the rehabilitation of the Lewis Manor Well #5.

Governance

To retain and attract new talent, enhance fiscal sustainability, improve the use of technology, and enhance transparency for the betterment of the Tracy community.

- Assisted with the completion of a rate study for wastewater funds to maintain operations, debt, capital, and reserve levels to maintain the sustainability of these utilities.
- Monitored, applied for, and was awarded over a \$15 million in Federal grants across all City departments in FY2022.
- Increased the number of electronic transaction options for customers, now including credit card auto pay for utilities and AR.
- Hired 99 new employees and promoted 52 City of Tracy employees in calendar year 2022.
- Partnered with the State to participate in the Low-Income Household Water Assistance Program (LIHWAP), to provide funding resources to assist residents in paying their utility bills.
- Completed the roll-out of the new City website content management system.
- Completed the National Community Survey and presented results to Council.

GASB 54: The City is required to produce its financial statements in conformity with GASB 54. This GASB requirement concerns mainly the designation of fund balance into use categories. In addition, Statement 54 clarifies how rainy-day amounts are reported by treating stabilization arrangements as a specified purpose. Consequently, amounts constrained to stabilization must be reported as "committed" or "assigned" fund balance in the General Fund if they meet the other criteria for those classifications. In October 2014, the City Council adopted a stabilization policy and created three stabilization reserves and revised the policy in June 2020. Please refer to Note # 9 for more information.

Summary of the General Fund Reserves as of June 30, 2022

Restricted	Fire Medical Leave Bank	\$ 813,680
	Medical Leave Bank	2,361,297
Committed	17% Reserve (Emergency)	14,505,000
Assigned	13% Reserve (Economic Stability)	11,092,059
	Prior Year Re-Appropriations	320,865
	Animal Control Trust	22,193
Unassigned		<u>7,761,601</u>
		<u><u>36,876,695</u></u>

GASB 68 & 71: These accounting standards deal with reporting of pension liabilities. These statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. These standards were designed to improve and provide transparency to the accounting and financial reporting for state and local government defined benefit pension plans and to bring governmental employer accounting and reporting standards closer in line with private sector requirements. The City implemented GASB Statement No. 68 and GASB Statement No. 71 in FY 2014-15.

Prior to FY 2014-15, information on the pension liabilities were disclosed in the note disclosure and required supplementary information sections of the ACFR. With the implementation of GASB 68, the net pension liability is reported on the face of the Statement of Net Position, effectively reducing an entity's overall net position. Thus, GASB 68 changed the accounting and financial reporting requirements of pension obligations by reporting pension obligations not only on the note disclosure and required supplementary information sections but also on the face of the basic financial statements. GASB 68 affected the reporting and accounting "presentation" of the City's pension liability; however, it is not a new liability and the City has been disclosing and is profoundly aware of this liability.

GASB 75 – Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions: The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for post-employment benefits other than pensions (other post-employment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all post-employment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

This Statement replaced the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Statement No. 75, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, established new accounting and financial reporting requirements for OPEB plans.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement established standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB are also addressed.

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity. The City implemented GASB 75 in FY 2017-18.

Gann Limit vs. Appropriations Subject to Limit: Proposition 4, the "Gann Initiative," was passed by California voters in 1978, and is intended to limit government appropriations. The appropriations limit is calculated each year based upon fiscal year 1978-79 appropriations, which is modified by the composite consumer price index and population changes that have occurred in subsequent years. The City's appropriations limit and the estimated appropriations subject to the limit for the FY 2021-22 amounted to \$79,082,780 million and \$64,289,152 million respectively. City appropriations subject to the limit have consistently remained far below the appropriation limits and are not expected to deviate from this trend in the foreseeable future.

Awards and Acknowledgements: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tracy for its Comprehensive Annual Financial Report (ACFR) for the fiscal year ended June 30, 2021. This was the 34th consecutive year that the government has received this prestigious award. To be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized ACFR that satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire Finance Department staff. Each member of the Department has my appreciation for the contributions made in the preparation of this report. We would also like to recognize the Mayor and City Council for their guidance and support in the City's pursuit of excellence in financial reporting.

Respectfully submitted,

DocuSigned by:
Michael Rogers
538B6FD4260840F...

Michael Rogers
City Manager

DocuSigned by:
Sara Cowell
6064DDA2FB354C2...

Sara Cowell
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Tracy
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the City Council of the City of Tracy
Tracy, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Tracy, California (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the South San Joaquin County Fire Authority (the "Authority"), which represent 100% of the assets, net position, and revenues, respectively, of the of the aggregate discretely presented component unit as of June 30, 2022. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Authority, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Implementation of New GASB Pronouncements

As discussed in Note 1 to the basic financial statements, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases* during the year. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Modified Approach to Reporting Street Pavement Costs, Budgetary Comparison Schedules, Schedules of Changes in Net Pension Liability and Related Ratios, Schedules of Contributions – Pension, and Schedule of Changes in Total OPEB Liability and Related Ratios, and Schedule of Contributions – OPEB, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

To the Honorable Mayor and Members
of the City Council of the City of Tracy
Tracy, California
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We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining and Individual Fund Financial Statements and Budgetary Comparison Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements and Budgetary Comparison Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

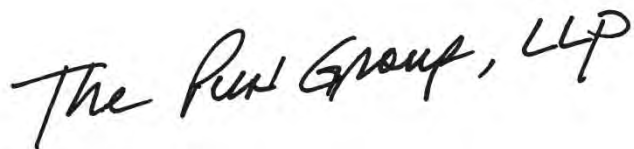
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2023, on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, flowing style.

Walnut Creek, California
February 27, 2023

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City of Tracy
Management Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis provide an overview of the City of Tracy's financial performance for the fiscal year ended June 30, 2022. This report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB). We encourage our readers to consider this information in conjunction with the information provided in the accompanying basic financial statements and notes thereto.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeds its liabilities and deferred inflows of resources at the close of the 2021-22 fiscal year by \$1,436 million Net Position. Of this amount, \$137 million Unrestricted Net Position is designated to be used to meet ongoing obligations to citizens and creditors.
- The City's total net position increased by \$100 million, with \$77 million attributable to governmental activities and \$23 million attributable business-type activities.
- As of June 30, 2022, the City's combined governmental funds reported fund balance of \$350.8 million, of which \$350.8 million is committed (\$14.5 million), assigned (\$91.2 million), or available (\$7.5 million) to meet the City's current and future needs.
- As of June 30, 2022, the fund balance for the General Fund was \$36.9 million of which \$-0- is designated as Non-Spendable for items such as deposits, prepaid assets, inter-fund advances, and inventory. Restricted fund balance was \$3.2 million, designated for medical leave bank. Committed fund balance was \$14.5 million, designated for Contingency/Emergency. Assigned fund balance was \$11.4 million, designated for items such as prior reappropriation and fiscal sustainability. Unassigned funds were \$7.8 million as of June 30, 2022.

OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

The Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of the following sections:

- 1) Introductory Section, which includes the Transmittal Letter and general information,
- 2) Management's Discussion and Analysis,
- 3) The Basic Financial Statements, which include the Government-wide and the Fund Financial Statements, along with the Notes to these financial statements,
- 4) Required Supplemental Information,
- 5) Combining Statements for Non-major Governmental Funds and Internal Service Funds,
- 6) Statistical Information

The Basic Financial Statements

The Basic Financial Statements are comprised of the Government-wide Financial Statements and the Fund Financial Statements. These two sets of financial statements provide two different views of the City's financial activities and financial position.

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (CONTINUED)

Government-wide Financial Statements

The Government-wide Financial Statements provide a longer-term view of the City's activities as a whole and are presented in a manner similar to a private-sector business. These statements are comprised of:

Statement of Net Position – Presents information on all City assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between them reported as *Net Position*. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

Statement of Activities – Presents information reflecting any change in the government's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs (regardless of the timing of related cash flows). Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation and compensated time leaves).

Both of the Government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

- Governmental activities – All of the City's basic services are considered to be governmental activities, including general government, public safety, public ways and facilities/transportation, public works, and culture and leisure. These services are supported by general city revenues such as taxes, and by specific program revenues such as developer fees.
- The City's governmental activities include not only the City of Tracy (known as the primary government), but also the activities of the Tracy Operating Partnership Joint Powers Authority, Tracy Public Financing Authority, and the Tracy Industrial Development Authority, which are controlled by and dependent on the City. While they are separate legal entities, City Council serves in separate sessions as the governing body of the Tracy Operating Partnership Joint Powers Authority, the Tracy Public Financing Authority, and the Tracy Industrial Development Authority; and the City is financially accountable for those entities. The financial activities of all three entities have been aggregated and merged, termed "blended", with those of the City in the accompanying financial statements.
- Pursuant to ABxl 26 ("AB 26"), approved by Governor Brown on June 28, 2011 and upheld by the California State Supreme Court on December 29, 2011, the Tracy Community Development Agency ("Agency") was dissolved on January 31, 2012. The former Agency is now administered under the name of Successor Agency to the Community Development Agency of the City of Tracy. The activities of the Successor Agency can be found in the Fiduciary Fund Section of the Financial Statements.
- Business-type activities – All of the City's enterprise activities are reported here, including water, wastewater, drainage, solid waste, transit, and airport. Unlike governmental services, these services are supported by charges paid by users based on the amount of the service they use.

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (CONTINUED)

Fund Financial Statements

The Fund Financial Statements report the City's operations in more detail than the Government-wide Statements and focus primarily on the short-term activities of the City's General Fund and major funds. The Governmental Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts. Enterprise and Internal Service Fund Financial Statements are prepared on the full accrual basis and include all their assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both current and long-term. Each major fund is presented individually, with all non-major funds summarized and presented only in a single column. Supplementary combining schedules present the detail of these non-major funds. Major funds present the major activities of the City for the year and may change from year to year as a result of changes in the pattern of the City's activities.

A "fund" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- Governmental Funds – These funds are used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources and are therefore prepared on the modified accrual basis. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

The City of Tracy has 39 governmental funds of which 6 are considered major funds for presentation purposes. Each major fund is presented separately in the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances. The financial information for the remaining non-major governmental funds is combined into a single, aggregated presentation.

- Proprietary Funds – The City maintains two different types of proprietary funds; Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report the same functions presented as "business-type activities" in the Government-wide Financial Statements. Internal Service Funds account for the financial activity of the City's central garage, central services departments, equipment replacement, building maintenance, and self-insurance. Financial statements for proprietary funds are prepared on the full accrual basis and include all their assets and liabilities, current and long-term.

Since the City's Internal Service Funds provide goods and services only to the City's governmental activities, their activities are reported only in the government-wide financial statements as governmental activities. Internal Service Funds may not be major funds because their revenues are derived from other City funds. These revenues are eliminated in the City-wide financial statements and any related profits or losses are returned to the activities which created them.

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (CONTINUED)

- **Fiduciary Funds** – These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is similar to that used for Proprietary Funds. With the dissolution of the Community Development Agency per ABx1 26 and AB 1484, the activities of the Successor Agency to the Tracy Community Development Agency are reported as a Private Purpose Trust Fund in the Fiduciary Fund section.
- **Custodial Funds** – These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is similar to that used for Proprietary Funds. These funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds. The City's custodial funds includes various Community Facilities Districts and Assessments Districts.

Notes to the Financial Statements

The Notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements.

Required Supplemental Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning budgetary comparison schedules for the General Fund and other major funds that are Special Revenue Funds, along with schedules related to the City's net pension liabilities, total OPEB liability and contributions.

Combining Statements

This section of the report includes additional detailed information about non-major governmental, internal service and agency funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position – The net position for the City as a whole increased by \$100 million or 7.4%, from \$1,336 million at June 30, 2021 to \$1,436 million at June 30, 2022. Restricted net position accounted for \$238 million restricted for capital projects, debt service and legally segregated taxes, grants, and fees. The unrestricted net position increased by \$83 million, from \$53 million in at June 30, 2021 to \$137 million at June 30, 2022 and is designated to be used to meet ongoing obligations to citizens and creditors. The Unrestricted Net Position reflects the inclusion of a Net Pension Liability of \$54.0 million and Net OPEB Liability of \$7.0 million in accordance with Generally Accepted Accounting Principles.

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The following table reflects the Summary of Net Position for the fiscal year ended June 30, 2022 with comparative data for the fiscal year ended June 30, 2021.

Statement of Net Position
Fiscal Year Ended June 30
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Cash and Investments	\$ 354,579	\$ 285,127	\$ 65,195	\$ 50,066	\$ 419,774	\$ 335,193
Other Assets	73,383	54,344	24,739	18,171	98,122	72,515
Capital Assets	681,830	674,737	447,769	441,183	1,129,599	1,115,920
Total Assets	1,109,792	1,014,208	537,703	509,420	1,647,495	1,523,628
Deferred Outflows						
Related to Pension/OPEB	18,476	24,054	2,456	2,757	20,932	26,811
Current Liabilities	47,605	43,483	12,220	8,231	59,825	51,714
Non-Current Liabilities	98,962	121,111	32,764	39,423	131,726	160,534
Total Liabilities	146,567	164,594	44,984	47,654	191,551	212,248
Deferred Inflows						
Related to Leases	2,217	-	3,784	-	6,001	-
Related to Pensions	30,566	1,638	4,260	99	34,826	1,737
Total Deferred Inflows	32,783	1,638	8,044	99	40,827	1,737
Net Investment in Capital						
Assets	640,818	653,646	421,053	412,464	1,061,871	1,066,110
Restricted	237,566	217,130	-	-	237,566	217,130
Unrestricted	70,533	1,254	66,078	51,961	136,611	53,215
Total Net Position	\$ 948,917	\$ 872,030	\$ 487,131	\$ 464,425	\$ 1,436,048	\$ 1,336,455

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The City's Government-wide Net Position as of June 30, 2022, comprised of the following:

- Cash and investments combined increased by \$84.6 million or 25.2%, from \$335.2 million at June 30, 2021 to \$419.8 million at June 30, 2022. The \$419.8 million of cash and investments is in the city treasury and investments.
- Receivables decreased by \$3.3 million, from \$57.0 million at June 30, 2021 to \$53.8 million at June 30, 2022. Receivables were comprised of \$37.7 million of current receivables and \$16.1 million of long-term receivables. Current receivables are primarily related to sales tax and grants; and long-term receivables are related to housing loans provided by the former Community Development Agency and leases. The grants and loans have varying repayment terms and interest rates.
- Capital assets increased by \$13.7 million or 1.2%, from \$1,116 million at June 30, 2021 to \$1,130 million at June 30, 2022. Net capital assets of \$1,130 million include the City's infrastructure in addition to all other City assets.
- Restricted Net Position increased \$20.5 million or 9.4%, from \$217.1 million at June 30, 2021 to \$236.6 million at June 30, 2022. Restricted Net Position is restricted for capital projects \$180.0 million; low-moderate income housing projects \$4.6 million; debt service \$26.7 million; and \$26.2 million may be spent on other projects as specified by funding source restrictions.
- Unrestricted Net Position increased by \$83.4 million or 156.8%, from \$53.2 million at June 30, 2021 to \$136.6 million at June 30, 2022. The unrestricted net position is available to be used to finance day to day operations without constraints established by debt covenants or other legal requirements or restrictions. While these assets are technically unrestricted, most of these assets are committed or assigned for a specific use.

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The Change in Net Position expressed as the change in revenues and expenses through June 30, 2022 is reflected in the Statement of Changes in Net Position.

Statement of Net Position
Fiscal Year Ended June 30
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues:						
Charges for Services	\$ 30,044	\$ 22,823	\$ 72,022	\$ 64,432	\$ 102,066	\$ 87,255
Operating Contributions and Grants	13,576	8,330	1,688	6,988	15,264	15,318
Capital Grants and Contributions	63,193	52,673	12,703	5,801	75,896	58,474
Total Program Revenues	106,813	83,826	86,413	77,221	193,226	161,047
General Revenues:						
Property Taxes	27,241	25,736			27,241	25,736
Other Taxes	84,992	65,709			84,992	65,709
Other General Revenues	5,369	1,700	(1,498)	185	3,871	1,885
Total General Revenues	117,602	93,145	(1,498)	185	116,104	93,330
Total Revenues	224,415	176,971	84,915	77,406	309,330	254,377
Expenses						
General Government	26,685	22,135			26,685	22,135
Police	38,889	38,346			38,889	38,346
Fire	16,807	17,849			16,807	17,849
Development & Engineering	12,322	12,571			12,322	12,571
Public Works	22,081	19,463			22,081	19,463
Parks & Community Services	4,800	3,848			4,800	3,848
Interest on Long-term Debt	990	675			990	675
Water			24,886	21,177	24,886	21,177
Wastewater			23,435	21,238	23,435	21,238
Solid Waste			28,418	25,987	28,418	25,987
Storm Drainage			2,114	2,195	2,114	2,195
Airport			2,228	1,144	2,228	1,144
Transit			6,080	5,352	6,080	5,352
Total Expenses	122,574	114,887	87,161	77,093	209,735	191,980
Changes in net position before transfers	101,841	62,084	(2,246)	313	99,595	62,397
Transfers	(24,954)	(3,609)	24,954	3,609	-	-
Change in Net Position	76,887	58,475	22,708	3,922	99,595	62,397
Net Position, Beginning	872,030	813,985	464,423	460,501	1,336,453	1,274,486
Net Position, Ending	\$ 948,917	\$ 872,460	\$ 487,131	\$ 464,423	\$ 1,436,048	\$ 1,336,883

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Revenues

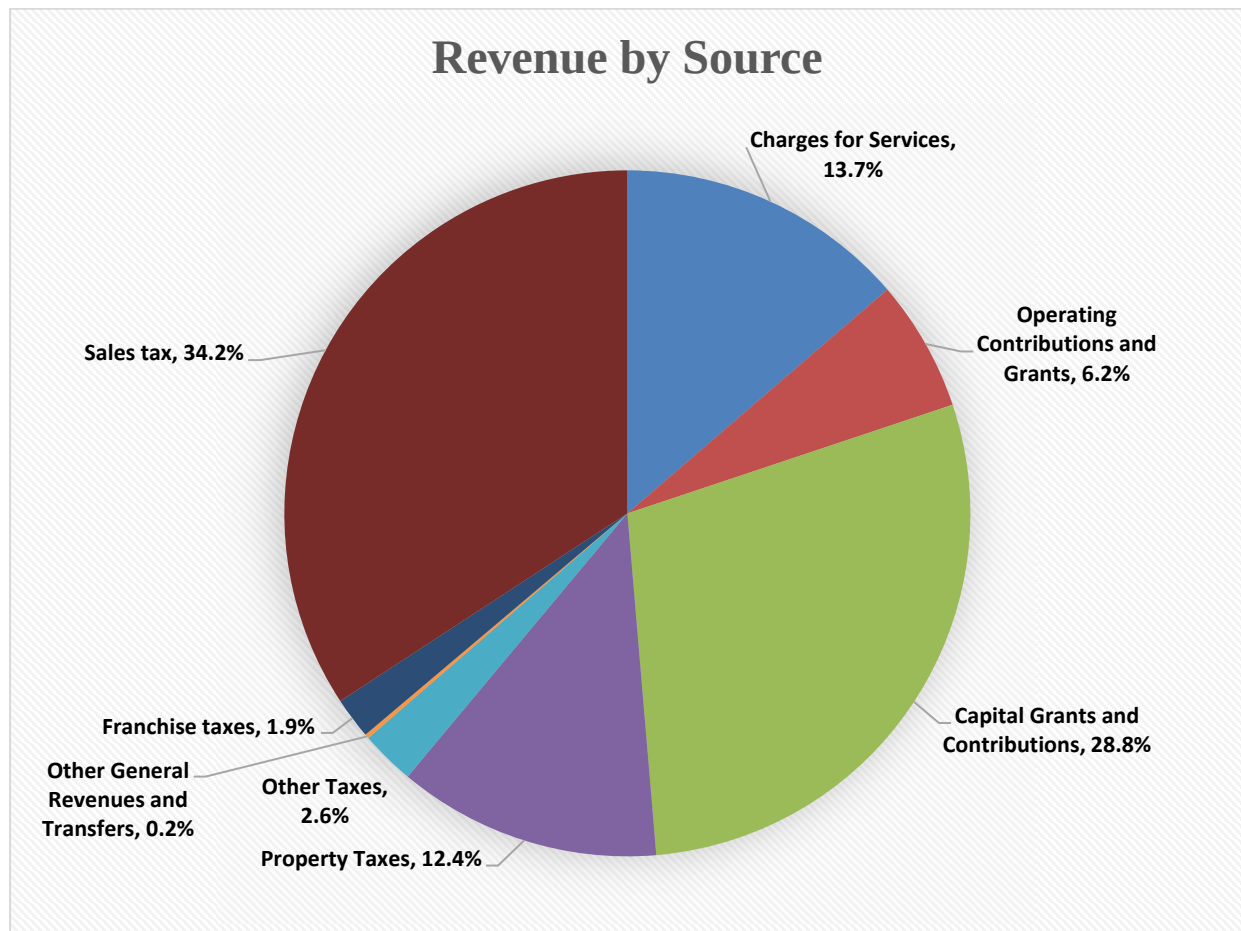
Total revenues increased by \$55.0 million or 21.6%, from \$254.4 million at June 30, 2021 to \$309.3 million at June 30, 2022. Total governmental program revenues increased by \$23.0 million, largely due to charges for services and grants. Total governmental general revenues increased by \$24.5 million related to general sales tax.

Expenses

Total expenses for the City increased by \$17.8 million or 9.3%, from \$191.9 million at June 30, 2021 to \$209.7 million at June 30, 2022. Governmental activities incurred \$122.6 million of expenses while business-type activities incurred \$87.1 million. Of the Governmental Activities, the largest expenses were in Public Safety \$55.7 million; Public Works \$22.1 million; and General Government \$23.0 million.

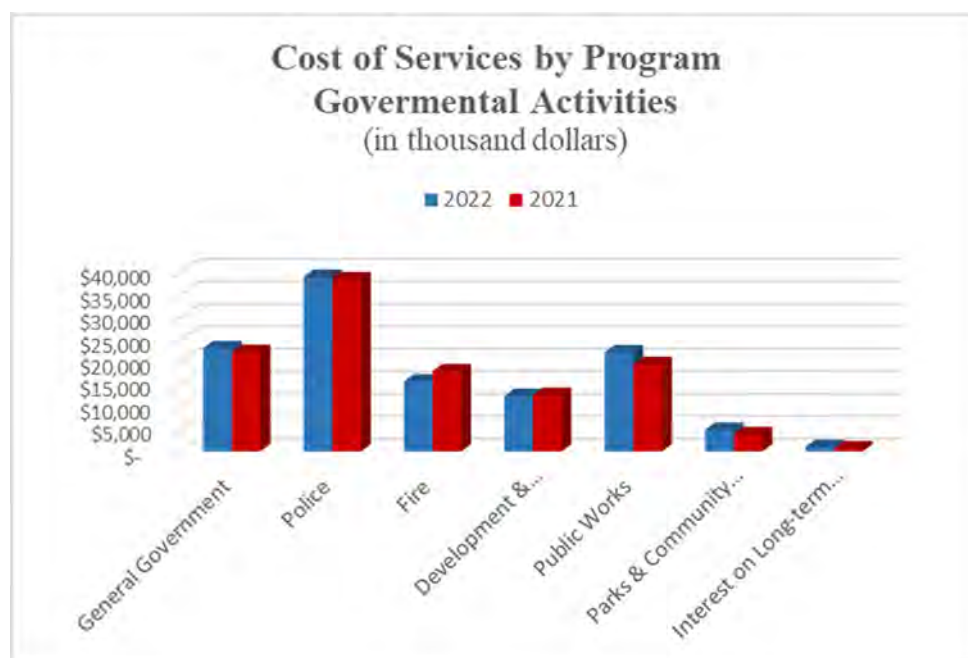
Governmental Activities

Total resources available during the year to finance governmental operations were \$1,066.6 million consisting of net position at June 30, 2021 of \$872.0 million, program revenues of \$106.8 million and general revenues, net of transfers, in amount of \$87.8 million. Government Activities revenue is graphed below by the source of funding, followed by the expenses by program.



City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)



Changes in Business-Type Activities by Program
Fiscal Year Ended June 30
(in thousands of dollars)

	Business-type Activities	
	2022	2021
Net Revenue (Expense)		
from Business-type Activities		
Water	\$ 4,517	\$ 3,852
Wastewater	(3,153)	(4,333)
Solid Waste	(2,031)	(1,658)
Drainage	(577)	(352)
Airport	(1,525)	(155)
Transit	2,021	2,775
Total Business-type Activities	\$ (748)	\$ 129

Program revenues of Business-type Activities increased \$9.2 million or 11.9%, from a total of \$77.2 million at June 30, 2021 to a total of \$86.4 million at June 30, 2022. This was a result of increases in charges for services and capital grants received.

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the City's Governmental Funds is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in assessing the City's financing requirements. The classification of spendable fund balances to committed, assigned, and unassigned, is intended to be helpful in measuring the resources available for spending at the end of the fiscal year. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending.

At June 30, 2022, the City's governmental funds reported combined fund balances of \$350.8 million, which is an increase of \$85.0 million or 32.0%, from \$254.3 million at June 30, 2021. Total revenues increased by \$49.7 million or 30.2%, from \$164.4 million at June 30, 2021 to \$214.0 million at June 30, 2022. Of this total, \$131.8 million was in the General Fund. Total expenditures increased by \$15.8 million or 14.7%, from \$107.4 million at June 30, 2021 to \$123.1 million at June 30, 2022. Of this total, \$85.3 million was in the General Fund.

General Fund

At June 30, 2022, the General Fund balance of \$36.9 million, was comprised of \$14.5 million committed funds for contingency/emergency reserve, and \$11.4 million in assigned funds. Included in this amount is \$11.1 million for Economic/Budget stability and \$0.3 million for reappropriation to balance FY23, and \$.02 million for Animal Control Trust. Restricted funds were \$3.2 million for medical leave bank. Unassigned funds at June 30, 2022 were \$7.8 million. Fund balances have been classified in accordance with generally accepted accounting principles. While amounts have been categorized as unassigned, they may be informally earmarked by the City Council for specific purposes.

Housing Successor Special Revenue Fund

On June 28, 2011 the State of California adopted ABx1 26, amended by AB 1484 on June 27, 2012, which dissolved redevelopment agencies as of January 31, 2012. All assets of the former Redevelopment Agency were transferred as prescribed by law to either the Housing Successor or to the Successor Agency.

The City of Tracy elected to become the Housing Successor and established the Housing Successor Special Revenue Fund to account for the housing assets and activities previously provided by the Tracy Community Development Agency. As of June 30, 2022, the fund balance of the Housing Successor Special Revenue Fund was \$4.6 million.

Community Development Fees Special Revenue Fund

The Community Development Fees Special Revenue Fund had revenues of \$16.8 million, transfers in of \$2.1 million and expenditures of \$12.0 million. The ending fund balance increased from \$0.9 million at June 30, 2021 to \$7.9 million at June 30, 2022.

CARES/ARPA Grant Fund

The fund balance of the CARES/ARPA Grant Fund increased by \$.5 million over the prior year. Fund balance was \$1million at June 30, 2021 comparable to \$1.5 million at June 30, 2022.

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)

General Projects Capital Fund

The General Projects Fund had revenues of \$4.0 million, transfers in of \$42.2 million, and expenditures of \$4.9 million. The fund balance increased \$41.2 million from \$38.5 million at June 30, 2021 to \$79.7 million at June 30, 2022. Funding for the General Project Fund is transferred from the City's General Fund. Capital project expenses included Alden & Yasui Park Playground Replacement (CIP 78173), Tracy Gateway SP/ EIR (CIP 79421). Future projects include Legacy Fields (1E), the Aquatic Center, and Multi-Generational Gymnasium.

Tracy Infrastructure Master Plan Capital Fund

The Tracy Infrastructure Master Plan (TIMP) Fund had revenues of \$33.0 million and expenditures of \$1.4 million. The fund balance increased \$32.5 million from \$58.3 million at June 30, 2021 to \$90.9 million at June 30, 2022. TIMP Funds cover areas of the City not covered by their own financing plan. Project expenditures included the Waste Water Treatment Expansion (CIP74107), Over cross upgrade I580 and Mountain House Parkway (CIP 73147), AW: Corral Hollow Rd, Linne Rd to Old Schulte (CIP73144). Future projects include the continuing the Waste Water Treatment Expansion and Water Lines along Lammers Road.

Enterprise Funds

The City's Enterprise Funds provide the same type of information found in the Government-wide Financial Statements, but in more detail. The City's Enterprise Funds are comprised of the Water Utility Fund, the Wastewater Utility Fund, Drainage Fund, Solid Waste Fund, Municipal Airport and Municipal Transit Funds. Enterprise Fund net position totaled \$487.1 million at June 30, 2022. Enterprise operating revenues were \$72.3 million and operating expenses were \$83.5 million in fiscal year 2022. Operating expenses included \$14.5 million in depreciation expense. Future projects include the Wastewater treatment expansion.

Water Fund

The net position of the Water Fund at June 30, 2022 was \$200.9 million, an increase of \$4.1 million over the prior fiscal year. The net position of the Water fund at June 30, 2021 was \$196.8 million. Approximately \$14.9 million of the Fund's net position was unrestricted at the fiscal year end with a net investment in capital assets of \$192.4 million. Activities for the year were comprised of \$22.4 million in operating revenues for the current year and \$23.4 million in operating expenses including \$4.7 million in depreciation expense.

Wastewater Fund

The net position of the Wastewater Fund at June 30, 2022 was \$189.9 million, an increase of \$20.5 million over the prior fiscal year. The net position of the Wastewater fund at June 30, 2021 was \$169.5 million. Approximately \$34.3 million of the Fund's net position was unrestricted at the fiscal year end with a net investment in capital assets of \$175.9 million. Activities for the year were comprised of \$15.2 million in operating revenues for the current year and \$21.2 million in operating expenses including \$5.9 million in depreciation expense.

Solid Waste Fund

The net position of the Solid Waste Fund at June 30, 2022 was \$11.7 million, a decrease of \$2.3 million over the prior fiscal year. The net position of the Solid Waste fund at June 30, 2021 was \$14.0 million. The Fund's net position was unrestricted at the end of the fiscal year. Activities for the year were comprised of \$25.8 million in operating revenues for the current year and \$28.4 million in operating expense.

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)

Drainage Fund

The net position of the Drainage Fund at June 30, 2022 was \$50.5 million, a decrease of \$.6 million over the prior fiscal year. The net position of the Drainage fund at June 30, 2021 was \$51 million. Approximately \$(0.4) million of the Fund's net position was unrestricted at the fiscal year end with a net investment in capital assets of \$50.9 million. Activities for the year were comprised of \$.7 million in operating revenues for the current year and \$2.1 million in operating expenses including \$1.7 million in depreciation expenses.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final amended budget for the General Fund totaled \$75.1 million. The difference in appropriations between the original budget and the final amended budget was \$(2) million, largely due to various programming not offered during the pandemic. At the end of the fiscal year, the total actual expenses of the General Fund were \$76.9 million; the General Fund's assigned fund balance reappropriations were \$0.3 million for items that began in 2021 but remained in progress in 2022.

CAPITAL ASSETS

At the end of fiscal 2022, the City had \$1,130.0 million, net of depreciation, invested in a broad range of capital assets used in governmental and business type activities, as shown below. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed assets are valued at their estimated acquisition value on the date of contribution.

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Non-depreciable assets						
Land	\$ 180,468	\$ 179,311	\$ 19,057	\$ 19,057	\$ 199,525	\$ 198,368
Streets and Roads	325,970	320,140	-	-	325,970	320,140
Construction in-Progress	33,797	33,214	48,343	54,686	82,140	87,900
Total	540,235	532,665	67,400	73,743	607,635	606,408
Depreciable assets						
Buildings and Improvements	146,097	143,616	171,165	169,888	317,262	313,504
Improvements	51,005	49,515	-	-	51,005	49,515
Grading, Curbs & Gutters						
Sidewalks & Driveway	32,135	32,135	-	-	32,135	32,135
Approaches						
Traffic Signals	31,888	27,150	8,118	3,571	40,006	30,721
Equipment	32,156	35,506	47,814	44,678	79,970	80,184
Infrastructure	12,219	12,219	386,284	368,706	398,503	380,925
Intangible Assets	1,367	973	73,476	72,883	74,843	73,856
Less: accumulated depreciation	(165,504)	(159,042)	(306,488)	(292,286)	(471,992)	(451,328)
Net depreciable assets	141,363	142,072	380,369	367,440	521,732	509,512
Lease right to use assets						
Buildings and Improvements	406	-	-	-	406	-
Less: accumulated amortization	(174)	-	-	-	(174)	-
Net lease right to use assets	232	-	-	-	232	-
Total Capital Assets	\$ 681,830	\$ 674,737	\$ 447,769	\$ 441,183	\$ 1,129,599	\$ 1,115,920

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

CAPITAL ASSETS (CONTINUED)

The City depreciates all its capital assets over their estimated useful lives, except for roads, which are reported using the Modified Approach. The purpose of depreciation is to spread the cost of a capital asset over the years of its useful life so that an allocable portion of the cost of the asset is borne by all users. Additional information on depreciable lives may be found in Note 6 to the financial statements. The Modified Approach requires the City to employ an asset management system that maintains a current inventory of these assets, estimates annual costs to maintain them, and assesses the condition of the assets in a replicable way.

The City has elected to use the modified approach discussed above with respect to its roads, most of which are relatively new. The City's policy is to maintain these roads at an overall condition index level averaging 69, instead of providing depreciation. During fiscal year 2022, the City expended \$5,587,759 to preserve its roads, and the condition index level was 69. The City estimates that it will be required to expend approximately \$5,920,343 in fiscal year 2023 to maintain its roads at a condition level of 69.

DEBT SERVICE ADMINISTRATION

Each of the City's debt issues is discussed in detail in Note 8 in the Notes to the Basic Financial Statements. The City's Governmental Activities long-term debt outstanding increased by \$19.5 million or 90.8%, from \$21.5 million at June 30, 2021 to \$41.0million at June 30, 2022. This was due to the City issuing new Lease Revenue Bonds to finance improvements at Legacy Fields, phase 1E. The City's long debt outstanding decreased by \$2.0 million or (7.0%, from \$28.7 million at June 30, 2021 to \$26.7 million at June 30, 2022, in debt associated with Business-Type Activities.

Outstanding Debt
Fiscal Year Ended June 30
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Leases Payable	\$ 236	\$ 406			\$ 236	\$ 406
2020 Lease Revenue Refunding Bonds 3%-4%	17,040	17,635			17,040	17,635
2020 Lease Revenue Refunding Bonds Premium	3,409	3,455			3,409	
2022 Lease Revenue Bonds	18,275	-			18,275	-
2022 Lease Revenue Refunding Bonds Premium	2,052	-			2,052	
2004 Wastewater Revenue Bonds			20,260	21,175	20,260	21,175
State of California-Department of Health Services Loan			6,457	7,544	6,457	7,544
Total Long-Term Liabilities	\$ 41,012	\$ 21,496	\$ 26,717	\$ 28,719	\$ 67,729	\$ 46,760

City of Tracy
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2022

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

Throughout fiscal year 2021-22, the City's economic development continued to grow through expansion of several existing businesses, construction of new distribution facilities, and office space, and the opening of new retail businesses. Property tax revenues steadily increased as a result of new residential and commercial development and higher property values. The City's property tax revenue increased by \$1.5 million, or 6% over fiscal year 2021-2022 and is expected to continue to grow by 5% annually over the next 3-5 years. General Fund revenues saw an increase over the prior fiscal year as a result of a recent change in tax reporting by a predominant e-commerce business located within Tracy.

During FY2021-22, the City received over \$2.8 million in Federal CARES and ARPA stimulus funding. These funds will be used to offset the impacts of the COVID-19 pandemic within the City of Tracy. The City has positioned itself well by building financial reserves, adopting strong fiscal policies, and passing important revenue measures to support City services. Over the next year, staff will continue to evaluate many options to balance resources and ensure Council priorities are met. More detail about the City's economic outlook is discussed in the accompanying transmittal letter.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This Annual Comprehensive Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. Questions about this report should be directed to the Finance Department, at 333 Civic Center Plaza, Tracy, CA 95376.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Tracy
Statement of Net Position
June 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	South San Joaquin County Fire Authority
ASSETS				
Current assets:				
Cash and investments	\$ 354,578,811	\$ 65,194,764	\$ 419,773,575	\$ 4,080,717
Cash and investments with fiscal agents	20,008,617	206	20,008,823	-
Accounts receivable, net	8,898,267	13,445,131	22,343,398	1,064,976
Intergovernmental receivable	15,939,910	8,226,188	24,166,098	-
Interest receivable	1,001,472	197,633	1,199,105	-
Lease receivable - due within one year	193,375	256,315	449,690	-
Deposits	1,000,000	-	1,000,000	-
Prepaid items	65,532	-	65,532	-
Inventories	-	570,994	570,994	-
Due from Fiduciary Funds	4,902,529	-	4,902,529	-
Due from Component Unit	3,575,233	-	3,575,233	-
Internal balances	1,525,648	(1,525,648)	-	-
Total current assets	411,689,394	86,365,583	498,054,977	5,145,693
Noncurrent assets:				
Lease receivable - due in more than one year	2,040,471	3,568,010	5,608,481	-
Loans receivable	14,231,876	-	14,231,876	-
Capital assets:				
Non-depreciable/amortizable	540,234,213	67,399,696	607,633,909	-
Depreciable/amortizable, net	141,595,794	380,369,478	521,965,272	1,121,664
Total capital assets, net	681,830,007	447,769,174	1,129,599,181	1,121,664
Total noncurrent assets	698,102,354	451,337,184	1,149,439,538	1,121,664
Total assets	1,109,791,748	537,702,767	1,647,494,515	6,267,357
DEFERRED OUTFLOWS OF RESOURCES				
Related to OPEB	625,168	128,501	753,669	-
Related to pensions	17,851,106	2,327,032	20,178,138	1,028,868
Total deferred outflows of resources	18,476,274	2,455,533	20,931,807	1,028,868

City of Tracy
Statement of Net Position (Continued)
June 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	South San Joaquin County Fire Authority
LIABILITIES				
Current liabilities:				
Accounts payable	12,997,024	7,717,462	20,714,486	393,927
Accrued payroll	1,338,568	576,535	1,915,103	816,969
Deposits	13,470,746	83,000	13,553,746	-
Interest payable	117,567	1,257,194	1,374,761	-
Unearned revenue	15,595,248	221,276	15,816,524	-
Due to Primary Government	-	-	-	3,575,233
Sick leave conversion - due within one year	901,484	-	901,484	-
Compensated absences - due within one year	1,562,838	296,692	1,859,530	-
Long-term debt - due within one year	1,621,425	2,068,312	3,689,737	-
Total current liabilities	47,604,900	12,220,471	59,825,371	4,786,129
Noncurrent liabilities:				
Total OPEB liability	5,852,529	1,202,962	7,055,491	-
Net pension liability	47,641,337	6,343,406	53,984,743	-
Sick leave conversion - due in more than one year	3,605,936	-	3,605,936	-
Compensated absences - due in more than one year	2,472,052	569,375	3,041,427	-
Long-term debt - due in more than one year	39,390,641	24,648,212	64,038,853	-
Total noncurrent liabilities	98,962,495	32,763,955	131,726,450	-
Total liabilities	146,567,395	44,984,426	191,551,821	4,786,129
DEFERRED INFLOWS OF RESOURCES				
Related to leases	2,216,670	3,782,624	5,999,294	-
Related to OPEB	851,154	174,952	1,026,106	-
Related to pensions	29,715,402	4,085,376	33,800,778	-
Total deferred inflows of resources	32,783,226	8,042,952	40,826,178	-
NET POSITION				
Net investment in capital assets	640,817,941	421,052,650	1,061,870,591	-
Restricted:				
Debt service	26,654,572	206	26,654,778	-
Public safety	926,127	-	926,127	-
Streets and roads	14,240,664	-	14,240,664	-
Community development	1,784,358	-	1,784,358	-
Special districts	9,281,178	-	9,281,178	-
Projects	180,043,432	-	180,043,432	-
Housing services	4,636,384	-	4,636,384	-
Total restricted	237,566,715	206	237,566,921	-
Unrestricted (deficit)	70,532,745	66,078,066	136,610,811	2,510,096
Total net position	\$ 948,917,401	\$ 487,130,922	\$ 1,436,048,323	\$ 2,510,096

City of Tracy
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government					
Economic development	\$ 1,037,457	\$ 218	\$ 141,580	\$ 1,351,423	\$ 1,493,221
General government	16,186,088	8,760,365	-	173,068	8,933,433
Finance	5,285,544	-	-	-	-
Non-departmental	4,176,020	202,255	2,854,006	82,089	3,138,350
Public safety					
Police	38,889,036	196,001	1,809,255	458,521	2,463,777
Fire	16,806,851	374	-	31,994	32,368
Public ways and facilities					
Development and engineering	12,321,607	17,279,268	-	-	17,279,268
Public works	22,080,727	2,721,400	8,771,363	61,052,926	72,545,689
Community development					
Parks and community services	4,800,263	883,889	-	42,753	926,642
Interest and fiscal charges	990,072	-	-	-	-
Total governmental activities	122,573,665	30,043,770	13,576,204	63,192,774	106,812,748
Business-type activities:					
Water	24,885,875	22,407,181	706,680	6,289,391	29,403,252
Wastewater	23,434,985	14,973,113	495,735	4,813,415	20,282,263
Solid waste	28,417,923	25,757,693	-	628,709	26,386,402
Drainage	2,113,911	730,691	-	805,923	1,536,614
Municipal airport	2,228,230	582,364	-	121,219	703,583
Municipal transit	6,080,368	7,571,420	485,176	44,708	8,101,304
Total business-type activities	87,161,292	72,022,462	1,687,591	12,703,365	86,413,418
Total primary government	\$ 209,734,957	\$ 102,066,232	\$ 15,263,795	\$ 75,896,139	\$ 193,226,166
Component unit:					
South San Joaquin County Fire Authority	\$ 26,311,268	\$ 1,719,634	\$ 25,873,270	\$ 1,228,460	\$ 28,821,364
Total component unit	\$ 26,311,268	\$ 1,719,634	\$ 25,873,270	\$ 1,228,460	\$ 28,821,364

City of Tracy
Statement of Activities (Continued)
For the Year Ended June 30, 2022

Functions/Programs	Net (Expense) Revenue and Changes in Net Position			Component Unit
	Governmental Activities	Business-Type Activities	Total	South San Joaquin County Fire Authority
Primary government:				
Governmental activities:				
General government				
Economic development	\$ 455,764	\$ -	\$ 455,764	\$ -
General government	(7,252,655)	-	(7,252,655)	-
Finance	(5,285,544)	-	(5,285,544)	-
Non-departmental	(1,037,670)	-	(1,037,670)	-
Public safety				
Police	(36,425,259)	-	(36,425,259)	-
Fire	(16,774,483)	-	(16,774,483)	-
Public ways and facilities				
Development and engineering	4,957,661	-	4,957,661	-
Public works	50,464,962	-	50,464,962	-
Community development				
Parks and community services	(3,873,621)	-	(3,873,621)	-
Interest and fiscal charges	(990,072)	-	(990,072)	-
Total governmental activities	(15,760,917)	-	(15,760,917)	-
Business-type activities:				
Water	-	4,517,377	4,517,377	-
Wastewater	-	(3,152,722)	(3,152,722)	-
Solid waste	-	(2,031,521)	(2,031,521)	-
Drainage operations	-	(577,297)	(577,297)	-
Municipal airport	-	(1,524,647)	(1,524,647)	-
Municipal transit	-	2,020,936	2,020,936	-
Total business-type activities	-	(747,874)	(747,874)	-
Total primary government	(15,760,917)	(747,874)	(16,508,791)	-
Component unit:				
South San Joaquin County Fire Authority	-	-	-	2,510,096
Total component unit	-	-	-	2,510,096
General Revenues and Transfers:				
General revenues:				
Taxes:				
Property taxes	27,240,833	-	27,240,833	-
Sales and use taxes	75,112,095	-	75,112,095	-
Franchise taxes	4,265,613	-	4,265,613	-
Transient occupancy tax	2,263,129	-	2,263,129	-
Business license tax	1,036,747	-	1,036,747	-
Transfer tax	2,314,759	-	2,314,759	-
Total taxes	112,233,176	-	112,233,176	-
Motor vehicle in lieu, unrestricted	113,909	-	113,909	-
Investment income (loss)	(8,948,933)	(1,819,118)	(10,768,051)	-
Other revenue	14,204,005	319,706	14,523,711	-
Transfers	(24,954,213)	24,954,213	-	-
Total general revenues and transfers	92,647,944	23,454,801	116,102,745	-
Change in net position	76,887,027	22,706,927	99,593,954	2,510,096
Net Position:				
Beginning of year	872,030,374	464,423,995	1,336,454,369	-
End of year	\$ 948,917,401	\$ 487,130,922	\$ 1,436,048,323	\$ 2,510,096

See accompanying Notes to the Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

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Governmental Funds Financial Statements

General Fund - This fund is used to account for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in another fund.

Housing Successor Special Revenue Fund - This fund is used to accounts for the revenues and expenditures of the Housing Successor Agency. This fund was established to account for housing activities assumed by the City from the former Tracy Community Development Agency and revenues and expenditures related to the low and moderate income housing program.

Community Development Fees Special Revenue Fund - This fund is used to account for restricted revenues and specific activities of the Building, Engineering and Planning Divisions.

CARES/ARPA Grants Special Revenue Fund - This fund accounts for the grant revenues and expenditures received through the CARES act and the American Rescue Plan act.

General Project Capital Projects Fund - This fund is used to account for the construction of the capital project financed through transfers from the General Fund.

Tracy Infrastructure Master Plans Capital Projects Fund - This fund is used to account for construction projects within Tracy Infrastructure Master Plan. The Tracy Infrastructure Master Plans were approved in 2012 and 2013 and cover all subsequent new development in areas of the City not covered by their own financing plan. Capital development fees are levied on developments in these areas and expenditures for various capital facilities to support the developments are accounted for in six functional categories.

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City of Tracy
Balance Sheet
Governmental Funds
June 30, 2022

	Major Funds			
	General Fund	Housing Successor Fund	Community Development Fees Fund	CARES/ARPA Fund
ASSETS				
Cash and investments	\$ 21,334,028	\$ 4,741,865	\$ 11,353,424	\$ 13,625,818
Cash and investments with fiscal agents	-	-	-	-
Accounts receivable, net	1,105,801	-	3,902,156	-
Intergovernmental receivable	13,556,139	-	-	-
Interest receivable	298,494	14,125	51,127	-
Lease receivable	2,233,846	-	-	-
Due from other funds	2,618,010	-	-	-
Prepaid items	-	-	-	-
Deposits	-	-	-	-
Loans receivable	-	12,493,567	-	-
Due from Fiduciary Funds	-	-	-	-
Due from Component Unit	3,575,233	-	-	-
Total assets	\$ 44,721,551	\$ 17,249,557	\$ 15,306,707	\$ 13,625,818
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 3,855,981	\$ 118,157	\$ 1,411,391	\$ 777,868
Accrued payroll	743,662	-	312,910	12,081
Due to other funds	-	-	-	-
Deposits payable	304,576	-	2,127,731	-
Unearned revenues	694,616	-	3,568,963	11,331,669
Total liabilities	5,598,835	118,157	7,420,995	12,121,618
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	29,351	12,495,016	-	-
Related to leases	2,216,670	-	-	-
Total deferred inflows of resources	2,246,021	12,495,016	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	3,174,977	4,636,384	7,885,712	1,504,200
Committed	14,505,000	-	-	-
Assigned	11,435,117	-	-	-
Unassigned (deficit)	7,761,601	-	-	-
Total fund balances	36,876,695	4,636,384	7,885,712	1,504,200
Total liabilities, deferred inflows of resources, and fund balances	\$ 44,721,551	\$ 17,249,557	\$ 15,306,707	\$ 13,625,818

City of Tracy
Balance Sheet (Continued)
Governmental Funds
June 30, 2022

	Major Funds			
	General Capital Projects Fund	Tracy Infrastructure Master Plans Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 80,183,510	\$ 92,976,626	\$ 117,582,778	\$ 341,798,049
Cash and investments with fiscal agents	-	-	20,008,617	20,008,617
Accounts receivable, net	3,695,416	-	194,894	8,898,267
Intergovernmental receivable	-	-	2,383,771	15,939,910
Interest receivable	-	274,002	326,154	963,902
Lease receivable	-	-	-	2,233,846
Due from other funds	-	-	-	2,618,010
Prepaid items	-	-	-	-
Deposits	-	-	1,000,000	1,000,000
Loans receivable	-	-	1,738,309	14,231,876
Due from Fiduciary Funds	-	-	4,902,529	4,902,529
Due from Component Unit	-	-	-	3,575,233
Total assets	\$ 83,878,926	\$ 93,250,628	\$ 148,137,052	\$ 416,170,239
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 3,448,804	\$ 2,381,536	\$ 697,839	\$ 12,691,576
Accrued payroll	6,122	-	108,843	1,183,618
Due to other funds	-	-	1,092,362	1,092,362
Deposits payable	681,713	-	10,349,968	13,463,988
Unearned revenues	-	-	-	15,595,248
Total liabilities	4,136,639	2,381,536	12,249,012	44,026,792
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	6,640,838	19,165,205
Related to leases	-	-	-	2,216,670
Total deferred inflows of resources	-	-	6,640,838	21,381,875
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	90,869,092	129,496,350	237,566,715
Committed	-	-	-	14,505,000
Assigned	79,742,287	-	-	91,177,404
Unassigned (deficit)	-	-	(249,148)	7,512,453
Total fund balances	79,742,287	90,869,092	129,247,202	350,761,572
Total liabilities, deferred inflows of resources, and fund balances	\$ 83,878,926	\$ 93,250,628	\$ 148,137,052	\$ 416,170,239

City of Tracy
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2022

Total Fund Balances - Total Governmental Funds	\$ 350,761,572
Amounts reported for Governmental Activities in the Statement of Net Position were different because:	
Unavailable revenues reported on the Governmental Fund Financial Statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements.	19,165,205
Capital Assets used in the governmental activities were not financial resources and therefore were not reported in the Governmental Funds Balance Sheet.	
Government-Wide Statement of Net Position	681,830,007
Less: capital assets reported in Internal Service Funds	(10,657,810)
Total capital assets	671,172,197
Long-term liabilities are not due and payable in the current period and therefore were not reported in the Governmental Funds Balance Sheet.	
Amount reported in Government-Wide Statement of Net Position	
Sick leave conversion - due within one year	(901,484)
Sick leave conversion - due in more than one year	(3,605,936)
Compensated absences - due within one year	(1,562,838)
Compensated absences - due in more than one year	(2,472,052)
Long-term debt - due within one year	(1,621,425)
Long-term debt - due in more than one year	(39,390,641)
Less: amount reported in Internal Service Funds:	
Compensated absences - due within one year	89,131
Compensated absences - due in more than one year	251,559
Total long-term liabilities	(49,213,686)
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the governmental funds.	(117,567)
Aggregate net pension liability and total OPEB liability used in the governmental activities were not financial resources and therefore were not reported in the Governmental Funds Balance Sheet.	
Total OPEB liability	(5,852,529)
Net pension liability	(47,641,337)
Less: amount reported in Internal Service Funds:	
Total OPEB liability	362,653
Net pension liability	1,917,152
Total OPEB/pension liability	(51,214,061)
Deferred outflows of resources related to OPEB and pensions are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds.	
Amount reported in Government-Wide Statement of Net Position	
Deferred outflows of resources related to OPEB	625,168
Deferred outflows of resources related to pensions	17,851,106
Less: amount reported in Internal Service Funds:	
Deferred outflows of resources related to OPEB	(38,738)
Deferred outflows of resources related to pensions	(703,292)
Total deferred outflows of resources	17,734,244
Deferred inflows of resources related to OPEB and pensions are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds.	
Amount reported in Government-Wide Statement of Net Position	
Deferred inflows of resources related to OPEB	(851,154)
Deferred inflows of resources related to pensions	(29,715,402)
Less: amount reported in Internal Service Funds:	
Deferred inflows of resources related to OPEB	52,742
Deferred inflows of resources related to pensions	1,234,712
Total deferred inflows of resources	(29,279,102)
Internal service funds are used by management to charge the cost of fleet management, risk management, information technology, and building maintenance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	19,908,599
Net Position of Governmental Activities	\$ 948,917,401

See accompanying Notes to the Basic Financial Statements.

City of Tracy
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	Major Funds			
	General Fund	Housing Successor Fund	Community Development Fees Fund	CARES/ARPA Fund
REVENUES:				
Taxes	\$ 107,384,147	\$ -	\$ -	\$ -
Licenses, permits and fees	4,149,346	-	9,770,405	-
Fines and penalties	168,400	-	-	-
Investment income (loss)	(2,281,888)	(16,730)	(447,737)	34,516
Intergovernmental	2,360,007	-	-	2,854,006
Charges for current services	12,485,210	-	7,485,271	-
Special assessments	468,439	-	-	-
Other revenue	7,097,109	16,018	23,966	-
Total revenues	131,830,770	(712)	16,831,905	2,888,522
EXPENDITURES:				
Current:				
General government				
Economic development	741,589	-	-	-
General government	8,549,313	-	-	14,796
Finance	5,285,544	-	-	-
Non-departmental	1,904,536	-	819,077	831,346
Public safety				
Police	39,796,986	-	-	85,780
Fire	16,402,214	-	-	45,851
Public ways and facilities				
Development and engineering	212,389	-	11,121,085	16,870
Public works	8,216,190	-	-	-
Community development				
Parks and community services	4,041,955	-	-	-
Capital outlay	13,558	901,766	-	1,890,330
Debt service:				
Principal	158,533	-	11,313	-
Interest and fiscal charges	720	-	55	-
Total expenditures	85,323,527	901,766	11,951,530	2,884,973
REVENUES OVER (UNDER) EXPENDITURES	46,507,243	(902,478)	4,880,375	3,549
OTHER FINANCING SOURCES (USES):				
Proceeds from issuance of long-term debt	-	-	-	-
Premium on bond issuance	-	-	-	-
Transfers in	70,147	634,910	2,109,068	472,799
Transfers out	(43,730,949)	-	-	-
Total other financing sources (uses)	(43,660,802)	634,910	2,109,068	472,799
NET CHANGE IN FUND BALANCES	2,846,441	(267,568)	6,989,443	476,348
FUND BALANCES:				
Beginning of year	34,030,254	4,903,952	896,269	1,027,852
End of year	<u>\$ 36,876,695</u>	<u>\$ 4,636,384</u>	<u>\$ 7,885,712</u>	<u>\$ 1,504,200</u>

See accompanying Notes to the Basic Financial Statements.

City of Tracy
Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended June 30, 2022

	Major Funds			
	General Capital Projects Fund	Tracy Infrastructure Master Plans Fund	Non-major Governmental Funds	Total Governmental Funds
REVENUES:				
Taxes	\$ -	\$ -	\$ 2,780,862	\$ 110,165,009
Licenses, permits and fees	-	-	164,568	14,084,319
Fines and penalties	-	-	86,143	254,543
Investment income (loss)	287,969	(2,237,354)	(3,419,667)	(8,080,891)
Intergovernmental	-	-	6,248,422	11,462,435
Charges for current services	-	35,268,383	14,674,946	69,913,810
Special assessments	-	-	4,647,754	5,116,193
Other revenue	3,695,416	-	289,571	11,122,080
Total revenues	3,983,385	33,031,029	25,472,599	214,037,498
EXPENDITURES:				
Current:				
General government				
Economic development	-	-	295,868	1,037,457
General government	-	-	-	8,564,109
Finance	-	-	-	5,285,544
Non-departmental	-	-	621,061	4,176,020
Public safety				
Police	-	-	210,865	40,093,631
Fire	-	-	-	16,448,065
Public ways and facilities				
Development and engineering	-	-	1,062,600	12,412,944
Public works	-	-	5,128,957	13,345,147
Community development				
Parks and community services	-	-	-	4,041,955
Capital outlay	4,906,096	1,424,355	6,801,259	15,937,364
Debt service:				
Principal	-	-	595,000	764,846
Interest and fiscal charges	-	-	1,039,367	1,040,142
Total expenditures	4,906,096	1,424,355	15,754,977	123,147,224
REVENUES OVER (UNDER) EXPENDITURES	(922,711)	31,606,674	9,717,622	90,890,274
OTHER FINANCING SOURCES (USES):				
Proceeds from issuance of long-term debt	-	-	18,275,000	18,275,000
Premium on bond issuance	-	-	2,051,917	2,051,917
Transfers in	42,157,239	10,276,042	62,486,118	118,206,323
Transfers out	-	(9,338,756)	(91,338,837)	(144,408,542)
Total other financing sources (uses)	42,157,239	937,286	(8,525,802)	(5,875,302)
NET CHANGE IN FUND BALANCES	41,234,528	32,543,960	1,191,820	85,014,972
FUND BALANCES:				
Beginning of year	38,507,759	58,325,132	128,055,382	265,746,600
End of year	<u>\$ 79,742,287</u>	<u>\$ 90,869,092</u>	<u>\$ 129,247,202</u>	<u>\$ 350,761,572</u>

See accompanying Notes to the Basic Financial Statements.

City of Tracy
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position
For the Year Ended June 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ 85,014,972

Amounts reported for Governmental Activities in the Statement of Net Position were different because:

Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated useful lives as depreciation and amortization expenses. This is the amount of capital assets recorded in the current period (net of \$2,566,125 added in internal service funds) (\$2,141,072 of the governmental fund capital outlay balance were for repairs and maintenance expenditures).	13,796,292
In the Government-Wide Statement of Activities, donated assets are reported as a capital contribution.	7,400,467
Depreciation and amortization expense on capital assets was reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, depreciation and amortization expense, net of internal service funds of \$1,618,446, was not reported as expenditures in the Governmental Funds.	(8,657,241)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) decreased net position (net of \$1,897,433 in net capital asset retirements in internal service funds).	(4,902,255)
Issuance of long-term liabilities provides current financial resources to governmental funds, but the issuance increased long-term liabilities in the Government-Wide Statement of Net Position.	
Bonds payable	(18,275,000)
Premium on bonds payable	(2,051,917)
Repayment of long-term liabilities was an expenditures in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position	
Principal payment of long-term debt	764,846
Amortization of bond premium	46,069
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. This amount represented the changes in accrued interest from prior year.	4,001
Sick leave conversion expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(580,584)
Compensated absences expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds, net of \$22,163 in internal service funds.	589,297
Revenues in the Government-Wide Statement of Activities that do not provide current financial resources and are not reported as revenue in the governmental funds.	(261,361)
Certain pension expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	
Changes in pension related deferred outflows of resources, net of \$92,509 in internal service funds	(5,642,871)
Changes in net pension liabilities, net of \$1,502,938 in internal service funds	39,195,111
Changes in pension related deferred inflows of resources, net of \$1,222,088 in internal service funds	(27,963,829)
Certain OPEB expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	
Changes in OPEB related deferred outflows of resources, net of \$22,621 in internal service funds	134,905
Changes in total OPEB liabilities, net of \$154,100 in internal service funds	353,207
Changes in OPEB related deferred inflows of resources, net of \$14,551 in internal service funds	271,589
The internal service funds are used by management to charge the costs of fleet maintenance, facilities maintenance, and technology to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	(2,348,671)

Change in Net Position of Governmental Activities \$ 76,887,027

See accompanying Notes to the Basic Financial Statements.

Proprietary Funds Financial Statements

Water Fund - This fund is used to account for provision of water services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including administrative, operations, capital improvements, maintenance, financing, and related debt service, and billing and collection.

Wastewater Fund - This fund is used to account for the activities associated with operating and maintaining the City's sewer and surface drainage system. All activities necessary to provide such services are accounted for in this fund including administration, operations, capital improvements, maintenance, financing, and related debt service, and billing and collection.

Solid Waste Fund - This fund is used to account for the provision of refuse collection services to residents of the City, accomplished through a franchised operator. This fund is also used to account for the activities of the City's recycling program.

Drainage Fund - This fund is used to account for the activities of the City's storm drainage operations are accounted for in this fund.

Internal Service Funds - These funds are used to provide goods and services by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

City of Tracy
Statement of Net Position
Proprietary Funds
June 30, 2022

	Major Funds			
	Water Fund	Wastewater Fund	Solid Waste Fund	Drainage Fund
ASSETS				
Current assets:				
Cash and investments	\$ 16,651,355	\$ 37,490,846	\$ 10,694,950	\$ 357,613
Cash and investments with fiscal agents	-	206	-	-
Accounts receivable, net	4,701,571	3,124,508	5,332,950	114,327
Intergovernmental receivable	-	-	-	-
Interest receivable	51,539	110,579	33,923	1,065
Lease receivable - due within one year	-	162,567	-	-
Prepaid items	-	-	-	-
Inventories	570,994	-	-	-
Total current assets	21,975,459	40,888,706	16,061,823	473,005
Noncurrent assets:				
Lease receivable - due in more than one year	-	1,625,899	-	-
Advances from other funds	-	1,500,000	-	-
Capital assets:				
Non-depreciable	1,672,953	51,029,386	-	13,252,602
Depreciable, net	190,761,035	124,841,259	-	37,690,767
Total capital assets, net	192,433,988	175,870,645	-	50,943,369
Total noncurrent assets	192,433,988	178,996,544	-	50,943,369
Total assets	214,409,447	219,885,250	16,061,823	51,416,374
DEFERRED OUTFLOW OF RESOURCES				
Related to OPEB	47,858	55,998	13,340	3,090
Related to pensions	867,722	1,014,278	241,282	55,406
Total deferred outflow of resources	915,580	1,070,276	254,622	58,496
LIABILITIES				
Current liabilities:				
Accounts payable	968,602	3,130,041	3,072,848	3,062
Accrued payroll	210,297	261,152	55,834	12,230
Due to other funds	-	-	-	-
Interest payable	-	83,000	-	-
Deposits payable	549,350	500	-	653,633
Unearned revenue	-	-	160,737	-
Compensated absences - due within one year	109,529	128,417	30,924	7,293
Long-term debt - due within one year	1,113,312	955,000	-	-
Total current liabilities	2,951,090	4,558,110	3,320,343	676,218
Noncurrent liabilities:				
Advances from other funds	1,500,000	-	-	-
Net OPEB liability	448,024	524,223	124,882	28,928
Net pension liability	2,365,379	2,764,887	657,727	151,033
Compensated absences - due in more than one year	218,638	243,916	55,675	20,906
Long term debt - due in more than one year	5,343,212	19,305,000	-	-
Total noncurrent liabilities	9,875,253	22,838,026	838,284	200,867
Total liabilities	12,826,343	27,396,136	4,158,627	877,085
DEFERRED INFLOWS OF RESOURCES				
Related to leases	-	1,763,466	-	-
Related to OPEB	65,158	76,240	18,162	4,207
Related to pensions	1,523,387	1,780,684	423,599	97,271
Total deferred inflows of resources	1,588,545	3,620,390	441,761	101,478
NET POSITION				
Net investment in capital assets	185,977,464	155,610,645	-	50,943,369
Restricted	-	206	-	-
Unrestricted (deficit)	14,932,675	34,328,149	11,716,057	(447,062)
Total net position	\$ 200,910,139	\$ 189,939,000	\$ 11,716,057	\$ 50,496,307

See accompanying Notes to the Basic Financial Statements.

City of Tracy
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2022

	Non-major Funds	Total	Governmental Activities Internal Service Funds
ASSETS			
Current assets:			
Cash and investments	\$ -	\$ 65,194,764	\$ 12,780,762
Cash and investments with fiscal agents	-	206	-
Accounts receivable, net	171,775	13,445,131	-
Intergovernmental receivable	8,226,188	8,226,188	-
Interest receivable	527	197,633	37,570
Lease receivable - due within one year	93,748	256,315	-
Prepaid items	-	-	65,532
Inventories	-	570,994	-
Total current assets	<u>8,492,238</u>	<u>87,891,231</u>	<u>12,883,864</u>
Noncurrent assets:			
Lease receivable - due in more than one year	1,942,111	3,568,010	-
Advances from other funds	-	1,500,000	-
Capital assets:			
Non-depreciable	1,444,755	67,399,696	118,147
Depreciable, net	<u>27,076,417</u>	<u>380,369,478</u>	<u>10,539,663</u>
Total capital assets, net	<u>28,521,172</u>	<u>447,769,174</u>	<u>10,657,810</u>
Total noncurrent assets	<u>30,463,283</u>	<u>452,837,184</u>	<u>10,657,810</u>
Total assets	<u>38,955,521</u>	<u>540,728,415</u>	<u>23,541,674</u>
DEFERRED OUTFLOW OF RESOURCES			
Related to OPEB	8,215	128,501	38,738
Related to pensions	<u>148,344</u>	<u>2,327,032</u>	<u>703,292</u>
Total deferred outflow of resources	<u>156,559</u>	<u>2,455,533</u>	<u>742,030</u>
LIABILITIES			
Current liabilities:			
Accounts payable	542,909	7,717,462	305,448
Accrued payroll	37,022	576,535	154,950
Due to other funds	1,525,648	1,525,648	-
Interest payable	-	83,000	-
Deposits payable	53,711	1,257,194	6,758
Unearned revenue	60,539	221,276	-
Compensated absences - due within one year	20,529	296,692	89,131
Long-term debt - due within one year	-	2,068,312	-
Total current liabilities	<u>2,240,358</u>	<u>13,746,119</u>	<u>556,287</u>
Noncurrent liabilities:			
Advances from other funds	-	1,500,000	-
Net OPEB liability	76,905	1,202,962	362,653
Net pension liability	404,380	6,343,406	1,917,152
Compensated absences - due in more than one year	30,240	569,375	251,559
Long term debt - due in more than one year	-	24,648,212	-
Total noncurrent liabilities	<u>511,525</u>	<u>34,263,955</u>	<u>2,531,364</u>
Total liabilities	<u>2,751,883</u>	<u>48,010,074</u>	<u>3,087,651</u>
DEFERRED INFLOWS OF RESOURCES			
Related to leases	2,019,158	3,782,624	-
Related to OPEB	11,185	174,952	52,742
Related to pensions	<u>260,435</u>	<u>4,085,376</u>	<u>1,234,712</u>
Total deferred inflows of resources	<u>2,290,778</u>	<u>8,042,952</u>	<u>1,287,454</u>
NET POSITION			
Net investment in capital assets	28,521,172	421,052,650	10,657,810
Restricted	-	206	-
Unrestricted (deficit)	<u>5,548,247</u>	<u>66,078,066</u>	<u>9,250,789</u>
Total net position	<u>\$ 34,069,419</u>	<u>\$ 487,130,922</u>	<u>\$ 19,908,599</u>

See accompanying Notes to the Basic Financial Statements.

City of Tracy
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Major Funds			
	Water Fund	Wastewater Fund	Solid Waste Fund	Drainage Fund
OPERATING REVENUES:				
Sales and charges for services	\$ 22,407,181	\$ 14,973,113	\$ 25,757,693	\$ 730,691
Other operating revenue	3,094	188,108	-	-
Total operating revenues	<u>22,410,275</u>	<u>15,161,221</u>	<u>25,757,693</u>	<u>730,691</u>
OPERATING EXPENSES:				
Purchase of water	5,893,138	-	-	-
Maintenance and operation	10,846,108	13,381,342	26,431,145	343,764
Administration	2,013,598	1,955,795	1,986,778	55,040
Insurance costs and claims	-	-	-	-
Depreciation	4,655,818	5,888,177	-	1,715,107
Total operating expenses	<u>23,408,662</u>	<u>21,225,314</u>	<u>28,417,923</u>	<u>2,113,911</u>
OPERATING INCOME (LOSS)	<u>(998,387)</u>	<u>(6,064,093)</u>	<u>(2,660,230)</u>	<u>(1,383,220)</u>
NONOPERATING REVENUES (EXPENSES):				
Operating grants	706,680	495,735	-	-
Capital grants	-	-	628,709	17,749
Investment income (loss)	(449,911)	(1,088,780)	(312,596)	(9,357)
Interest expense	(186,671)	(979,083)	-	-
Gain (loss) on sale of capital assets	(1,290,542)	(1,230,588)	-	-
Total nonoperating revenues (expenses)	<u>(1,220,444)</u>	<u>(2,802,716)</u>	<u>316,113</u>	<u>8,392</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(2,218,831)</u>	<u>(8,866,809)</u>	<u>(2,344,117)</u>	<u>(1,374,828)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contributions	6,289,391	4,813,415	-	788,174
Transfers in	30,214	24,528,062	-	423
Total capital contributions and transfers	<u>6,319,605</u>	<u>29,341,477</u>	<u>-</u>	<u>788,597</u>
Changes in net position	<u>4,100,774</u>	<u>20,474,668</u>	<u>(2,344,117)</u>	<u>(586,231)</u>
NET POSITION:				
Beginning of year	196,809,365	169,464,332	14,060,174	51,082,538
End of year	<u>\$ 200,910,139</u>	<u>\$ 189,939,000</u>	<u>\$ 11,716,057</u>	<u>\$ 50,496,307</u>

City of Tracy
Statement of Revenues, Expenses, and Changes in Net Position (Continued)
Proprietary Funds
For the Year Ended June 30, 2022

	Non-major Funds	Total	Governmental Activities Internal Service Funds
OPERATING REVENUES:			
Sales and charges for services	\$ 8,153,784	\$ 72,022,462	\$ 13,092,240
Other operating revenue	128,504	319,706	3,502,681
Total operating revenues	<u>8,282,288</u>	<u>72,342,168</u>	<u>16,594,921</u>
OPERATING EXPENSES:			
Purchase of water	-	5,893,138	-
Maintenance and operation	5,574,890	56,577,249	8,924,011
Administration	497,093	6,508,304	1,084,051
Insurance costs and claims	-	-	6,427,150
Depreciation	2,239,719	14,498,821	1,618,446
Total operating expenses	<u>8,311,702</u>	<u>83,477,512</u>	<u>18,053,658</u>
OPERATING INCOME (LOSS)	<u>(29,414)</u>	<u>(11,135,344)</u>	<u>(1,458,737)</u>
NONOPERATING REVENUES (EXPENSES):			
Operating grants	485,176	1,687,591	-
Capital grants	165,927	812,385	-
Investment income (loss)	41,526	(1,819,118)	(346,469)
Interest expense	-	(1,165,754)	-
Gain (loss) on sale of capital assets	3,104	(2,518,026)	(1,873,560)
Total nonoperating revenues (expenses)	<u>695,733</u>	<u>(3,002,922)</u>	<u>(2,220,029)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>666,319</u>	<u>(14,138,266)</u>	<u>(3,678,766)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital contributions	-	11,890,980	82,089
Transfers in	395,514	24,954,213	1,248,006
Total capital contributions and transfers	<u>395,514</u>	<u>36,845,193</u>	<u>1,330,095</u>
Changes in net position	1,061,833	22,706,927	(2,348,671)
NET POSITION:			
Beginning of year	33,007,586	464,423,995	22,257,270
End of year	<u>\$ 34,069,419</u>	<u>\$ 487,130,922</u>	<u>\$ 19,908,599</u>

City of Tracy
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Major Funds			
	Water Fund	Sewer Fund	Solid Waste Fund	Drainage Operations Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 22,617,526	\$ 15,206,401	\$ 25,624,806	\$ 701,530
Cash payments to suppliers for goods and services	(18,750,088)	(12,962,068)	(27,178,175)	(407,165)
Cash payments to employees for services	79,979	(238,856)	135,979	13,876
Other operating revenues and expenses	3,094	188,108	-	-
Net cash provided by (used in) operating activities	3,950,511	2,193,585	(1,417,390)	308,241
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating grants	706,680	495,735	-	-
Borrowing from other funds	-	506,600	-	-
Repayment to other funds	(506,600)	-	-	-
Transfers from other funds	30,214	24,528,062	-	423
Net cash provided by (used in) noncapital financing activities	230,294	25,530,397	-	423
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital grants	-	-	628,709	17,749
Capital contributions from developers and others	6,289,391	4,813,415	-	788,174
Acquisition of capital assets	(2,064,238)	(18,758,314)	-	(979,033)
Proceeds from the sale of assets	(1,290,542)	-	-	-
Principal payment of long-term debt	(1,087,711)	(915,000)	-	-
Interest paid on debt	(186,671)	(979,083)	-	-
Net cash provided by (used in) capital and related financing activities	1,660,229	(15,838,982)	628,709	(173,110)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest from investments	(478,798)	(1,133,347)	(321,829)	(9,956)
Net cash provided by investing activities	(478,798)	(1,133,347)	(321,829)	(9,956)
Net change in cash and cash equivalents	5,362,236	10,751,653	(1,110,510)	125,598
CASH AND CASH EQUIVALENTS:				
Beginning of year	11,289,119	26,739,399	11,805,460	232,015
End of year	<u>\$ 16,651,355</u>	<u>\$ 37,491,052</u>	<u>\$ 10,694,950</u>	<u>\$ 357,613</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:				
Cash and cash investments	\$ 16,651,355	\$ 37,490,846	\$ 10,694,950	\$ 357,613
Restricted cash and investments	-	206	-	-
Total cash and cash equivalents	<u>\$ 16,651,355</u>	<u>\$ 37,491,052</u>	<u>\$ 10,694,950</u>	<u>\$ 357,613</u>

(Continued)

City of Tracy
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2022

	Major Funds			
	Water Fund	Wastewater Fund	Solid Waste Fund	Drainage Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ (998,387)	\$ (6,064,093)	\$ (2,660,230)	\$ (1,383,220)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:				
Depreciation	4,655,818	5,888,177	-	1,715,107
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	367,107	258,288	(263,934)	6,175
Intergovernmental receivable	-	-	-	-
Lease receivable	-	163,108	-	-
Prepaid items	-	-	-	-
Deferred outflows - OPEB related	(39,444)	(47,146)	(11,377)	(2,569)
Deferred outflows - pension related	134,318	240,432	9,228	7,222
Accounts payable	2,756	2,375,069	1,239,748	(8,361)
Accrued payroll	34,557	61,561	12,785	766
Deposits payable	(156,762)	-	-	(35,336)
Unearned revenue	-	-	131,047	-
Compensated absences	(252)	(91,980)	11,619	5,150
Net OPEB liability	339,145	409,672	99,472	22,178
Net pension liability	(1,941,058)	(2,627,440)	(418,882)	(118,119)
Deferred inflows - lease related	-	(188,108)	-	-
Deferred inflows - OPEB related	45,220	55,263	13,509	2,970
Deferred inflows - pension related	1,507,493	1,760,782	419,625	96,278
Total adjustments	4,948,898	8,257,678	1,242,840	1,691,461
Net cash provided by (used in) operating activities	\$ 3,950,511	\$ 2,193,585	\$ (1,417,390)	\$ 308,241

(Continued)

City of Tracy
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2022

	Non-major Funds	Total	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 6,147,151	\$ 70,297,414	\$ 13,160,240
Cash payments to suppliers for goods and services	(5,327,635)	(64,625,131)	(16,470,913)
Cash payments to employees for services	(484,838)	(493,860)	(38,786)
Other operating revenues and expenses	128,504	319,706	3,502,681
Net cash provided by (used in) operating activities	463,182	5,498,129	153,222
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Operating grants	485,176	1,687,591	-
Borrowing from other funds	-	506,600	-
Repayment to other funds	(1,039,721)	(1,546,321)	-
Transfers from other funds	395,514	24,954,213	1,248,006
Net cash provided by (used in) noncapital financing activities	(159,031)	25,602,083	1,248,006
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital grants	165,927	812,385	-
Capital contributions from developers and others	-	11,890,980	82,089
Acquisition of capital assets	(511,077)	(22,312,662)	(2,542,252)
Proceeds from the sale of assets	-	(1,290,542)	-
Principal payment of long-term debt	-	(2,002,711)	-
Interest paid on debt	-	(1,165,754)	-
Net cash provided by (used in) capital and related financing activities	(345,150)	(14,068,304)	(2,460,163)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest from investments	40,999	(1,902,931)	(356,128)
Net cash provided by investing activities	40,999	(1,902,931)	(356,128)
Net change in cash and cash equivalents	-	15,128,977	(1,415,063)
CASH AND CASH EQUIVALENTS:			
Beginning of year	-	50,065,993	14,195,825
End of year	\$ -	\$ 65,194,970	\$ 12,780,762
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:			
Cash and cash investments	\$ -	\$ 65,194,764	\$ 12,780,762
Restricted cash and investments	-	206	-
Total cash and cash equivalents	\$ -	\$ 65,194,970	\$ 12,780,762

(Continued)

City of Tracy
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2022

	Non-major Funds	Total	Governmental Activities Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (29,414)	\$(11,135,344)	\$ (1,458,737)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:			
Depreciation	2,239,719	14,498,821	1,618,446
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	6,238,496	6,606,132	68,000
Intergovernmental receivable	(8,226,188)	(8,226,188)	-
Lease receivable	109,228	272,336	-
Prepaid items	-	-	(65,532)
Deferred outflows - OPEB related	(4,843)	(105,379)	(22,621)
Deferred outflows - pension related	15,783	406,983	92,509
Accounts payable	247,255	3,856,467	29,831
Accrued payroll	10,230	119,899	25,688
Deposits payable	(1,072)	(193,170)	-
Unearned revenue	(1,168)	129,879	-
Compensated absences	(2,228)	(77,691)	(22,163)
Net OPEB liability	33,272	903,739	154,100
Net pension liability	(300,985)	(5,406,484)	(1,502,938)
Deferred inflows - lease related	(125,929)	(314,037)	-
Deferred inflows - OPEB related	3,195	120,157	14,551
Deferred inflows - pension related	257,831	4,042,009	1,222,088
Total adjustments	492,596	16,633,473	1,611,959
Net cash provided by (used in) operating activities	\$ 463,182	\$ 5,498,129	\$ 153,222
			(Concluded)

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Fiduciary Funds Financial Statements

Custodial funds - These funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds. This includes various Community Facilities Districts and Assessments Districts.

Private Purpose Funds - These funds account for resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments (i.e. unclaimed property/escheat property). This includes the Successor Agency Private Purpose Trust Fund.

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City of Tracy
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Custodial Funds	Successor Agency Private Purpose Trust Fund
ASSETS		
Cash and investments	\$ 6,617,351	\$ 5,943,373
Cash and investments with fiscal agent	45,386,329	712
Total assets	<u>52,003,680</u>	<u>5,944,085</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	-	1,743,710
Total deferred outflows of resources	<u>-</u>	<u>1,743,710</u>
LIABILITIES		
Accounts payable	6,410	-
Interest payable	-	531,167
Deposits payable	298,184	-
Due to City	-	4,902,529
Long-term debt - due within one year	-	1,660,000
Long-term debt - due in more than one year	-	28,066,226
Total liabilities	<u>304,594</u>	<u>35,159,922</u>
NET POSITION (DEFICIT)		
Held for:		
Individuals, organizations, and other governments	51,699,086	-
Dissolution of RDA	-	(27,472,127)
Total net position (deficit)	<u><u>\$ 51,699,086</u></u>	<u><u>\$ (27,472,127)</u></u>

City of Tracy
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

	Custodial Funds	Successor Agency Private Purpose Trust Fund
ADDITIONS:		
Fee collections for other governments	\$ -	\$ 304,686
Special assessments for other governments	15,615,215	-
Investment income (loss)	(1,668)	(22,178)
RDA property tax trust fund distribution	-	2,965,206
Proceeds from debt issuance	21,348,629	-
Total additions	<u>36,962,176</u>	<u>3,247,714</u>
DEDUCTIONS:		
Administration	255,967	-
Payments on conduit bonds - principal	8,065,000	-
Payments on conduit bonds - interest	6,771,433	-
Project payments	27,685,370	13,451
Transfers to City	-	289,571
Interest expense	-	1,091,039
Total deductions	<u>42,840,370</u>	<u>1,394,061</u>
Change in net position	(5,878,194)	1,853,653
NET POSITION (DEFICIT):		
Beginning of year	57,577,280	(29,325,780)
End of year	<u>\$ 51,699,086</u>	<u>\$ (27,472,127)</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Tracy
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For the Year Ended June 30, 2022

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City of Tracy
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies

The basic financial statements of the City of Tracy, California (the “City”) have been prepared in conformity with Accounting Principles Generally Accepted in the United States of America (U.S. GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting standards in the United States. The more significant of the City’s accounting policies are described below.

A. Financial Reporting Entity

The City was incorporated on July 10, 1910 under the general laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, sanitation, culture-recreation, public improvements, planning and zoning, general administration services, and redevelopment.

Blended Component Units

The financial reporting entity consists of the primary government, the City, and its component units. Component units are legally separate entities for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government is accountable and their exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Blended component units, although legally separate entities, are, in substance part of the government’s operation and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the government.

Although the following are legally separate from the City, they have been “blended” as though they are part of the City because the component unit’s governing body is substantially the same as the City’s and there is a financial benefit or burden relationship between the City and the component unit; management of the City has operational responsibilities for the component units; and/or the component units provide services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though it does not provide services directly to it.

The accompanying basic financial statements of the City include the financial activities of the City as well as the Tracy Operating Partnership Joint Powers Authority, Tracy Public Financing Authority, and Tracy Industrial Development Authority, which are controlled by and dependent on the City. While they are separate legal entities, City Council serves in separate sessions as the governing body of the Tracy Operating Partnership Joint Powers Authority, the Tracy Public Financing Authority, and the Tracy Industrial Development Authority; their financial activities are integral to those of the City. The financial activities of all three entities have been aggregated and merged (termed “blended”) with those of the City in the accompanying financial statements. Further details about each entity follow:

The **Tracy Operating Partnership Joint Powers Authority (TOP)**, established in October 1995, is a separate governmental entity whose purpose is to assist in the financing and refinancing of certain redevelopment activities of the former Community Development Agency and certain programs and projects of the City. The TOP is administered by a Governing Board whose members are the City Council of the City of Tracy, and the City also performs all accounting and administrative functions for the TOP. The TOP does not issue separate financial statements.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

The **Tracy Public Financing Authority (TPFA)**, established in May 2013, is a separate government entity whose purpose is to assist the City and the former South County Fire Authority (SCFA) with the financing or refinancing of certain public capital facilities within the City. The SCFA was dissolved on June 30, 2018 and was replaced as a member of the TPFA by the Tracy Industrial Development Authority. The TPFA has the power to purchase bonds issued by any local agency at public, or negotiated sale, and may sell such bonds to public or private purchasers at public, or negotiated sale. The TPFA is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the TPFA. The TPFA does not issue separate financial statements.

The **Tracy Industrial Development Authority (TIDA)**, established in August 2018, is a separate governmental entity whose purpose is to implement the provisions of the California Industrial Development Financing Act. The TIDA is administered by a Governing Board whose members are the City Council of the City, and the City also performs all accounting and administrative functions for the TIDA. The TIDA does not issue separate financial statements.

Discretely Presented Component Units

A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

The **South San Joaquin County Fire Authority (SSJCFA)** was created in March 2018 by a Joint Exercise of Powers Agreement between the City and the Tracy Rural Fire Protection District to provide fire administration, fire prevention and fire training and safety within the jurisdictional area of the SSJCFA. The jurisdictional area effective as of June 30, 2019 includes the City of Tracy and the Tracy Rural Fire Protection District. The SSJCFA is governed by a Board comprised of two members each from the City and the District. The City and District lease all facilities to be used in providing fire protection services to the SSJCFA and the City performs certain accounting and administrative functions for the SSJCFA. The SSJCFA issues separate financial statements that are available from the SSJCFA, 835 N. Central Avenue, Tracy, CA 95376. Further information regarding the SSJCFA is discussed in Note 20.

B. Basis of Presentation, Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained in accordance with legal and managerial requirements.

Government-Wide Financial Statements

The City's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation, Accounting and Measurement Focus (Continued)

Government-Wide Financial Statements (Continued)

These financial statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position.

Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of U.S. GAAP.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program. Program revenues for the City are classified in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities and Changes in Net Position, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances. An accompanying schedule is presented to reconcile and explain the differences in Net Position as presented in these statements to the Net Position presented in the Government-Wide Financial Statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation, Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days for all revenues except grants, which use a six-month availability period.

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in-lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Revenue recognition is subject to the measurable and available criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed non-exchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary non-exchange transactions have been recognized as revenues when all applicable eligibility requirements have been met.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The City reports the following major governmental funds:

General Fund - The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The general fund accounts for all financial resources of a governmental unit which are not accounted for in another fund.

Housing Successor Special Revenue Fund - This fund was established to account for housing activities assumed by the City from the former Tracy Community Redevelopment Agency and revenues and expenditures related to the low- and moderate-income housing program.

Community Development Fees Special Revenue Fund - This fund is used to account for revenues and expenditures of the Building, Engineering and Planning Divisions. These funds were added in fiscal year 15-16 to better account for these specific activities and restricted revenue sources. Prior to fiscal year 15-16, these activities were in the General Fund.

CARES/ARPA Grants Special Revenue Fund - This fund accounts for the grant revenues and expenditures received through the CARES act and the American Rescue Plan act.

General Project Capital Projects Fund - This fund is used to account for the construction of the capital project financed through transfers from the General Fund.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation, Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

Tracy Infrastructure Master Plans Capital Projects Fund - This fund is used to account for the construction of the project with the Tracy Infrastructure Master Plan. The Tracy Infrastructure Master Plans were approved in 2012 and 2013 and cover all subsequent new development in areas of the City not covered by their own financing plan. Capital development fees are levied on developments in these areas and expenditures for various capital facilities to support the developments are accounted for in six functional categories.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major Proprietary Fund.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the Government-Wide Financial Statements. The City's internal service funds include funds which provide services directly to other City funds. These areas of service include fleet maintenance, facilities maintenance, and technology.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following major proprietary funds:

Water Fund – This fund is used to account for the provision of water services to the residential, commercial and industrial segments of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Wastewater Fund – This fund is used to account for the provision of treatment to residential, commercial and industrial segments of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Solid Waste Fund – This fund is used to account for City's activities related to solid waste removal and street cleaning activities.

Drainage Fund – This fund is used to account for the City's activities related to drainage operations.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation, Accounting and Measurement Focus (Continued)

Discretely Presented Component Unit Financial Statements

The activities of the Authority closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. The Authority provides services on a continuous basis and its activities are substantially financed by revenues derived from user charges and contributions from the member agencies. The Authority utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as they are incurred.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent custodial funds and private purpose trust funds. Both custodial funds and the private purpose trust funds are accounted for on the full accrual basis of accounting. Fiduciary fund types are accounted for according to the nature of the fund.

Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. They are also used to account for various assessment districts for which the City acts as an agent for debt service activity, as the City is prohibited from levying additional taxes for these districts. Such funds include various Community Facilities Districts, Assessments Districts, and the Tracy Rural Fire Medical Leave Bank Custodial Funds account for resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments (i.e., unclaimed property/escheat property). The City's private purpose trust fund is a fiduciary fund type used by the City to report assets, liabilities and activities of the Successor Agency to the Redevelopment Agency (Successor Agency) for the City of Tracy. Its results of operations are presented on the Statement of Changes of Fiduciary Net Position.

Successor Agency of the Redevelopment Agency for the City of Tracy

The Redevelopment Obligation Retirement Fund was created to serve as a custodian for the assets and to wind down the affairs of the RDA on February 1, 2012, pursuant to Assembly Bill x1 26. Its purpose is to expeditiously wind down the affairs of the dissolved Redevelopment Agency (RDA). The Successor Agency is a separate public entity from the City, subject to the direction of an oversight board. The City Council serves as the governing board of the Successor Agency. In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, the Successor Agency will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former RDA until all enforceable obligations of the former RDA have been paid in full and all assets have been liquidated. Based upon the nature of the Successor Agency's custodial role, the Successor Agency has been included in the accompanying basic financial statements as a private purpose trust fund.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Deferred Outflows and Inflows of Resources

The Statement of Net Position and Balance Sheet – Governmental Funds reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

Deferred Inflows of Resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

D. Cash, Cash Equivalents and Investments

The City's dependence on property tax receipts, which are received semi-annually, requires it to maintain significant cash reserves to finance operations during the remainder of the year. The City pools cash from all sources and all funds except Cash and Investments with Fiscal Agents so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. It is the City's intent to hold investments to maturity.

Investments are reported in the accompanying financial statements at fair value, except for certain investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year, and may result in negative investment income in the accompanying financial statements. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance, except for investment income associated with funds not legally required to receive pooled investment income which has been assigned to and recorded as revenue of the general fund, as provided by California Government Code Section 53647.

For purposes of the statement of cash flows, amounts reported as cash and cash equivalents, include amounts on deposit in the City pool and any short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Certain disclosure requirements, if applicable, for deposits and investment risks in the following areas:

- Interest rate risk
- Credit risk
 - Overall
 - Custodial credit risk
 - Concentration of credit risk
- Foreign currency risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

D. Cash, Cash Equivalents and Investments (Continued)

U.S. GAAP establishes a framework for measuring fair value, and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value.

Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, which are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

E. Cash and Investments with Fiscal Agents

Amounts reported as cash and investments with fiscal agents have been restricted by bond indentures or are to be used for specified purposes based on contract provisions, such as bonded debt service.

F. Receivables

Customer or trade receivables are reported as “accounts receivable” and are shown net of an allowance for uncollectible accounts based on historical and management estimates.

Noncurrent portions of long-term receivables (e.g., “notes receivable”) due to governmental fund types are reported in their respective balance sheets despite their spending measurement focus. Recognition of governmental fund type revenues represented by noncurrent receivables are deferred until they become current receivables. Noncurrent portions of long-term notes receivable are offset by restricted fund balance in the special revenue funds.

G. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” or “advances to/from other funds” (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the Governmental-Wide Financial Statements as “internal balances.”

H. Inventories and Prepaid Items

Inventories are valued at cost, using the weighted-average method. Inventories of the Enterprise Funds, consist primarily of water storage held for future use. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed, rather than when purchased. Prepaid items in governmental funds are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Leases

Lessee

The City has a policy to recognize a lease liability and a right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$25,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

Lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service. Lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the City has determined is reasonably certain of being exercised. In this case, the lease asset is amortized over the useful life of the underlying asset.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure any lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as right to use along with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Lessor

The City is a lessor for leases of special purpose facilities, office and commercial space, and land. The City recognizes leases receivable and deferred inflows of resources in the financial statements.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Leases (Continued)

Lessor (Continued)

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

J. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets, and the right to use leased equipment and buildings, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost (except for intangible right-to-use lease assets) or estimated historical cost if purchased or constructed. Donated assets are valued at the fair value of the assets on the date on which they were contributed. Donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. Capital assets with limited useful lives are depreciated over their estimated useful lives. Alternatively, the "modified approach" is used for certain capital assets. Depreciation is not provided under this approach, but all expenditures on these assets are expensed, unless they are additions or improvements. Some capital assets may be acquired using Federal and State grant funds, or they may be contributed by developers or other governments. These contributions are accounted for as revenues at the time the capital assets are contributed.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

J. Capital Assets (Continued)

The City has assigned the useful lives and capitalization thresholds listed below to capital assets:

Asset Type	Useful Lives	Capitalization Threshold
Land	n/a	\$0
Land improvements	n/a	\$50,000
Buildings	10-30 years	\$50,000
Building Improvements	5-50 years	\$50,000
Equipment and vehicles	5-30 years	\$5,000
Grading, curbs, gutters, sidewalks, driveway approaches	40 years	\$50,000
Traffic signals	20 years	\$50,000
Street drainage	40 years	\$50,000
Infrastructure	5-40 years	\$50,000
Intangibles	5 years	\$5,000
Capital Lease Property	Term of contract	\$5,000
Leasehold Improvements	Term of contract	\$50,000
Works of Art / Historical Treasures	n/a	\$0
Construction in Progress for Year End Reporting	n/a	Projects to exceed \$50,000 at completion

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the assets constructed, net of interest earned on the invested proceeds over the same period.

The City has elected to use the modified approach discussed above with respect to its roads, most of which are relatively new. The City's policy is to maintain these roads at an overall Pavement Condition Index (PCI) level averaging 69, instead of providing depreciation. During the fiscal year 2022, the City expended \$5,587,759 to preserve its roads. The City estimates that it will be required to expend approximately \$5,920,343 in fiscal year 2023 to maintain its roads at this condition level. Please see Modified Approach to Reporting Street Pavement Costs section of the Required Supplementary Information section following the Notes to the Basic Financial Statements for more detailed information.

K. Long-Term Debt

Government-Wide Financial Statements and Proprietary Fund Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using straight line method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed when incurred. Gains or losses on bond refunding are reported as either deferred outflows of resources or deferred inflows of resources and amortized over the term of the related debt.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

K. Long-Term Debt (Continued)

Governmental Fund Financial Statements

The governmental fund financial statements do not present long-term debt but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position. Governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Debt issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Compensated Absences/Sick Leave Conversion

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Employees hired prior to July 1, 1994, after 10 years with the City and only upon retirement, may convert their accumulated sick leave time to offset the cost of retiree medical insurance premiums under the following options: bank or conversion. The bank option converts the unused sick leave into a dollar amount that will be placed into a "bank" to be used until the bank is exhausted to offset the cost of retiree medical insurance premiums for the retiree. The conversion option takes the unused sick leave and converts it to days and the City will pay the medical insurance premiums for the retiree for each day after conversion.

Government-Wide Financial Statements

For governmental and business-type activities, compensated absences/sick leave conversion are recorded as a liability when earned and as an expense when paid.

Fund Financial Statements

For governmental funds, compensated absences/sick leave conversion are recorded as expenditures in the year paid. The General Fund is typically used to liquidate compensated absences and sick leave conversion. In proprietary funds, compensated absences/sick leave conversion are expensed to the various funds in the period they are earned, and such fund's share of the unpaid liability is recorded as a long-term liability of the fund.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

M. Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 14). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The General Fund and Internal Service Funds are typically used to liquidate the pension liability related to the City's governmental activities while the pension liability for Business-type activities is liquidated from the respective Enterprise Funds.

The following timeframes are used for pension reporting:

<u>CalPERS</u>	
Valuation date	June 30, 2020
Measurement date	June 30, 2021
Measurement period	July 1, 2020 to June 30, 2021

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

N. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan, the assets of which are held in an irrevocable trust, and additions to/deductions from the OPEB plan's fiduciary net position have been determined by an independent actuary (Note 15). For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. The Enterprise Funds are used to liquidate the OPEB liability.

Generally accepted accounting principles require that the reported results must pertain to liability and fiduciary net position information within certain defined timeframes. For this report, the following timeframes are used:

<u>OPEB</u>	
Valuation date	June 30, 2020
Measurement date	June 30, 2021
Measurement period	July 1, 2020 to June 30, 2021

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

O. Fund Balances

As prescribed by U.S. GAAP, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2022, fund balances for governmental funds are made up of the following:

- Nonspendable Fund Balance – includes amounts that are (a) not in a spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: deposits and prepaid items.
- Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted with the consent of resource providers.
- Committed Fund Balance – includes amounts that have been limited to specific purposes or through adoption of a resolution or an ordinance by the City Council, the highest level of decision-making authority of the City, and resources that have been specifically committed for use in satisfying contractual obligations, as in agreements with third-parties. The City has determined that both a resolution and an ordinance are equally binding. These commitments may be changed or lifted, but only by the same formal action that was used to impose the constraint originally. City Council action to commit fund balance must occur within the fiscal reporting period while the amount committed may be subsequently determined.
- Assigned Fund Balance – includes amounts that are intended to be used by the City for specific purposes. Intent is expressed by (a) the City Council or (b) a body or official to which the City Council has delegated the authority to assign amounts to be used for a specific purpose. This policy delegates to the Finance Director the authority to assign unassigned fund balance amounts where the City’s intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.
- Unassigned Fund Balance – includes amounts within the General Fund, the residual resources, either positive or negative in excess of what can be properly classified in one of the other four fund balance categories. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification of fund balance in the nonspendable, restricted or committed categories.

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order: committed, assigned, and unassigned.

General Fund Reserve Policies

The City Council adopted a revised General Fund Reserve (Unassigned Fund Balance) Policy in May 2021 with Resolution 2021-061 that established a minimum fund balance policy for the General Fund in order to mitigate the effect of unanticipated situations such as natural disasters and severe unforeseen events. Reserves also provide the City with stability in times of economic fluctuations and help provide for a smooth transition to changes in service levels caused by changes in the City’s financial situation. The Policy established the following reserves:

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

O. Fund Balances (Continued)

Contingency/Emergency Reserve – The Contingency/Emergency Reserve funds help mitigate the effects of unanticipated situations such as natural disasters and severe, unforeseen events. The Contingency/Emergency Reserve also serves as back-up liquidity to self-insured losses if this need were to arise. The Contingency/Emergency Reserve is established with a target goal of 18% of the General Fund’s adopted annual budget for expenditures and recurring transfers out. The City Manager will first evaluate the City’s financial condition and make a recommendation to City Council as to the need to make contributions to the Contingency/Emergency Reserve or the possible need to access funds from the Contingency/Emergency Reserve. This action is done as part of the annual budget adoption; however, these actions can be completed at any time the City Manager deems necessary. The balance of the Contingency/Emergency Reserve was \$14,505,000 at June 30, 2022, which is a component of committed fund balance of the General Fund.

Economic/Budget Stability Reserve – The Economic/Budget Stability Reserve is intended to offset quantifiable revenue/expenditure uncertainty in the multi-year forecast thereby helping to stabilize service levels through economic cycles. The long-term use of this reserve is determined by estimating the level of financial risk associated and may be authorized and expended only when certain specific circumstances exist within the following three areas of uncertainty:

1. Revenue risks: Revenues falling short of budget projections may cause deficits. Transitional funding may be necessary to respond to reductions in major revenues due to local, regional, and national economic downturns. This may be due to a loss in housing values, a loss of a major employer, a loss of a major retailer, a sudden spike in unemployment or inflation, and/or other major economic factors. This may also be due to state and/or voter initiatives; including changes in legislation, revenue sources that sunset or expire, or other political impacts to revenues that are outside of the control of the City Council.
 - a. Projected General Fund revenue totals in aggregate are anticipated to decrease by 5% (or more) over the prior year or decrease 10% (or more) cumulative over three years; excluding one-time revenue sources.
 - b. Projected General Fund revenues from a single revenue source are anticipated to decrease by 10% (or more) over the prior year or decrease by 15% over three years; excluding one-time revenue sources.
2. Expenditure risks: The City may require a source of supplemental funding for uncontrollable costs or contractually obligated costs. Such costs may include maintaining service levels.
 - a. Projected General Fund expenditure totals (in aggregate) increase by 10% (or more) over the prior year or increase 15% (or more) over three years; excluding one-time expenditure requests.
 - b. Projected General Fund expenditures from a single source are anticipated to increase by 10% (or more) over the prior year or increase by 15% over three years.
3. Structural deficit risk: Economic factors may create a structural deficit when revenue growth does not keep pace with expenditure growth. The City may elect to use the Economic/Budget Stability Reserve for up to 24 months while a plan is developed to correct the deficit.
 - a. Projected General Fund expenditure totals (in aggregate) exceed incoming revenues by 5% (or more) over the prior year or exceed by 10% over three years; excluding one-time expenditure requests.
 - b. Need funding for an unanticipated major repair, purchase or other maintenance charge creating a deficit of 5% of incoming revenues.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

O. Fund Balances (Continued)

The nature of these reserves is intended to stabilize the General Fund budget in the short-term to address non-routine or unanticipated changes in economic position. A regular 5-year forecast should be used to identify foreseeable changes in revenues and/or expenditures. However, not all changes in economic and fiscal position are known. In those cases, the City Manager will first evaluate the City's financial condition and make a recommendation to City Council as to the need to make contributions to the Economic/Budget Stability Reserve or the possible need to access funds from the Economic/Budget Stability Reserve. This action is done as part of the annual budget adoption; however, these actions can be completed at any time the City Manager deems necessary. The balance of the Economic/Budget Stability Reserve was \$11,092,059 at June 30, 2022, which is a component of assigned fund balance of the General Fund.

The City Manager must present a report to the City Council to justify the use of the Contingency Reserve and Economic/Budget Stability Reserve and the circumstances of the catastrophic and/or fiscal emergency. All uses of the Contingency Reserve and Economic/Budget Stability Reserve must be approved by Resolution of the City Council with a four-fifths vote. Any such uses are to be repaid to the respective reserve over a period to be determined by the City Council at the time of usage approval, with a target repayment period of no more than three years. Year-end excess and/or one-time revenue under the proposed reserves structure would remain in the General Fund's committed or assigned fund balance, as applicable. As part of the annual budget adoption process, or at any time the City Manager deems necessary, the City Manager would recommend whether the excess funds could be allocated to other reserves, or used as one-time funding with consideration given to economic development and/or capital projects.

P. Net Position

The financial statements utilize a net position presentation. Net position is classified as follows:

- Net Investment in Capital Assets – This category of net position consists of capital assets, net of accumulated depreciation and amortization, and reduced by any debt outstanding and any deferred outflows/inflows of resources related to such borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is offset by unspent proceeds.
- Restricted Net Position – This category presents restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Those assets are restricted due to external restrictions imposed by creditors (such as through bond covenants), grantors or laws and regulations of other governments and restrictions imposed through constitutional provisions or enabling legislation.
- Unrestricted – This category represents net position of the City that is not restricted for any project or other purpose.

When both restricted and unrestricted resources are available for use, the City's policy is to use restricted resources first, then unrestricted resources that are needed.

Q. Revenue Recognition for Utility Funds

Revenues are recognized based on cycle billings rendered to customers. Utility service accounts receivable are reported net of allowance for doubtful collections and include unbilled receivables using actual amounts billed in July for June services.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

R. Property Tax

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

Property Valuations are established by the Assessor of the County of San Joaquin for the secured and unsecured property tax rolls; the utility property tax rolls are valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978) properties are assessed at 100% of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax Levies are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax Levy Dates are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Tax Collections are the responsibility of the county tax collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: The first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the county for late payments.

The County of San Joaquin levies, bills, and collects property taxes and special assessments for the City. Property taxes levied are recorded as revenue when received, in the fiscal year of levy, due to the adoption of the "alternate method of property tax distribution", known as the Teeter Plan, by the City and the County of San Joaquin. The Teeter Plan authorizes the Auditor/Controller of the County of San Joaquin to allocate 100 percent of the secured property taxes billed, but not yet paid. The County of San Joaquin remits tax monies to the City in three installments as follows:

50 percent remitted in December
45 percent remitted in April
5 percent remitted in June

Tax Levy Apportionments - Due to the nature of the City-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under state legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the county auditor-controller based primarily on the ratio that each agency represented of the total City-wide levy for the three years prior to fiscal year 1979.

Property Tax Administration Fees - The State of California fiscal year 1990-91 Budget Act authorized counties to collect an administrative fee for collection and distribution of property taxes. Property taxes are recorded as net of administrative fees withheld during the fiscal year.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

S. Use of Accounting Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions, in some cases when applicable, that affect the amounts in the financial statements and the accompanying notes. Actual results could differ from the estimates.

T. Implementation of New GASB Pronouncements for the Year Ended June 30, 2022

The requirements of the following accounting standards are effective for the purpose of implementation, if applicable to the City, for the year ended June 30, 2022. The financial statements included herein apply the requirements and provisions of these statements, including necessary retroactive adjustments to financial statement classifications and presentations.

GASB Statement No. 87

In June 2017, GASB issued Statement No. 87, *Leases* (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the City's financial statements for the year ended June 30, 2022.

GASB Statement No. 89

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Application of this statement did not have a material effect on the City's financial statements for the fiscal year ending June 30, 2022.

GASB Statement No. 92

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Application of this statement did not have a material effect on the City's financial statements for the fiscal year ending June 30, 2022.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

T. Implementation of New GASB Pronouncements for the Year Ended June 30, 2022 (Continued)

GASB Statement No. 93

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Application of this statement did not have a material effect on the City's financial statements for the fiscal year ending June 30, 2022.

GASB Statement No. 97

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Application of this statement is effective for the City's fiscal year ending June 30, 2022.

U. Upcoming Government Accounting Standards Implementations

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB statements:

GASB Statement No. 91

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Application of this statement is effective for the City's fiscal year ending June 30, 2023.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

U. Upcoming Government Accounting Standards Implementations (Continued)

GASB Statement No. 94

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Application of this statement is effective for the City's fiscal year ending June 30, 2023.

GASB Statement No. 96

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Application of this statement is effective for the City's fiscal year ending June 30, 2023.

Note 2 – Cash and Investments

Cash and investments are presented in the accompanying financial statements at June 30, 2022 as follows:

	Government-Wide Statement of Net Position			Component Unit	Fiduciary Funds	
	Governmental Activities	Business-Type Activities	Total		Statement of Net Position	Total
Cash and investments	\$ 354,578,811	\$ 65,194,764	\$ 419,773,575	\$ 4,080,717	\$ 12,560,724	\$ 436,415,016
Cash and investments with fiscal agent	20,008,617	206	20,008,823	-	45,387,041	65,395,864
Total cash and investments	\$ 374,587,428	\$ 65,194,970	\$ 439,782,398	\$ 4,080,717	\$ 57,947,765	\$ 501,810,880

Cash and investments at June 30, 2022, consisted of the following:

Cash:	
Cash on hand	\$ 3,345
Deposits with financial institution	57,643,001
Total cash	57,646,346
Investments:	
Investments	378,768,670
Investments held by bond trustee	65,395,864
Total investments	444,164,534
Total cash and investments	\$ 501,810,880

As part of the City's investment guidelines, the City continually seeks ways to increase investment income while not risking investment principal. One way the City accomplishes this is by “sweeping”, on a nightly basis, any excess cash held in its non-interest-bearing checking account to an interest-bearing money market account with the same bank.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Cash and Investments (Continued)

A. Demand Deposits

The carrying amounts of the City's demand deposits were \$57,643,001 at June 30, 2022. Bank balances were \$53,180,789 at that date, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City's deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). The City, however, has not waived the collateralization requirements.

B. Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
United States Treasury Bills, Bonds, Notes	5 years	None	100%	No Limit
Federal Agency Obligations or U.S. Government-Sponsored Enterprise Obligations (GSE)	5 years	None	100%	25%
Municipal Securities	5 years	A	30%	5%
Bankers' Acceptances	180 days	A/A-1 or higher	40%	5%
Commercial Paper	270 days	A/A-1 or higher	25%	5% (A)
Negotiable Certificates of Deposit (NCDs)	5 years	A/A-1 or higher	30% (B)	5%
Federally Insured Non - Negotiable Certificates of Deposit	5 years	None	20% (C)	(D)
Collateralized Non-Negotiable Certificates of Deposit	5 years	None	20% (C)	No Limit
Certificate of Deposit Placement Service (CDARS)	5 years	None	30% (B)	No Limit
Repurchase Agreements	1 year	None	100%	10%
Local Agency Investment Fund	N/A	None	\$75 million	\$75 million
Local Government Investment Pools	N/A	None	100%	No Limit
Medium-Term Corporate Notes	5 years	A	30%	5%
Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations	5 years	A/AA or higher	20%	5% (E)
Mutual Funds	N/A	Highest Category	20%	10%
Money Market Mutual Funds	N/A	Highest Category	20%	20%
Supranational Securities	5 years	AA	30%	10%

(A) The City may purchase no more than 10% of the outstanding commercial paper of any single issuer.

(B) Combined limit for NCD and CDARS.

(C) Combined limit for Federally Insured and Collateralized Non-Negotiable Certificates of Deposit.

(D) The amount per institution is limited to the maximum covered under federal insurance.

(E) No issuer limitation on any mortgage security where the issuer is the U.S. Treasury or a Federal Agency/GSE.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Cash and Investments (Continued)

C. Investments Authorized by Debt Agreements

The City and Successor Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City or Successor Agency fails to meet the obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types and their minimum credit ratings that are authorized for investments held by fiscal agents. The bond indentures contain no limitations for the maximum investment in any one issuer or the maximum percentage of the portfolio that may be invested in any one investment-type.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
United States Treasury Bill, Bonds, Notes	5 years	N/A
United States Government Agency Obligations or Government-Sponsored Enterprise Obligations	5 years	AAA
Certificates of Deposit	5 years	Three Highest Categories
Investment Agreements, Short Term	None	Two Highest Categories
Investment Agreements, Long Term	None	Three Highest Categories
Repurchase Agreements	1 year	A-
Money Market Mutual Funds	N/A	Highest Category
Local Agency Investment Fund	N/A	Not rated
California Asset Management Program	N/A	Not rated
Banker's Acceptances	180 days	A-1 or A-1+
Commercial Paper	270 days	A-1 or A-1+
State Obligations	None	Highest Category

D. Fair Value Measurement

As of June 30, 2022, the City's investments had the following recurring fair value measurements:

Investments measured by fair value level:	June 30, 2022	Level 1	Level 2	Level 3
U.S. Treasury Notes	\$ 115,027,509	\$ -	\$ 115,027,509	\$ -
Municipal Bonds	87,808,825	-	87,808,825	-
Asset-Back Securities	83,124,432	-	83,124,432	-
Medium Term Corporate Notes	2,083,136	-	2,083,136	-
Federal Agency Obligations	2,101,256	-	2,101,256	-
Negotiable CDs	10,175,112	-	10,175,112	-
Commercial Paper	3,495,534	-	3,495,534	-
Total investments by fair value level	303,815,804	\$ -	\$ 303,815,804	\$ -
Investments not subject to the fair value hierarchy:				
Local Agency Investment Fund	68,679,942			
California Asset Management Program (CAMP)	4,040,993			
Money Market Funds - Held by City	2,231,931			
Money Market Funds - Held by Trustee	65,395,864			
Total investments not subject to the fair value hierarchy	140,348,730			
Total investments	\$ 444,164,534			

Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Medium term notes: quoted prices for similar securities in active markets; and
- Asset-backed securities: recent appraisals of the asset value.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Cash and Investments (Continued)

E. Risk Disclosure

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity. For purposes of the schedule shown on the next page, any callable securities are assumed to be held to maturity.

Investment Type	12 Months or less	13 to 24 Months	25 to 36 Months	37 to 48 Months	49 to 60 Months	Total
<i>Held by City:</i>						
U.S. Treasury Notes	\$ 28,213,547	\$ 22,355,891	\$ 11,558,202	\$ 20,235,992	\$ 32,663,877	\$ 115,027,509
Federal Agency Obligations	18,919,252	55,453,035	8,384,893	5,051,645	-	87,808,825
Medium Term Corporate Notes	18,116,592	45,322,088	14,343,209	4,243,730	1,098,813	83,124,432
Municipal Bond	978,487	70,312	896,325	138,012	-	2,083,136
Negotiable CD	149,298	813,678	391,338	746,942	-	2,101,256
Asset-Backed Securities	-	1,286,095	4,357,583	2,667,822	1,863,612	10,175,112
Supranational	-	-	3,495,534	-	-	3,495,534
Local Agency Investment Fund	68,679,942	-	-	-	-	68,679,942
California Asset Management Program	4,040,993	-	-	-	-	4,040,993
Money Market Funds	2,231,931	-	-	-	-	2,231,931
<i>Held by Trustees:</i>						
Money Market Funds	65,395,864	-	-	-	-	65,395,864
Total investments	\$ 206,725,906	\$ 125,301,099	\$ 43,427,084	\$ 33,084,143	\$ 35,626,302	\$ 444,164,534

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, some issuers do not seek a credit rating. For instance, the California Local Agency Investment Fund (LAIF) has not sought or received a credit rating. In these cases, the purchaser is solely responsible for performing their own due diligence before purchasing an investment or participating in an external investment pool. Certificates of deposit of \$250,000 or less are fully insured by the Federal Deposit Insurance Corporation (FDIC), and therefore, do not seek a credit rating.

Presented below is the actual rating as of June 30, 2022, for each investment-type as provided by Standard and Poor's investment rating system.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Cash and Investments (Continued)

E. Risk Disclosure (Continued)

Disclosures Relating to Credit Risk (Continued)

Investment Type	AA+/AA-	A+/A/A-	AAA/AAAm	BBB+/BBB	Total
<i>Held by City:</i>					
Federal Agency Obligations	\$ 70,876,562	\$ -	\$ -	\$ -	\$ 70,876,562
Medium Term Corporate Notes	12,313,692	64,732,037	-	6,078,703	83,124,432
Municipal Bonds	1,204,617	813,519	-	-	2,018,136
Negotiable CDs	-	298,541	-	142,985	441,526
Asset-Backed Securities	-	-	5,158,809	-	5,158,809
Supranationals	-	-	3,495,534	-	3,495,534
Money Market Funds	-	-	1,922,250	-	1,922,250
California Asset Management Program	-	-	4,040,993	-	4,040,993
<i>Held by Trustee:</i>					
Money Market Funds	-	-	65,395,864	-	65,395,864
Total Rated Investments	\$ 84,394,871	\$ 65,844,097	\$ 80,013,450	\$ 6,221,688	236,474,106
<i>Not rated:</i>					
Federal Agency Obligations					16,932,263
Municipal Bonds					65,000
Negotiable CDs					1,659,730
Asset-Backed Securities					5,016,303
California Local Agency Investment Fund					68,679,942
Money Market Funds					309,681
<i>Exempt from credit rating disclosure:</i>					
U.S. Treasury Notes					115,027,509
Total investments					\$ 444,164,534

Disclosure Relating to Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated in the Government Code. GASB Statement No. 40 requires disclosure by amount and issuer, of investments in any one issuer that represent 5% or more of total investments. At June 30, 2022, the City had the followings investments (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5% or more of the City's total investments:

Issuer	Investment Type	Amount
Federal Home Loan Mortgage Corporation	Federal Agency Obligations	\$ 38,189,934

Disclosures Relating to Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Cash and Investments (Continued)

E. Risk Disclosure (Continued)

Disclosures Relating to Custodial Credit Risk (Continued)

The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2022, the City's deposits (bank balances) were collateralized under California Law.

F. Investment in State Investment Pool

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments in LAIF at June 30, 2022 included a portion of pool funds invested in Structure Notes and Asset-Backed Securities:

Structured Notes are debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2022, the City had \$68,679,942 invested in LAIF, which had invested 1.88% of the pool investment funds in Structured Notes and Asset-Back Securities. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The City valued its investments in LAIF as of June 30, 2022, by multiplying its account balance with LAIF times a fair value factor determined by LAIF. This fair value factor was determined by dividing all LAIF participants' total aggregate amortized cost by total aggregate fair value. The fair value of the City's position in the pool is the same as the value of the pool shares. The credit quality rating of LAIF is unrated as of June 30, 2022.

G. California Asset Management Program (CAMP)

The City is a voluntary participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (the Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act for the purpose of exercising the common power of its Participants to invest funds. The investments are limited to investments permitted by California Government Code. The total amount invested by all public agencies in CAMP at June 30, 2022 was \$6.5 billion, respectively. A board of five trustees who are officials or employees of public agencies has oversight responsibility for CAMP. The value of the pool shares in CAMP, which may be withdrawn at any time, is determined on an amortized cost basis, which is different from the fair value of the City's position in the pool. At June 30, 2022 the amortized cost approximates the City's cost.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Loans Receivable

A. Summary of Loans Receivable and Unavailable Revenue

The former Community Development Agency engaged in programs designed to encourage construction of or improvement to low-to-moderate income housing. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to expend these funds in accordance with the Agency's terms. With the dissolution of the Redevelopment Agency as discussed in Note 21, the City agreed to become the successor to the Community Development Agency's housing activities and as a result the Housing Successor Fund assumed the loans receivable of the Community Development Agency's Low- and Moderate-Income Housing Fund. In addition, other funds of the City have made loans to third parties.

At June 30, 2022, these loans totaled:

Housing Successor Loans:	
Commercial Rehabilitation Program	\$ 90,510
Mountain View Townhomes	1,056,615
Eden Housing Inc.	2,612,093
Habitat for Humanity	59,364
Down Payment Assistance Program	827,007
Tracy Place Associates	5,011,742
DHI Tracy Garden Associates, LP	2,836,236
Tracy Mall Partners, LP	1,738,309
Total Loans Receivable	<u>\$ 14,231,876</u>

B. Housing Successor Loans

The City administers a residential and commercial rehabilitation program using Housing and Urban Development funds. Federal funds received by the City are deposited with a commercial bank. Upon approval of the loans, the funds are disbursed and collected by an outside collection agency. The programs are designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs' loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City's terms. The balance of the loan's receivable arising from these programs was \$90,510 at June 30, 2022.

In 1994, the Agency loaned \$609,000 in Low- and Moderate-Income Housing funds to Mountain View Townhomes Association, a partnership of non-profit corporations, to assist in the construction of thirty- seven residential rental units, thirty-six of which are available to low-income families. As of December 1, 2015, the loan was assigned to Sutter Ville SJC Holding Company, LLC. The loan is secured by a third deed of trust on the property, is payable over twenty-eight years beginning in 2026 and accrues interest at 3%. The loan was amended December 2015 and is now repayable from residual receipts as defined in the amendment. Commencing no later than 120 days following the end of the 2017 calendar year and for each calendar year thereafter until the maturity date, the Association shall make repayments on the loan for the prior calendar year based on the available amount of residual receipts as defined in the amendment. As of June 30, 2022, principal and accrued interest totaled \$1,056,615.

In 1996, the Agency agreed to loan Eden Housing Inc., up to \$2,208,691 to assist in the development and construction of seventy-two low-income housing units at Stone Pine Meadows. The loan is payable over seven years beginning forty years after the project was complete, which was January 11, 2000, and is secured by a subordinated deed of trust on the property. The loan does not bear interest for the first three years, then accrues interest at 1% per year for the next forty years and 3% for the last seven years. As of June 30, 2022, principal and accrued interest totaled \$2,612,093.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Loans Receivable (Continued)

B. Housing Successor Loans (Continued)

In 2000, the Agency agreed to loan Habitat for Humanity up to \$100,000 to construct/reconstruct from five to seven properties to ownership housing for very low-income families. The funds are to be used to pay all City fees necessary to develop and build affordable housing under the sponsorship of Habitat for Humanity. The loan proceeds were available for draw down through December 31, 2005 and Habitat for Humanity drew down only \$40,093 of the loan proceeds through that date. The loan is secured by a deed of trust on the property and may be forgiven if the property remains occupied by a low-income family for a period of thirty years. The balance of the outstanding loan, including accrued interest, as of June 30, 2022 is \$59,364.

The City loaned 37 individuals from the Low- and Moderate-Income Housing Fund of the Redevelopment Agency. The loans have been authorized for each of the recipients as part of the housing down payment assistance program. The City is the beneficiary of the promissory notes issued, recorded, and secured by real property. The loans are due when the underlying property is sold. As of June 30, 2022, principal and accrued interest totaled \$827,007.

In November 2005, the Agency entered into a loan agreement with Tracy Place Associates for an amount not to exceed \$4,350,000 to be used as construction and permanent financing costs for the development of a 49-unit affordable senior housing complex, Tracy Place Senior Apartments. The loan is secured by a deed of trust on the property and bears simple interest of 1%. The loan is repayable from residual receipts as defined in the loan agreement starting in April 2008, and is due 55 years from the issuance of the certificate of occupancy, which was December 29, 2008, or if a transfer occurs that is not approved by the City. As of June 30, 2022, the developer owes \$5,011,742, including accrued interest.

In November 2007, the Community Development Agency of the City of Tracy (Agency) entered into an Owner Participation and Loan Agreement with DHI Tracy Garden Associates, LP (DHI). DHI was to develop and rehabilitate an 88-unit Senior Housing Complex for low-income senior households. The maximum amount of loan from the Agency was \$1,975,000. Simple interest accrues annually at 3%. Upon default, the rate will increase to the lesser of 10% or the maximum allowed by law. The loan is secured by a trust deed on the underlying property. This trust deed is subordinated to all other loans that DHI has for the project. Maturity of the loan is November 1, 2064. Payment on the loan is deferred until maturity unless the property is conveyed (other than that approved by the City) or there is a default. Total amount owed as of June 30, 2022 is \$2,836,236.

C. Development Loan

In September 2006, the City loaned a property owner \$40,000 to assist in the demolition of a structure in order for the property owner to construct new housing units on the site. The loan is secured by a deed of trust on the property, bears interest of 5% and is due and payable when the property is sold. The balance was paid in full as of June 30, 2022.

D. Tracy Mall Partners, L.P. Loan

The West Valley Mall Revitalization Program provides a financial incentive to the owners of the West Valley Mall (Mall Owner) or a prospective tenant to be used for tenant improvements.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Loans Receivable (Continued)

D. Tracy Mall Partners, L.P. Loan (Continued)

During fiscal year 2011, the City and the Tracy Mall Partners, L.P. entered into an agreement where the City provided a financial contribution of \$2,750,000 to the Mall Owner. In exchange, the Mall Owner guarantees that Macy's will lease the anchor tenant location for a minimum of 10 years. Over the 20-year term, the Mall Owner is obligated to repay the City for the financial incentive at the rate of \$151,250 a year or \$3,025,000 for the 20-year term. The annual repayment will be forgiven to the extent that increased sales tax revenue to the City exceeds \$151,250 per year from Macy's or new tenants of the Macy's space. The Mall Owner gets credit for 100% of the Macy's sales tax collected in any one year, and any amount under or over that threshold can be used toward a prior shortage.

The sales tax revenue collected from Macy's in fiscal year 2022 did not exceed the threshold, therefore only \$87,381 of the annual repayment was forgiven. The cumulative shortage of sales tax collections was \$423,918 as of June 30, 2022 and the balance of the loan is \$1,738,309 at that date.

Note 4 – Lease Receivable

A. Governmental Activities

The portion of the City's property is leased to others. Such property includes special purpose facilities, office and commercial space, and land. Lease receivable consists of agreements with other for the right-to-use of the underlying assets at various locations owned by the City. The terms of the arrangements range from 1 to 30 years. The calculated interest rates used vary depending on the length of the lease. For the fiscal year ended June 30, 2022, the City recognized \$207,572 in lease revenue and \$27,704 in interest revenue.

A summary of changes in lease receivable for the fiscal year ended June 30, 2022 is as follows:

				Balance June 30, 2022	Classification	
	Balance July 1, 2021	Additions	Deletions		Due within One Year	Due in More Than One Year
Leases receivable	\$ 2,424,242	\$ -	\$ (190,396)	\$ 2,233,846	\$ 193,375	\$ 2,040,471
Total	\$ 2,424,242	\$ -	\$ (190,396)	\$ 2,233,846	\$ 193,375	\$ 2,040,471

As of June 30, 2022, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 193,375	\$ 28,140	\$ 221,515
2024	194,343	25,887	220,230
2025	195,353	23,616	218,969
2026	198,436	21,305	219,741
2027	165,816	19,060	184,876
2028-2032	556,390	69,405	625,795
2033-2037	257,453	47,027	304,480
2038-2042	250,347	31,117	281,464
2043-2047	134,410	15,590	150,000
2048-2052	87,923	2,075	89,998
Total	\$ 2,233,846	\$ 283,222	\$ 2,517,068

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 4 – Lease Receivable (Continued)

A. Governmental Activities (Continued)

As of June 30, 2022, the amounts reported as deferred inflows of resources will be recognized as lease revenue as follows:

Year Ending June 30,	Amortization Schedule
2023	\$ 207,572
2024	207,572
2025	207,572
2026	207,572
2027	169,563
2028-2032	608,868
2033-2037	208,822
2038-2042	234,460
2043-2047	116,236
2048-2052	48,433
Total	\$ 2,216,670

B. Business-Type Activities

The portion of the City's property is leased to others. Such property includes special purpose facilities, office and commercial space, and land. Lease receivable consists of agreements with other for the right-to-use of the underlying assets at various locations owned by the City. The terms of the arrangements range from 2 to 30 years. The calculated interest rates used vary depending on the length of the lease. For the fiscal year ended June 30, 2022, the City recognized \$317,037 in lease revenue and \$72,745 in interest revenue.

A summary of changes in lease receivable for the fiscal year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Classification	
					Due within One Year	Due in More Than One Year
Leases receivable	\$ 4,099,660	\$ -	\$ (275,335)	\$ 3,824,325	\$ 256,315	\$ 3,568,010
Total	\$ 4,099,660	\$ -	\$ (275,335)	\$ 3,824,325	\$ 256,315	\$ 3,568,010

As of June 30, 2022, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 256,315	\$ 76,454	\$ 332,769
2024	242,143	73,571	315,714
2025	178,542	70,735	249,277
2026	114,646	68,194	182,840
2027	117,187	65,654	182,841
2028-2032	626,053	288,149	914,202
2033-2037	698,561	215,642	914,203
2038-2042	779,467	134,735	914,202
2043-2047	369,678	64,524	434,202
2048-2052	271,911	33,262	305,173
2053-2057	169,822	5,158	174,980
Total	\$ 3,824,325	\$ 1,096,078	\$ 4,920,403

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 4 – Lease Receivable (Continued)

B. Business-Type Activities (Continued)

As of June 30, 2022, the amounts reported as deferred inflows of resources will be recognized as lease revenue as follows:

Year Ending June 30,	Amortization Schedule
2023	\$ 300,247
2024	283,459
2025	173,059
2026	140,267
2027	140,267
2028-2032	841,600
2033-2037	561,067
2038-2042	701,333
2043-2047	319,929
2048-2052	214,389
2053-2057	107,007
Total	\$ 3,782,624

Note 5 – Deposits Receivable

The City and the Grow America Fund, Inc. (GAF) established and capitalized the Grow Tracy Fund as an economic development tool designed to assist eligible small businesses within the City to obtain the financing required to grow their businesses. The City contributed \$1 million as its share of the capitalization of the program. Loans made under the program are underwritten by the GAF and guaranteed by the Small Business Administration (SBA) under GAF's Small Business Lending Company License. Therefore, each loan must comply with SBA guidelines and procedures. In order to qualify for these loans, a business must be a for-profit operating entity; it must be financially healthy and in need of expansion capital. The Grow Tracy Fund can make loans ranging from \$100,000 to \$2 million as permitted by the SBA at or below market rates, for terms up to 25 years, depending on the proposed use of funds.

As of June 30, 2022, there were nine loans outstanding in the amount of \$2,926,957, under the program. The City has not recorded these loans and instead has recorded the capitalization contribution that GAF uses to fund the share of the loans that the SBA does not guarantee. The City has recorded its capitalization contribution to the program as a deposit receivable, and the portion of the loans funded with that contribution as of June 30, 2022 was \$706,293 and the unused balance of the capitalization contribution was \$293,707. The total deposits receivable balance as of June 30, 2022 was \$1,000,000.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 6 – Interfund Receivables, Payables, and Transfers

A. Due To / From Other Funds

Amounts due to and due from other funds at June 30, 2022, were as follows:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Business Improvement District Special Revenue Fund	\$ 69,670	Overdrawn Cash
General Fund	Community Development Block Grant Special Revenue Fund	1,022,692	Overdrawn Cash
General Fund	Municipal Airport Enterprise Fund	228,038	Overdrawn Cash
General Fund	Municipal Transit Enterprise Fund	1,297,610	Overdrawn Cash
	Total	\$ 2,618,010	

B. Long-Term Advances

At June 30, 2022 the fund below had made an advance that is not expected to be repaid within the next year. This long-term interfund advance is expected to be repaid when sufficient cash is available in the borrowing fund.

Advances To	Advances From	Amount
Water Utility Enterprise Fund	Wastewater Utility Enterprise Fund	\$ 1,500,000
	Total	\$ 1,500,000

In November 2016 the Wastewater Utility Enterprise Fund advanced funds to the Water Utility Enterprise Fund in order to fund operating expenses, capital costs for maintenance and replacement of existing water infrastructure, debt payments and to maintain an adequate reserve for any emergency to continue providing uninterrupted service. The advance bears the interest at the Local Agency Investment Fund (LAIF) rate and was to be repaid in two years. The advance was amended in October 2017 to extend the repayment additional years to fiscal year 2023. At June 30, 2022, the outstanding principal balance of the advance was \$1,500,000. Interest is accrued and paid annually through a cash transfer.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 6 – Interfund Receivables, Payables, and Transfers (Continued)

C. Transfers

Interfund transfers during the year ended June 30, 2022, consisted of the following:

Transfers In	Transfers Out	Amount	Purpose
General Capital Projects Fund	General Fund	\$ 39,882,678	Capital projects
Community Development Fees Special Revenue Fund	General Fund	2,109,068	Capital projects
Municipal Airport Enterprise Fund	General Fund	156,045	Capital projects
Equipment Replacement Internal Service Fund	General Fund	365,802	Capital contribution
Landscaping District Special Revenue Fund	General Fund	95,950	Engineering costs
Lease Revenue Bonds Debt Service Fund	General Fund	1,121,406	Debt service
	Subtotal	43,730,949	
State Gas Tax Street Special Revenue Fund	TEA Grant Special Revenue Fund	623,472	Capital projects
CARES/ARPA Grants Special Revenue Fund	TEA Grant Special Revenue Fund	18,234	Capital projects
Housing Sucessor Agency Special Revenue Fund	TEA Grant Special Revenue Fund	311,006	Capital projects
	Subtotal	952,712	
CARES/ARPA Grants Special Revenue Fund	Community Development Block Grant Fund	454,565	Capital projects
TEA Grant Special Revenue Fund	Community Development Block Grant Fund	3,487	Capital projects
Housing Sucessor Agency Special Revenue Fund	Community Development Block Grant Fund	323,904	Capital projects
	Subtotal	781,956	
CORE Capital Projects Fund	I-205 Area Improvements Capital Projects Fund	9,030,565	Consolidating funds
CORE Capital Projects Fund	Industrial Specific Plan South Capital Projects Fund	1,265,366	Consolidating funds
CORE Capital Projects Fund	Infill Projects Capital Projects Fund	5,567,165	Consolidating funds
CORE Capital Projects Fund	North East Industrial #1 Project Capital Projects Fund	11,545,388	Consolidating funds
CORE Capital Projects Fund	North East Industrial #2 Project Capital Projects Fund	35,844	Consolidating funds
CORE Capital Projects Fund	Plan "C" Capital Projects Fund	19,491,801	Consolidating funds
CORE Capital Projects Fund	Presidio Plan Area Capital Projects Fund	5,561,639	Consolidating funds
CORE Capital Projects Fund	South MacArthur Plan Area Capital Projects Fund	1,954,930	Consolidating funds
	Subtotal	54,452,698	
Infill Projects Capital Projects Fund	CORE Capital Projects Fund	111,740	Consolidating funds
Industrial Specific Plan South Capital Projects Fund	CORE Capital Projects Fund	1,058,625	Consolidating funds
General Capital Projects Fund	CORE Capital Projects Fund	1,889,758	Consolidating funds
North East Industrial #2 Project Capital Projects Fund	CORE Capital Projects Fund	4,678,830	Consolidating funds
Program Management Capital Projects Fund	CORE Capital Projects Fund	169,341	Consolidating funds
	Subtotal	7,908,294	
Tracy Infrastructure Master Plans Capital Projects Fund	South MacArthur Plan Area Capital Projects Fund	9,776,671	Consolidating funds
Tracy Infrastructure Master Plans Capital Projects Fund	CORE Capital Projects Fund	164,052	Consolidating funds
Tracy Infrastructure Master Plans Capital Projects Fund	Regional Transportation Impact Capital Projects Fund	335,319	Capital projects
	Subtotal	10,276,042	
Wastewater Enterprise Fund	Ellis Area Capital Projects Fund	2,900,000	Capital projects
Wastewater Enterprise Fund	I-205 Area Improvements Capital Projects Fund	3,050,000	Capital projects
Wastewater Enterprise Fund	Industrial Specific Plan South Capital Projects Fund	200,180	Capital projects
Wastewater Enterprise Fund	North East Industrial #2 Project Capital Projects Fund	4,700,000	Capital projects
Wastewater Enterprise Fund	Plan "C" Capital Projects Fund	5,250,000	Capital projects
Wastewater Enterprise Fund	Tracy Infrastructure Master Plans Capital Projects Fund	8,427,882	Capital projects
	Subtotal	24,528,062	
Equipment Acquisition Internal Service Fund	COPS Grant Special Revenue Fund	1,544	Capital contributions
Equipment Acquisition Internal Service Fund	Tracy Infrastructure Master Plans Capital Projects Fund	880,660	Capital projects
	Subtotal	882,204	
Urban Management Plan Facilities Capital Projects Fund	Infill Projects Capital Projects Fund	170,572	Capital projects
General Capital Projects Fund	I-205 Area Improvements Capital Projects Fund	384,800	Capital projects
General Fund	CFD Services 2018-1 Special Revenue Fund	70,147	Administrative cost
Municipal Airport Enterprise Fund	Redevelopment Obligations Capital Projects Fund	239,298	Capital contribution
Water Enterprise Fund	Tracy Infrastructure Master Plans Capital Projects Fund	30,214	Capital contribution
Drainage Enterprise Fund	Industrial Specific Project Capital Projects Fund	423	Capital contribution
Municipal Transit Enterprise Fund	Proposition K Transportation Special Revenue Fund	171	Capital contribution
	Total	\$ 144,408,542	

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 7 – Due from Component Unit and Due from Fiduciary Funds

Due from fiduciary funds as of June 30, 2022, was as follows:

Receivable Fund	Payable Fund	Amount
Lease Revenue Bonds	Successor Agency Private Purpose	
Debt Service Fund	Trust Fund	\$ 4,902,529

A. Successor Agency Reimbursement Agreement

On December 1, 2008, the Agency entered into a Reimbursement Agreement with the City related to the City's 2008 Lease Revenue Bonds and the portion of those Bonds that funded improvements that benefitted the Redevelopment Project. Under the terms of the Reimbursement Agreement, the Agency reimburses the City for a portion of lease payments made by the City under the property lease for the 2008 Lease Revenue Bonds that are attributable to the Redevelopment Improvements. The City refunded the 2008 Lease Revenue Bonds and amended the Reimbursement Agreement on March 1, 2020. Under the terms of the amendment, the Agency reimburses the City for a portion of lease payments made by the City under the property lease for the 2020 Lease Revenue Bonds.

The terms of the Reimbursement Agreement indicate that the Agency is required to make annual payments to the City, regardless of whether the City's annual lease payments are abated. The Agency has pledged tax revenues for the repayment of the Reimbursement Agreement, subordinate to other obligations of the Agency. The Reimbursement Agreement does not bear interest and annual principal payments are due through 2038. The balance owed by the Successor Agency to the Lease Revenue Bonds Debt Service Fund as of June 30, 2022 was \$4,902,529.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Capital Assets

A. Governmental Activities

The summary of changes in governmental activities capital assets for the year ended June 30, 2022, is as follows:

	Balance June 30, 2021, as restated	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 179,310,520	\$ 1,157,000	\$ -	\$ -	\$ 180,467,520
Roads accounted for using the modified approach	320,140,413	4,269,858	-	1,559,418	325,969,689
Construction in progress	33,214,200	13,914,439	(4,871,512)	(8,460,123)	33,797,004
Total capital assets not being depreciated	532,665,133	19,341,297	(4,871,512)	(6,900,705)	540,234,213
Capital assets being depreciated:					
Buildings and improvements	143,615,609	-	-	2,481,827	146,097,436
Improvements	49,514,797	883,877	-	606,045	51,004,719
Grading, curb & gutter, sidewalk and driveway approaches	32,135,175	-	-	-	32,135,175
Traffic signals and street lights	27,149,923	1,089,732	-	3,648,781	31,888,436
Equipment	35,506,111	2,217,969	(5,567,726)	-	32,156,354
Infrastructure and drainage	12,218,531	-	-	-	12,218,531
Intangibles	973,315	230,009	-	164,052	1,367,376
Total capital assets being depreciated	301,113,461	4,421,587	(5,567,726)	6,900,705	306,868,027
Less accumulated depreciation for:					
Buildings and improvements	(61,013,076)	(4,662,669)	-	-	(65,675,745)
Improvements	(38,775,598)	(1,430,149)	-	-	(40,205,747)
Grading, curb & gutter, sidewalk and driveway approaches	(16,458,437)	(706,517)	-	-	(17,164,954)
Traffic signals and street lights	(16,380,276)	(944,157)	-	-	(17,324,433)
Equipment	(21,052,640)	(2,043,816)	3,639,550	-	(19,456,906)
Infrastructure and drainage	(4,734,214)	(237,175)	-	-	(4,971,389)
Intangibles	(627,813)	(77,222)	-	-	(705,035)
Total accumulated depreciation	(159,042,054)	(10,101,705)	3,639,550	-	(165,504,209)
Net capital assets being depreciated	142,071,407	(5,680,118)	(1,928,176)	6,900,705	141,363,818
Leased assets being amortized					
Buildings and improvements	405,958	-	-	-	405,958
Total leased assets being amortized	405,958	-	-	-	405,958
Less accumulated amortization for:					
Buildings and improvements	-	(173,982)	-	-	(173,982)
Total accumulated amortization	-	(173,982)	-	-	(173,982)
Net leased assets being amortized	405,958	(173,982)	-	-	231,976
Governmental activities capital assets, net	\$ 675,142,498	\$ 13,487,197	\$ (6,799,688)	\$ -	\$ 681,830,007

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Capital Assets (Continued)

A. Governmental Activities (Continued)

Depreciation and amortization expense were charged to the functions/programs of the governmental activities as follows:

General government	\$ 781,852
Police	250,085
Fire	116,829
Development and engineering	3,997
Public works	6,721,703
Parks and community services	782,775
Internal service funds	1,618,446
Total depreciation and amortization expense	\$ 10,275,687

B. Business-Type Activities

The summary of changes in business-type activities capital assets for the year ended June 30, 2022, is as follows:

	Balance June 30, 2021	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 19,056,776	\$ -	\$ -	\$ -	\$ 19,056,776
Construction in progress	54,686,285	15,262,878	(2,521,130)	(19,085,113)	48,342,920
Total capital assets not being depreciated	73,743,061	15,262,878	(2,521,130)	(19,085,113)	67,399,696
Capital assets being depreciated:					
Buildings	169,887,887	-	-	1,277,660	171,165,547
Improvements	3,570,581	-	-	4,547,405	8,117,986
Equipment	44,678,269	244,411	(296,826)	3,188,404	47,814,258
Infrastructure	368,706,341	8,099,019	-	9,478,432	386,283,792
Intangibles	72,882,813	-	-	593,212	73,476,025
Total capital assets being depreciated	659,725,891	8,343,430	(296,826)	19,085,113	686,857,608
Less accumulated depreciation for:					
Buildings	(100,409,112)	(4,673,018)	-	-	(105,082,130)
Improvements	(2,443,238)	(669,166)	-	-	(3,112,404)
Equipment	(23,470,274)	(1,839,874)	296,826	-	(25,013,322)
Infrastructure	(165,930,815)	(7,296,173)	-	-	(173,226,988)
Intangibles	(32,696)	(20,590)	-	-	(53,286)
Total accumulated depreciation	(292,286,135)	(14,498,821)	296,826	-	(306,488,130)
Net capital assets being depreciated	367,439,756	(6,155,391)	-	19,085,113	380,369,478
Business-Type activities capital assets, net	\$ 441,182,817	\$ 9,107,487	\$ (2,521,130)	\$ -	\$ 447,769,174

Depreciation and amortization expense were charged to the functions/programs of the governmental activities as follows:

Water	\$ 4,655,818
Sewer	5,888,177
Drainage operations	1,715,107
Municipal Airport	1,125,380
Municipal Transit	1,114,339
Total depreciation and amortization expense	\$ 14,498,821

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Capital Assets (Continued)

C. Component Unit

The summary of changes in component unit capital assets for the year ended June 30, 2022, is as follows:

	Balance June 30, 2021	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2022
Capital assets being depreciated:					
Machinery and equipment	\$ -	\$ -	\$ -	\$ 1,701,081	\$ 1,701,081
Vehicles	-	-	-	2,659,590	2,659,590
Total capital assets being depreciated	-	-	-	4,360,671	4,360,671
Less accumulated depreciation	-	(106,796)	-	(3,132,211)	(3,239,007)
Component unit capital assets, net	\$ -	\$ (106,796)	\$ -	\$ 1,228,460	\$ 1,121,664

Depreciation expense for the component unit for the year ended June 30, 2022 was \$106,796.

Note 9 – Long-Term Liabilities

A. Summary

	Final Maturity	Interest Rate	Annual Principal Installments	Original Issue Amounts	Outstanding at June 30, 2022
Governmental Activities					
Direct Borrowing:					
Lease Payable	2024	0.26%	\$176,425-\$59,688	\$ 405,958	\$ 236,112
Public Borrowing:					
Lease Revenue Refunding Bonds, Series 2020	2039	3.00% - 4.00%	\$555,000-\$1,295,000	\$ 18,190,000	\$ 17,040,000
Lease Revenue Bonds, Series 2022	2038	5.00%	\$810,000-\$1,615,000	18,275,000	18,275,000
Total Governmental Activities				<u>\$ 36,870,958</u>	<u>\$ 35,315,000</u>
Business-Type Activities					
Direct Borrowing:					
State of California Department of Public Health	2028	2.34%	\$394,960-\$1,221,886	\$ 20,000,000	\$ 6,456,524
Public Borrowing:					
Certificates of Participation, Series 2004 (Wastewater Treatment Plant Upgrade)	2037	2.00% - 4.75%	\$575,000-\$1,050,000	30,955,000	20,260,000
Total Business-Type Activities				<u>\$ 50,955,000</u>	<u>\$ 26,716,524</u>
Successor Agency					
Public Borrowing:					
Tax Allocation Refunding Bonds, Series 2016	2034	3.00% - 4.00%	\$380,000-\$2,730,000	\$ 33,720,000	\$ 26,070,000
Total Successor Agency				<u>\$ 33,720,000</u>	<u>\$ 26,070,000</u>

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Long-Term Liabilities (Continued)

B. Governmental Activities

A summary of changes in the long-term liabilities of the governmental activities for the year ended June 30, 2022, is as follows:

	Balance June 30, 2021, as restated	Debt Issued	Debt Retired	Balance June 30, 2022	Classification	
					Due within One Year	Due in More Than One Year
Governmental Activities:						
Direct borrowings:						
Lease payable	\$ 405,958	\$ -	\$ (169,846)	\$ 236,112	\$ 176,425	\$ 59,687
Public borrowings:						
Lease revenue bonds:						
2020 Lease Revenue Refunding Bonds	17,635,000	-	(595,000)	17,040,000	635,000	16,405,000
plus: bond premium	3,455,106	-	(46,069)	3,409,037	-	3,409,037
2022 Lease Revenue Bonds	-	18,275,000	-	18,275,000	810,000	17,465,000
plus: bond premium	-	2,051,917	-	2,051,917	-	2,051,917
Total lease revenue bonds	21,090,106	20,326,917	(641,069)	40,775,954	1,445,000	39,330,954
Total	\$ 21,496,064	\$ 20,326,917	\$ (810,915)	\$ 41,012,066	\$ 1,621,425	\$ 39,390,641

Lease Payable

The City has entered into leases for building space and equipment use. The terms of the agreements range from 2 to 3 years. The calculated interest rates used was 0.263%.

The annual debt service requirements on the lease payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 176,425	\$ 410	\$ 176,835
2024	59,687	33	59,720
Total	\$ 236,112	\$ 443	\$ 236,555

2020 Lease Revenue Refunding Bonds

On February 28, 2020, the City, under the Tracy Operating Partnership (TOP), issued \$18,190,000 of 2020 Lease Revenue Refunding Bonds. The proceeds from the bonds were used to refund, on a current basis, the 2007 Lease Revenue Bonds Series A, the 2007 Lease Revenue Bonds Series B, and the 2008 Lease Revenue Bonds. The TOP has pledged revenue pursuant to amended site and facility leases between the City and the TOP for the Fire Station 91, the Police Department Headquarters and the Fire Administration Building.

Interest payments are due semi-annually each November 1 and May 1 at rates of 3% and 4%. Principal is due annually each November 1 through 2038. The refunding resulted in an overall debt service savings of \$9,888,414. The net present value of the debt service savings is called an economic gain and amounted to \$8,617,218. The 2020 Bonds maturing on or before November 1, 2029 are not subject to annual redemption prior to maturity. The 2020 Bonds maturing on or after November 1, 2030 are subject to optional redemption prior to maturity on or after May 1, 2030 at the option of the TOP, as a whole or in part on any date at a redemption price equal to the principal amount of 2020 Bonds to be redeemed, plus accrued but unpaid interest to the redemption date, without premium. In the event of default, the TOP may not terminate the respective lease agreements or release the leased properties, but the City remains liable to pay all lease payments as they come due.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Long-Term Liabilities (Continued)

B. Governmental Activities (Continued)

2020 Lease Revenue Refunding Bonds (Continued)

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 635,000	\$ 668,900	\$ 1,303,900
2024	670,000	642,800	1,312,800
2025	705,000	615,300	1,320,300
2026	750,000	586,200	1,336,200
2027	790,000	555,400	1,345,400
2028-2032	4,735,000	2,245,700	6,980,700
2033-2037	6,230,000	1,154,800	7,384,800
2038-2039	2,525,000	102,300	2,627,300
Total	\$ 17,040,000	\$ 6,571,400	\$ 23,611,400

2022 Lease Revenue Bonds

On May 1, 2022, the City, under the Tracy Public Financing Authority (TPFA), issued \$18,275,000 of 2022 Lease Revenue Bonds. The proceeds from the bonds are being used to finance the acquisition and constructions of public capital improvements of the City, primarily consisting of Phase 1E of the Legacy Fields Sports Complex. The TPFA has pledged revenue pursuant to leases between the City and the TPFA for Phase 1 of the Legacy Fields Sports Complex, consisting of 72 acres of land containing 10 baseball fields, 8 soccer fields, restrooms and concessions, and paved parking lots and landscaping.

Interest payments are due semi-annually each November 1 and May 1 at the rate of 5%. Principal is due annually each November 1 through 2037. Yields range from 1.79% to 3.650%. The 2022 Bonds maturing on or before November 1, 2032 are not subject to annual redemption prior to maturity. The 2022 Bonds maturing on or after November 1, 2033 are subject to optional redemption prior to maturity on or after May 1, 2032 at the option of the TPFA, as a whole or in part on any date at a redemption price equal to 100% of the principal amount of 2022 Bonds to be redeemed, plus accrued but unpaid interest to the redemption date, without premium. In the event of default, the TPFA may not terminate the respective lease agreements or release the leased properties, but the City remains liable to pay all lease payments as they come due.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 810,000	\$ 847,813	\$ 1,657,813
2024	800,000	853,250	1,653,250
2025	845,000	812,125	1,657,125
2026	885,000	768,875	1,653,875
2027	930,000	723,500	1,653,500
2028-2032	5,425,000	2,850,125	8,275,125
2033-2037	6,965,000	1,308,875	8,273,875
2038	1,615,000	40,375	1,655,375
Total	\$ 18,275,000	\$ 8,204,938	\$ 26,479,938

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Long-Term Liabilities (Continued)

C. Business-Type Activities

A summary of changes in the long-term liabilities of the business-type activities for the year ended June 30, 2022, is as follows:

	Balance July 1, 2021	Debt Issued	Debt Retired	Balance June 30, 2022	Classification	
					Due within One Year	Due in More Than One Year
Business-Type Activities:						
Direct borrowings:						
Loans payable:						
State of California						
Department of Public Health	\$ 7,544,235	\$ -	\$ (1,087,711)	\$ 6,456,524	\$ 1,113,312	\$ 5,343,212
Total loans payable	7,544,235	-	(1,087,711)	6,456,524	1,113,312	5,343,212
Public borrowings:						
Certificates of Participation:						
Wastewater, Series 2004	21,175,000	-	(915,000)	20,260,000	955,000	19,305,000
Total certificates of participation	21,175,000	-	(915,000)	20,260,000	955,000	19,305,000
Total	\$ 28,719,235	\$ -	\$ (2,002,711)	\$ 26,716,524	\$ 2,068,312	\$ 24,648,212

State of California Department of Public Health Loan Payable

In 2006, the City entered into a loan agreement with the State of California Department of Public Health in the amount of \$20,000,000 for assistance in the construction of its new Water Treatment Plant. The proceeds from the loan were drawn down by the City as needed for construction. The loan is a fully amortized loan over 20 years at an annual interest rate of 2.34%. The City is obligated to make semi-annual payments of principal and interest in the amount of \$628,960 beginning July 1, 2008 with a final maturity date of January 1, 2028.

The annual debt service requirements on the California Department of Public Health Loan Payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,113,312	\$ 144,608	\$ 1,257,920
2024	1,139,516	118,404	1,257,920
2025	1,166,336	91,583	1,257,919
2026	1,193,788	64,131	1,257,919
2027	1,221,886	36,033	1,257,919
2028	621,686	7,274	628,960
Total	\$ 6,456,524	\$ 462,033	\$ 6,918,557

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Long-Term Liabilities (Continued)

C. Business-Type Activities (Continued)

Wastewater Certificates of Participation (COPs), Series 2004

The City issued Wastewater Certificates of Participation (COPs) in April 2004 to fund the upgrade of the City's wastewater treatment plant. The Wastewater COPs are special obligations of the City and are payable solely from and secured by a pledge of net revenues of the Wastewater Utility System. Principal payments commence on December 1, 2007, and are payable annually on December 1 through 2036. Interest payments commence on December 1, 2004, and are payable semi-annually on December 1 and June 1, thereafter. The COP's maturing on or after December 1, 2014 may be prepaid in advance of maturity on any date on or after December 1, 2013 plus accrued but unpaid interest to the prepayment date, without premium. For fiscal year 2022 net revenues amounted to \$4,945,126 which represented coverage of 262% over the \$1,890,418 of debt service. The pledge of net revenues ends upon repayment of the City's repayment of the remaining balance of \$30,330,191 which is scheduled to occur in 2037.

The annual debt service requirements on the Series 2004 COPs are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 955,000	\$ 932,865	\$ 1,887,865
2024	1,000,000	887,900	1,887,900
2025	1,050,000	840,750	1,890,750
2026	-	816,600	816,600
2027	-	816,600	816,600
2028-2032	6,025,000	3,375,063	9,400,063
2033-2037	11,230,000	2,400,413	13,630,413
Total	\$ 20,260,000	\$ 10,070,191	\$ 30,330,191

D. Fiduciary Fund Private Purpose Trust Funds - Successor Agency to the Former Community Development Agency of the City of Tracy

A summary of changes in the long-term liabilities of the fiduciary fund financial statements for the year ended June 30, 2022, is as follows:

	Balance July 1, 2021	Debt Issued	Debt Retired	Balance June 30, 2022	Classification	
					Due within One Year	Due in More Than One Year
Fiduciary Activities:						
Public borrowings:						
Tax allocation refunding bonds:						
Series 2016	\$ 27,650,000	\$ -	\$ (1,580,000)	\$ 26,070,000	\$ 1,660,000	\$ 24,410,000
Add: unamortized bond premiums	3,960,912	-	(304,686)	3,656,226	-	3,656,226
Total tax allocation refunding bonds	31,610,912	-	(1,884,686)	29,726,226	1,660,000	28,066,226
Total	\$ 31,610,912	\$ -	\$ (1,884,686)	\$ 29,726,226	\$ 1,660,000	\$ 28,066,226

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Long-Term Liabilities (Continued)

D. Fiduciary Fund Private Purpose Trust Funds - Successor Agency to the Former Community Development Agency of the City of Tracy (Continued)

Tax Allocation Refunding Bonds, Series 2015A

On January 21, 2016, the Successor Agency issued 2016 Tax Allocation Refunding Bonds in the amount of \$33,720,000. The proceeds from the Bonds were used to advance refund and defease the outstanding balance of the 2003 Tax Allocation Bonds Series A and B. The Bonds bear interest ranging from 2% to 5%. Interest is payable semi-annually each August 1 and February 1 and principal is due annually on each August 1, through 2033. The Bonds maturing on or before August 1, 2025 are not subject to optional redemption prior to maturity. The Bonds maturing on and after August 1, 2026, are subject to redemption, at the option of the Successor Agency on any date on or after August 1, 2025, as a whole or in part. The defeased bonds were called on February 22, 2016.

The Successor Agency's annual debt service requirements on the 2015A Tax Allocation Refunding Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,660,000	\$ 1,154,300	\$ 2,814,300
2024	1,740,000	1,069,300	2,809,300
2025	1,820,000	980,300	2,800,300
2026	1,910,000	887,050	2,797,050
2027	2,000,000	789,300	2,789,300
2028-2032	11,555,000	2,306,375	13,861,375
2033-2034	5,385,000	162,675	5,547,675
Total	\$ 26,070,000	\$ 7,349,300	\$ 33,419,300

Pledge of Revenues

The Agency has pledged all future tax increment revenues, for the repayment of the Tax Allocation Bonds and Reimbursement Agreement. The pledge of all future tax increment revenues end upon repayment of the remaining debt service of \$33,419,300 on the Bonds, which is scheduled to occur in 2034. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues. In addition, under the provisions of the laws dissolving the Redevelopment Agency, the Successor Agency only receives the funds necessary to fulfill its approved obligations. Total property taxes available for distribution to the Successor Agency and other taxing entities for fiscal year 2022 calculated by the County Auditor-Controller was \$9,015,014, and the total received by the Successor Agency for fiscal year 2022 debt service was \$2,628,720, which the Agency used to pay the \$2,815,300 of fiscal year debt service.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 10 – Special Assessment Debt with No City Commitment

The City issued special tax and assessment bonds on behalf of property owners, pursuant to the Improvement Bond Act of 1915 and the Mello-Roos Community Facilities Act of 1982, to finance the acquisition and construction of certain infrastructure improvements within the assessment districts and community facilities districts.

The City has authorized the formation of the Bay Meadows Community Facilities District No. 2008-1 (Bay Meadows CFD), acting through its eligible landowner voters, and the issuance of bonds under the public improvement act (Mello-Roos Community Facilities Act of 1982) of the State of California to finance eligible public facilities necessary to serve developing commercial, industrial, residential and/or mixed-use developments. The bonds are secured by annual special tax levies or liens placed on the property within the district.

Special Assessment Districts in various parts of the City have issued debt to finance infrastructure improvements and facilities within their boundaries. The City is the collecting and paying agent for the debt issued by these Districts, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not included as debt of the City.

The outstanding balance of each of these issues as of June 30, 2022, is as follows:

Description	Fiscal Year		Underlying Assessment District Bonds	Outstanding June 30, 2022
	Issue Year	Maturity Year		
1996A Tax Bonds (93-1 Community Facilities District - I-205 Parcel GL-17)	1997	2027		\$ 430,000
2002 Special Tax Bonds (93-1 Community Facilities District - I-205 Parcel GL-17)	2003	2033		1,575,000
2003-01 Assessment District Limited Obligation Improvement Bonds (Berg Avenue)	2003	2029		405,000
2005A TOP JPA Revenue Bonds (Senior Lien) (98-1 Plan C)	2006	2029		27,625,000
2005B TOP JPA Revenue Bonds (Junior Lien) (98-3 Plan C)	2006	2036		765,000
2005C TOP JPA Revenue Bonds	2006	2036		8,935,000
2011A TOP JPA Revenue Bonds:				
98-4 Morrison Homes and 2000-02 Heartland Three	2011	2026	940,000	
2011-1 Reassessment Bonds	2011	2027	160,000	
99-2 South MacArthur Plan Area (2000 and 2002)	2011	2028	4,780,000	
Total 2011A TOP JPA Revenue Bonds				5,880,000
2014A Tracy Public Financing Authority Revenue Bonds:				
99-1 Community Facilities District - Northeast Industrial Area	2014	2025	1,800,000	
2014-1 Reassessment Bonds	2014	2023	220,000	
Total 2014A Tracy Public Financing Authority Revenue Bonds				2,020,000
2018 Series Tracy Hills Special Tax Bonds Community Facilities District No. 2016-1	2019	2048		32,385,000
2019 Series Tracy Hills Phase I Special Tax Bonds Community Facilities District No. 2016-1	2020	2050		14,765,000
2019 Series ECFD Special Tax Bonds Community Facilities District No. 2016-2	2020	2050		15,130,000
2019 Series NEI Phase II Special Tax Refunding Bonds Community Facilities District No. 2006-01	2020	2037		7,755,000
2021 Series ECFD Special Tax Bonds Community Facilities District No. 2016-2	2021	2051		13,055,000
2022 Series Hillview Special Tax Bonds Community Facilities District No. 2021-1	2022	2053		6,830,000
			Total	<u>\$ 137,555,000</u>

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 11 – Sick Leave Conversion

A. Governmental Activities

A summary of changes in the sick leave conversion balances for the governmental activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Classification	
					Due within One Year	Due in More Than One Year
Sick Leave Conversion	\$ 3,926,836	\$ 1,228,748	\$ (648,164)	\$ 4,507,420	\$ 901,484	\$ 3,605,936
Total	\$ 3,926,836	\$ 1,228,748	\$ (648,164)	\$ 4,507,420	\$ 901,484	\$ 3,605,936

Sick leave conversion are liquidated by the fund that has recorded the liability only when matured. The long-term portion of the governmental activities sick leave conversion is liquidated primarily by the General Fund.

Note 12 – Compensated Absences

A. Governmental Activities

A summary of changes in the compensated absences balances for the governmental activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Classification	
					Due within One Year	Due in More Than One Year
Compensated absences	\$ 4,646,350	\$ 4,282,127	\$ (4,893,587)	\$ 4,034,890	\$ 1,562,838	\$ 2,472,052
Total	\$ 4,646,350	\$ 4,282,127	\$ (4,893,587)	\$ 4,034,890	\$ 1,562,838	\$ 2,472,052

Compensated absences are liquidated by the fund that has recorded the liability only when matured. The long-term portion of the governmental activities compensated absences is liquidated primarily by the General Fund.

B. Business-Type Activities

A summary of changes in the compensated absences balances for the business-type activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Classification	
					Due within One Year	Due in More Than One Year
Compensated absences	\$ 943,758	\$ 936,672	\$ (1,014,363)	\$ 866,067	\$ 296,692	\$ 569,375
Total	\$ 943,758	\$ 936,672	\$ (1,014,363)	\$ 866,067	\$ 296,692	\$ 569,375

Compensated absences in the business-type activities are obligations of the following funds:

Water Fund	\$ 328,167
Sewer Fund	372,333
Solid Waste Fund	86,599
Drainage Operations Fund	28,199
Municipal Airport Fund	18,098
Municipal Transit Fund	32,671
Total	\$ 866,067

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City obtains insurance coverage.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influences by member municipalities beyond their representation of that board. Obligations and liabilities of these risk pools are not the City's responsibility.

Since 1986, the City has joined together with other cities to form a public entity risk pool known as the Central San Joaquin Valley Risk Management Authority - CSJVRMA (the Authority), a joint powers authority established in accordance with the California government code. The relationship between the City and the Authority is such that the Authority is not a component unit of the City for financial reporting purposes. Financial statements for the Authority may be obtained from the Authority's management.

The Authority is currently operating as a common risk management and insurance program for 54 member cities. The program's general objectives are to formulate, develop, and administer, on the behalf of the member cities, a program of insurance, to obtain lower cost for that coverage, and to develop a comprehensive loss control program. A member may withdraw from the Authority only by giving six-month notice. Cities applying for membership in the Authority may do so on approval of a two-thirds vote of the board of the Authority.

The latest financial information of the Authority for fiscal year ended June 30, 2022, is as follows:

Total Assets	\$ 150,837,823
Total Liabilities	\$ 118,663,929
Net Position	\$ 32,173,894
Operating Revenues	\$ 66,885,024
Operating Expenses	\$ 47,584,363
Nonoperating Revenues (Expenses)	\$ (7,973,544)
Change in Net Position	\$ 11,327,117

A. Coverage

The City participates in the Central San Joaquin Valley Risk Management Authority (CSJVRMA), a public entity risk pool currently operating as a common risk management and insurance program for 54 cities. The purpose of CSJVRMA is to spread the adverse effect of losses among the members and to purchase excess insurance as a group, thereby reducing its expense. The CSJVRMA is governed by a Board of Directors elected by the member agencies; it is not a component unit of the City. Audited financial statements are available from the Central San Joaquin Risk Management Authority at 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Risk Management (Continued)

A. Coverage (Continued)

The City participates in the following pooled coverages through CSJVRMA:

Type of Coverage (Deductible)	Coverage Limits
Liability (\$100,000)	\$ 54,000,000
Property (\$5,000 to \$10,000)	1,000,000,000
Worker's Compensation (\$200,000)	Statutory Limit
Boiler and Machinery (\$1,000 to \$10,000)	100,000,000
Automobile - for vehicles with values more than \$25,000 (\$500)	1,000,000,000

The CSJVRMA maintains separate records for each member for each year of participation. The records track cash paid to the CSJVRMA through deposit premium assessments, the City's self-insured retention portion of claims paid, and the City's allocation of shared risks. Three years after the close of the workers' compensation coverage year and five years after the close of the general liability coverage year, the CSJVRMA assesses the status of all members for the year, then either makes a refund to a member if it has positive balance (i.e., payout and reserve experience is less than premiums paid) or collects any deficit.

During the fiscal year ended June 30, 2022, the City contributed \$6,425,900 for current year coverage. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

B. Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments, including provisions for claims incurred but not reported, in the Insurance Internal Service Fund. Claims and judgments are recorded when a loss is deemed probable of asserting and the amount of the loss is reasonably determinable. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims. The City has estimated that claims will become due and payable in more than one year.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Pension Plans

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Pension contribution made after measurement date:			
CalPERS Miscellaneous	\$ 5,020,091	1,767,483	\$ 6,787,574
CalPERS Safety	7,549,380	-	7,549,380
Total pension contribution made after measurement date	12,569,471	1,767,483	14,336,954
Difference between expected and actual experience			
CalPERS Miscellaneous	1,589,251	559,549	2,148,800
CalPERS Safety	3,692,384	-	3,692,384
Total difference between expected and actual experience	5,281,635	559,549	5,841,184
Total deferred outflows of resources			
CalPERS Miscellaneous	6,609,342	2,327,032	8,936,374
CalPERS Safety	11,241,764	-	11,241,764
Total deferred outflows of resources	<u>\$ 17,851,106</u>	<u>\$ 2,327,032</u>	<u>\$ 20,178,138</u>
Net pension liability:			
CalPERS Miscellaneous	18,016,835	6,343,406	\$ 24,360,241
CalPERS Safety	29,624,502	-	29,624,502
Total net pension liability	<u>\$ 47,641,337</u>	<u>\$ 6,343,406</u>	<u>\$ 53,984,743</u>
Deferred inflows of resources:			
Difference between expected and actual experience			
CalPERS Miscellaneous	\$ 447,398	\$ 157,523	\$ 604,921
CalPERS Safety	1,766	-	1,766
Total difference between expected and actual experience	449,164	157,523	606,687
Actual earnings on pension plan investments in excess of projected earnings:			
CalPERS Miscellaneous	11,156,073	3,927,853	15,083,926
CalPERS Safety	17,970,224	-	17,970,224
Total actual earnings on pension plan investments in excess of	29,126,297	3,927,853	33,054,150
Changes of assumptions			
CalPERS Safety	139,941	-	139,941
Total difference between expected and actual experience	139,941	-	139,941
Total deferred inflows of resources			
CalPERS Miscellaneous	11,603,471	4,085,376	15,688,847
CalPERS Safety	18,111,931	-	18,111,931
Total deferred inflows of resources	<u>\$ 29,715,402</u>	<u>\$ 4,085,376</u>	<u>\$ 33,800,778</u>
Pension expenses:			
CalPERS Miscellaneous	\$ 1,568,905	\$ 552,384	\$ 2,121,289
CalPERS Safety	5,481,403	-	5,481,403
Total net pension expenses	<u>\$ 7,050,308</u>	<u>\$ 552,384</u>	<u>\$ 7,602,692</u>

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Pension Plans (Continued)

B. City

Plan Description

Substantially all City employees working the equivalent of 1,000 hours per fiscal year are eligible to participate in the Miscellaneous or Safety Agent multiple-employer defined benefit plan administered by California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit Provisions under the Plans are established by State statutes within the Public Employee's Retirement Law. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, CA 95814.

Employees Covered

At June 30, 2021, the measurement date, the following employees were covered by the benefit terms for the Plan:

	Miscellaneous Plan	Safety Plan	Total
Active employees	323	172	495
Transferred and terminated employees	271	56	327
Retired employees and beneficiaries	358	179	537
Total	952	407	1359

Benefits Provided

CalPERS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Classic CalPERS member becomes eligible for service retirement upon attainment of age 55 with at least 5 years of credited service. PEPRA miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay.

Following are the benefit provisions for each plan:

	Miscellaneous		
	Classic Tier I	Classic Tier II	PEPRA
	October 9, 2011	October 9, 2011	January 1, 2013
Hire date			
Benefit formula	2.5% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0-2.5%	1.426%-2.418%	1.0% - 2.5%
Required employee contribution rates	8%	7%	6.25%
Required employer contribution rates	9.560%	9.560%	9.560%
Required UAL contribution		\$4,226,040	

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Pension Plans (Continued)

B. City (Continued)

Benefits Provided (Continued)

	Safety - Police		
	Classic Tier I	Classic Tier II	PEPRA
Hire date	April 8, 2012	April 8, 2012	January 1, 2013
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.0%	2.4% - 3.0%	2.0% - 2.7%
Required employee contribution rates	9%	9%	13%
Required employer contribution rates	21.890%	21.890%	21.890%
Required UAL contribution (Police and Fire)	\$4,122,136		

	Safety - Fire	
	Classic Tier I	PEPRA
Hire date	January 1, 2013	January 1, 2013
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	2.4% - 3.0%	2.0% - 2.7%
Required employee contribution rates	9%	13%
Required employer contribution rates	21.845%	21.845%

On January 1, 2013, the Public Employee Pension Reform Act (PEPRA) went into effect. This State law applies to employees hired on or after January 1, 2013 who are new to Public Employee Retirement Systems (PERS). These employees are termed PEPRA members and employees that were enrolled in PERS (without significant separation) prior to January 1, 2013 are now referred to as classic members. PEPRA miscellaneous members will be enrolled in a 2% at 62 plan and PEPRA safety members will be enrolled in a 2.7% at 57 plan. PEPRA members will be required to pay half the normal cost of their plans.

Contributions

Section 20814(C) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year (normal cost), with additional amount to finance any unfunded accrued liability (UAL).

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Pension Plans (Continued)

B. City (Continued)

Contributions (Continued)

For the year ended June 30, 2022, the plan's contributions made for the Plan was as follows:

	<u>Miscellaneous Plan</u>	<u>Safety Plan</u>
Contributions - employer	\$ 6,787,574	\$ 7,549,380

Net Pension Liability

The City's net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the following page.

Actuarial Assumptions

The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.25%
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds. The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale MP-2016.
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experiences Study can be found on the CalPERS website.

Discount Rate

In determining the long-term expected rate of return, CalPERS took into account, both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Pension Plans (Continued)

B. City (Continued)

Discount Rate (Continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10¹	Real Return Years 11 +²
Global equity	50.00%	4.80%	5.98%
Global fixed income	28.00%	1.00%	2.62%
Inflation sensitive assets	0.00%	0.77%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

¹ An expected inflation of 2.00% was used for this period.

² An expected inflation of 2.92% was used for this period.

The discount rate used to measure the total pension liability was 7.15% for the plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained from the CalPERS website under the GASB 68 Section.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s net pension liability, calculated using the discount rate, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Plan's Aggregate Net Pension Liability/(Asset)			
	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Miscellaneous Plan	\$ 49,213,757	\$ 24,360,241	\$ 3,792,272
Safety Plan	\$ 63,157,170	\$ 29,624,502	\$ 2,292,309

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Pension Plans (Continued)

B. City (Continued)

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period:

Miscellaneous Plan			
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2020 (Valuation Date)	\$ 177,707,299	\$ 131,301,729	\$ 46,405,570
Changes in the year:			
Service cost	4,423,657	-	4,423,657
Interest on the total pension liabilities	12,514,107	-	12,514,107
Changes in assumptions	-	-	-
Differences between expected and actual experience	(813,515)	-	(813,515)
Benefit payments, including refunds of members contributions	(8,166,291)	(8,166,291)	-
Plan to plan resource movement	-	-	-
Contributions - employer	-	6,067,470	(6,067,470)
Contributions - employee	-	2,122,136	(2,122,136)
Net investment income	-	30,111,134	(30,111,134)
Administrative expenses	-	(131,162)	131,162
Net changes	7,957,958	30,003,287	(22,045,329)
Balance at June 30, 2021 (Measurement Date)	\$ 185,665,257	\$ 161,305,016	\$ 24,360,241

Safety Plan			
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2020 (Valuation Date)	\$ 211,430,889	\$ 157,747,183	\$ 53,683,706
Changes in the year:			
Service cost	6,319,026	-	6,319,026
Interest on the total pension liabilities	15,086,876	-	15,086,876
Changes in assumptions	-	-	-
Differences between expected and actual experience	470,585	-	470,585
Benefit payments, including refunds of members contributions	(8,111,466)	(8,111,466)	-
Plan to plan resource movement	-	-	-
Contributions - employer	-	7,379,587	(7,379,587)
Contributions - employee	-	2,523,099	(2,523,099)
Net investment income	-	36,190,585	(36,190,585)
Administrative expenses	-	(157,580)	157,580
Net changes	13,765,021	37,824,225	(24,059,204)
Balance at June 30, 2021 (Measurement Date)	\$ 225,195,910	\$ 195,571,408	\$ 29,624,502

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Pension Plans (Continued)

B. City (Continued)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City recognized pension expense in the amount of \$2,121,289 and \$5,481,403 for the miscellaneous and safety plans, respectively.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

The Expected Average Remaining Service Lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. For the Miscellaneous Plan, the EARSL for the Miscellaneous Plan for the 2020-21 measurement period is 3.9 years, which was obtained by dividing the total service years of 3,689 (the sum of remaining service lifetimes of the active employees) by 946 (the total number of participants: active, inactive, and retired). For the Safety Plan, the EARSL for the Miscellaneous Plan for the 2020-21 measurement period is 4.7 years, which was obtained by dividing the total service years of 1,858 (the sum of remaining service lifetimes of the active employees) by 392 (the total number of participants: active, inactive, and retired).

At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plan		
	Deferred outflows of Resources	Deferred inflows of Resources
Pension contributions made subsequent to measurement date	\$ 6,787,574	\$ -
Difference between projected and actual earning on pension plan investments	-	(15,083,926)
Changes in assumptions	-	-
Differences between expected and actual experience	2,148,800	(604,921)
Total	<u>\$ 8,936,374</u>	<u>\$ (15,688,847)</u>
Safety Plan		
	Deferred outflows of Resources	Deferred inflows of Resources
Pension contributions made subsequent to measurement date	\$ 7,549,380	\$ -
Difference between projected and actual earning on pension plan investments	-	(17,970,224)
Changes in assumptions	-	(139,941)
Differences between expected and actual experience	3,692,384	(1,766)
Total	<u>\$ 11,241,764</u>	<u>\$ (18,111,931)</u>

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Pension Plans (Continued)

B. City (Continued)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

	Total	
	Deferred outflows of Resources	Deferred inflows of Resources
Pension contributions made subsequent to measurement date	\$ 14,336,954	\$ -
Difference between projected and actual earning on pension plan investments	-	(33,054,150)
Changes in assumptions	-	(139,941)
Differences between expected and actual experience	5,841,184	(606,687)
Total	<u>\$ 20,178,138</u>	<u>\$ (33,800,778)</u>

For the General Information about Pension, for the Miscellaneous and Safety Plans, \$6,787,574 and \$7,549,380, respectively, was reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources		Total
	Miscellaneous Plan	Safety Plan	
2023	\$ (2,764,783)	\$ (3,215,028)	\$ (5,979,811)
2024	(2,819,485)	(2,730,784)	(5,550,269)
2025	(3,809,975)	(3,571,869)	(7,381,844)
2026	(4,145,804)	(4,901,866)	(9,047,670)
2027	-	-	-
Thereafter	-	-	-
	<u>\$ (13,540,047)</u>	<u>\$ (14,419,547)</u>	<u>\$ (27,959,594)</u>

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Component Unit

As part of the reorganization noted in Note 20, employees of the City have been transferred to the Authority as employees. As this is the first year, the Authority Pension Liability has not yet been calculated as part of CalPERS annual valuations. No pension liability has been reported as of June 30, 2022.

Deferred outflows is the amount of contributions paid by the Authority to CalPERS since January 1, 2022 that will impact the valuation to be prepared for the year ended June 30, 2023.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 15 – Other Postemployment Benefits

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Employer contributions made subsequent to the measurement date	\$ 205,452	\$ 42,231	\$ 247,683
Difference between expected and actual experience	142,716	29,333	172,049
Changes in assumptions	277,000	56,937	333,937
Total deferred outflows of resources	\$ 625,168	\$ 128,501	\$ 753,669
Total OPEB liability:			
Total OPEB liability	\$ 5,852,529	\$ 1,202,962	\$ 7,055,491
Total OPEB liability	\$ 5,852,529	\$ 1,202,962	\$ 7,055,491
Deferred inflows of Resources:			
Difference between expected and actual experience	\$ 242,107	\$ 49,765	\$ 291,872
Change in assumption	609,047	125,187	734,234
Total deferred inflows of resources	\$ 851,154	\$ 174,952	\$ 1,026,106
Total OPEB Expense	\$ 458,322	\$ 94,207	\$ 552,529

B. General Information about OPEB

Plan Description

The City administers a single employer defined benefit (implicit subsidy) healthcare plan. No assets have been accumulated in a trust for the payment of benefits that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75.

The City offers medical, dental, vision and life insurance benefits to its employees, retirees, and their dependents. However, the City does not explicitly pay for the cost of retiree health premiums. The medical plans consist of a Kaiser HMO, a Kaiser POS, and a Kaiser PPO, all fully insured. Medical premiums for retirees under age 65 are the same as those charged for active employees.

Employees who retire with at least ten years of service may elect to convert all accrued sick leave at the time of retirement to a medical insurance bank that can be used for medical, dental and vision premiums. Miscellaneous employees except members of the Teamsters Bargaining Unit can bank their unused sick leave upon retirement. Members of the Teamsters can also bank their unused sick leave only if they have at least ten (10) years of employment with the City. Safety employees: Police employees can bank their unused sick leave if they have at least ten (10) years of employment. Fire employees have a choice to bank their unused sick leave. Fire employees also need at least ten (10) years of employment to receive this benefit. The value of the medical insurance bank is determined by multiplying the number of accrued sick leave hours by the employees' hourly rate of pay at the time of retirement.

The retired employee and his/her dependents are entitled to continued group health insurance coverage currently in effect with premiums for such coverage being deducted from the medical leave bank until that bank is exhausted.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 15 – Other Postemployment Benefits (Continued)

B. General Information about OPEB (Continued)

Plan Description (Continued)

The cost of retiree health care benefits is recognized as an expenditure as health care premiums are paid. For the fiscal year ending June 30, 2022, those costs for 86 retirees totaled \$648,564 and the total liability amount in the medical leave bank is \$4,507,420.

After the account is exhausted, the retiree has option either to terminate coverage or elect to continue paying the medical (but not dental or vision) premiums from personal funds. Spouses and eligible dependent children of retirees may also be covered at the retiree's expense. While the City does not directly contribute towards the cost of premiums for retirees, the ability to obtain coverage at an active employee rate constitutes a significant economic benefit to the retirees, called an "implicit subsidy" under generally accepted accounting principles. The inclusion of the retirees increases the City's overall health insurance rates; it is, in part, the purpose of this valuation to determine the amount of the subsidy.

The ability to participate in the City's health plan by self-paying the premiums extends for the lifetime of the retiree; however, upon attaining the age of Medicare eligibility (65), the retiree may enter a plan coordinated with Medicare. Standard actuarial practice assumes that Medicare supplement plans do not generally give rise to an implicit subsidy, and while the actuarial valuation included Medicare eligible retirees, both their liability and their annual implicit subsidy are both \$0.

Eligibility

Employees become eligible to receive City-paid healthcare benefits upon attainment of age 50 and 5 years of covered PERS service, or by attaining qualifying disability retirement status. The City has selected the unequal contribution method, where it contributes a percent of the amount paid for actives to its eligible retirees. The percent increases each year until the City's contribution for retirees eventually equals that for similarly stated active employees. The City currently covers 100% of the cost of medical coverage for active employees and their dependents up to, but not exceeding, the dollar amount of the family premium for the lowest cost HMO.

Membership in the plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

Active employees	320
Transferred and terminated employees	-
Retired employees and beneficiaries	18
Total	<u>338</u>

Contributions

The contribution requirement of plan members and the City are established and may be amended by the City. The required contribution is based on projected pay-as-you-go financing requirements.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The total OPEB liability at June 30, 2022 was \$7,055,491.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 15 – Other Postemployment Benefits (Continued)

B. General Information about OPEB (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.18%
Inflation	2.50%
Aggregate payroll increases	3.00%
Actuarial cost method	Entry Age Normal Cost Method
Expected long-term investment rate of return	n/a
Mortality, Termination, and Disability	CalPERS 2017 Experience Study
Mortality Improvement Scale	Macleod Watts Scale 2020
Healthcare Trend Rate	An annual healthcare cost trend rate of 5.7% initially reduced by decrements to an ultimate of 4.0% in 2076.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2019 through June 30, 2020.

Change in Assumption

The City's discount rate used to measure the total OPEB liability decreased from 2.66% to 2.18% for the measurement period ended June 30, 2021.

Discount Rate

The discount rate used to measure the total OPEB liability 2.18%. The City's funding policy affects the calculation of liabilities by impacting the discount rate that is used to develop the plan liability and expense. The City is currently financing its OPEB liability on a pay-as-you-go basis, the discount rate used is based on the S&P Municipal Bond 20 Year High Grade Index.

C. Total OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2020	\$ 6,350,859
Changes recognized for the measurement period:	
Service cost	450,489
Interest on the total OPEB liability	178,125
Changes of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	287,043
Benefit payments	(211,025)
Net changes during July 1, 2020 to June 30, 2021	704,632
Balance at June 30, 2021 (Measurement Date)	\$ 7,055,491

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 15 – Other Postemployment Benefits (Continued)

C. Total OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18 percent) or 1-percentage-point higher (3.18 percent) than the current discount rate:

Plan's Total OPEB Liability		
Discount Rate - 1% (1.18%)	Current Discount Rate (2.18%)	Discount Rate + 1% (3.18%)
\$ 7,693,570	\$ 7,055,491	\$ 6,471,102

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Plan's Total OPEB Liability		
Healthcare Cost Trend Rates		
-1%		1%
\$ 6,390,052	\$ 7,055,491	\$ 7,854,566

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$552,529. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of Resources	Deferred inflows of Resources
Employer contributions made subsequent to the measurement date	\$ 247,683	\$ -
Difference between expected and actual experience	172,049	(291,872)
Changes of assumptions	333,937	(734,234)
Total	\$ 753,669	\$ (1,026,106)

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five-year period. The remaining gains and losses are amortized over the expected average remaining service life. The expected average remaining service life is 11.04 years, which was determined as of June 30, 2020, the beginning of the measurement period, for employees covered by the OPEB plan benefit terms as of the valuation date.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 15 – Other Postemployment Benefits (Continued)

C. Total OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the fiscal year ended June 30, 2022, \$247,683 was reported as deferred outflows of resources related to OPEB resulting from the City's contributions subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Measurement Period Ended June 30	Deferred Outflows/ (Inflows) of Resources
2023	\$ (76,085)
2024	(76,085)
2025	(76,085)
2026	(76,085)
2027	(76,085)
Thereafter	(139,695)
	\$ (520,120)

Note 16 – Deferred Compensation Plan

The City offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan was amended so that the assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. Since the plan assets are administered by an outside party and not subject to the claims of the City's general creditors, their assets and related liabilities are not on the City's financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans."

City employees may defer a portion of their compensation under a City sponsored deferred compensation plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the plan.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 17 – Other Required Disclosures

A. Deficit Fund Balances/Net Position

At June 30, 2022, the following funds had a fund balances (deficit) or unrestricted net position (deficit), which will be eliminated through the reduction in future expenditures and/or the use of new funding sources:

Fund	Fund Type	Deficit
Business Improvement District Fund	Special Revenue Fund	69,670
Community Development Block Grant Fund	Special Revenue Fund	77,027
Capital Projects Deposit	Capital Projects Fund	102,451
Central Garage Fund	Internal Service Fund	502,424
Central Services Fund	Internal Service Fund	855,809
Successor Agency Private Purpose Trust Fund	Fiduciary Fund	27,472,127

The Special Revenue Funds, Capital Projects Fund and Internal Service Funds deficits are expected to be eliminated by future grant revenues, intergovernmental and charges for services. The Successor Agency to the Redevelopment Agency Private-Purpose Trust Funds deficit which will be eliminated by future revenues.

B. Expenditures Exceeding Appropriations

For the year ended June 30, 2022, expenditures exceeded appropriations in the following funds by function:

Fund	Function	Excess Expenditures over Appropriations
General Fund	Economic development	\$ 469,589
General Fund	General government	521,688
General Fund	Finance	280,544
General Fund	Non-departmental	1,473,536
General Fund	Police	570,680
General Fund	Fire	31,214
General Fund	Development and engineering	389
General Fund	Public works	845,190
Housing Successor Special Revenue Fund	Capital Outlay	441,766
Community Development Fees Special Revenue Fund	Development and engineering	1,032,085
General Capital Projects Fund	Capital Outlay	1,572,296
Tracy Infrastructure Master Plans Capital Projects Fund	Capital Outlay	339,828
Asset Forfeiture Special Revenue Fund	Police	48,265
Asset Forfeiture Special Revenue Fund	Capital Outlay	162
Transportation Development Special Revenue Fund	Capital outlay	548,018
Proposition K Street Special Revenue Fund	Development and engineering	3,134
State Gas Tax Street Special Revenue Fund	Non-departmental	449
State Gas Tax Street Special Revenue Fund	Capital Outlay	2,364,977
Community Development Block Grant Special Revenue Fund	Economic development	240
Landscaping District Special Revenue Fund	Non-departmental	306
Landscaping District Special Revenue Fund	Public works	1,935,540
COPS Grant Special Revenue Fund	Police	271
CFD Services 2016-2 Special Revenue Fund	Public works	1,882
CFD Services 2018-1 Special Revenue Fund	Non-departmental	30,977
CFD Services 2018-1 Special Revenue Fund	Public works	180

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 18 – Fund Balance Classification

The City classifies fund balances, as shown on the *Balance Sheet – Governmental Funds*, as follows as of June 30, 2022:

	General Fund	Housing Successor Fund	Community Development Fees Fund	CARES/ARPA Fund	General Capital Projects Fund	Tracy Infrastructure Master Plans Fund	Non-major Governmental Funds	Total
Restricted								
Housing	\$ -	\$ 4,636,384	\$ -	\$ -	\$ -	\$ 90,869,092	\$ -	\$ 95,505,476
Special area projects	-	-	7,885,712	-	-	-	82,753,125	90,638,837
Public safety	-	-	-	1,504,200	-	-	132,144	1,636,344
Debt service	-	-	-	-	-	-	21,752,043	21,752,043
Community development	-	-	-	-	-	-	206,073	206,073
Asset forfeiture	-	-	-	-	-	-	793,983	793,983
Streets and roads	-	-	-	-	-	-	14,240,664	14,240,664
Landscaping district	-	-	-	-	-	-	5,470,745	5,470,745
Cable TV	-	-	-	-	-	-	578,285	578,285
Drainage	-	-	-	-	-	-	2,569,288	2,569,288
Tracy GROW	-	-	-	-	-	-	1,000,000	1,000,000
Fire medical leave bank	813,680	-	-	-	-	-	-	813,680
Medical leave bank	2,361,297	-	-	-	-	-	-	2,361,297
Total restricted	3,174,977	4,636,384	7,885,712	1,504,200	-	90,869,092	129,496,350	237,566,715
Committed								
Contingency/emergency	14,505,000	-	-	-	-	-	-	14,505,000
Total committed	14,505,000	-	-	-	-	-	-	14,505,000
Assigned								
Animal control trust	22,193	-	-	-	-	-	-	22,193
Economic/budget stability	11,092,059	-	-	-	-	-	-	11,092,059
Prior year reappropriations	320,865	-	-	-	-	-	-	320,865
Capital projects	-	-	-	-	79,742,287	-	-	79,742,287
Total assigned	11,435,117	-	-	-	79,742,287	-	-	91,177,404
Unassigned	7,761,601	-	-	-	-	-	(249,148)	7,512,453
Total fund balances	\$ 36,876,695	\$ 4,636,384	\$ 7,885,712	\$ 1,504,200	\$ 79,742,287	\$ 90,869,092	\$ 129,247,202	\$ 350,761,572

Note 19 – Net Investment in Capital Assets

Net Investment in Capital Assets at June 30 consisted of the following:

	Governmental Activities	Business-type Activities	Total
Total capital assets, net	\$ 681,830,007	\$ 447,769,174	\$ 1,129,599,181
Less related debt:			
Lease payable	(236,112)	-	(236,112)
Lease revenue bonds	(40,775,954)	-	(40,775,954)
Loans payable	-	(6,456,524)	(6,456,524)
Certificates of participation	-	(20,260,000)	(20,260,000)
Net investment in capital assets	<u>\$ 640,817,941</u>	<u>\$ 421,052,650</u>	<u>\$ 1,061,870,591</u>

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 20 – South San Joaquin County Fire Authority Joint Powers Agreement

The South County Fire Authority (SCFA) was created in September 1999 by a Joint Exercise of Powers Agreement (Agreement) between the City and the Tracy Rural Fire Protection District (the “District”) to provide fire administration, fire prevention and fire training and safety within the jurisdictional area of the Authority. Under the provisions of the Agreement, as amended, the City and District split the annual costs of maintenance and operations for Fire Protection Services, Fire Dispatch Services, Fire Prevention Services, certain expenses of the City defined in the Agreement, and insurance premiums paid by the City to insure itself against liability arising out of the Agreement for the provision of Fire Services. The cost split between the City and District is dependent upon the staffing levels at each of the three City stations and three District stations, except Station 92. Under the provisions of the Agreement, the District is to pay 100% of the Station 92 maintenance and operations funding for 7 years and 10 months from the date of issuance of the Certificate of Occupancy of the relocated Station 92, or July 1, 2015, whichever occurs later. The Certificate of Occupancy was issued in May 2014.

In February 2018, the City and the District established the South San Joaquin County Fire Authority (SSJCFA) with an effective date of March 1, 2018 and an implementation date of July 1, 2018. With the implementation the new authority, the City and the District entered into an agreement to resolve the outstanding financial obligations of SCFA and dissolve SCFA on June 30, 2018.

On January 1, 2022, the City transferred operating assets and employees to the control of SSJCFA. The employees of the City who were providing services under the contract with South San Joaquin County Fire have been transferred to SSJCFA and as of January 1, 2022 are now employees of the Authority. All benefit accruals started accruing from January 1, 2022. Additionally, the employees are covered by CalPERS pension which will start accruing at January 1, 2022.

Under the terms of the agreement, the City and the District paid \$957,168 and \$233,215, respectively, to fund the outstanding balance of the prior compensated absences balance of the SCFA, and the City agreed to reduce a loan receivable from the SCFA to \$1,025,487 and that balance was considered satisfied as of June 30, 2018. During fiscal year 2022, the SSJCFA incurred costs of \$27.1 million, of which \$16.4 million was paid by the City and \$9.5 million was paid by the District. The City’s balance Due from the Component Unit as of June 30, 2022, was \$3,375,233.

Note 21 – Community Development Agency Dissolution

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on January 31, 2012.

The suspension provisions prohibited all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

ABx1 26 and AB1484 created three regulatory authorities, the Successor Agency Oversight Board, State Controller and Department of Finance (DOF), to review former Agency’s asset transfer, obligation payments and wind down activities. ABx1 26 specifically directs the State Controller to review the activities of all redevelopment agencies to determine whether an asset transfer between an agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the Redevelopment Agency or, on or after February 1, 2012, to the Successor Agency.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 21 – Community Development Agency Dissolution (Continued)

In fiscal year 2011, the former Community Development Agency transferred \$9,967,619 of assets to the City, comprised of cash of \$6,306,390 and capital assets of \$3,661,229. ABx1 26 and AB1484 contain provisions that such transfers are subject to a review by the State Controller's Office. According to Health and Safety Code 34167.5, if such an asset is not contractually committed to a third party for the expenditure or encumbrance of those assets, to the extent not prohibited by state and federal law, the Controller shall order the available assets to be returned to the former Community Development Agency or, on or after February 1, 2012, to the Successor Agency. During fiscal year 2012, the City returned cash of \$1,843,395 and capital assets of \$3,661,229 to the Successor Agency.

The City received the results of the State Controller's asset transfer review in December 2014 that indicates the City is to return the remaining cash in the amount of \$4,462,995 to the Successor Agency. City management disputed the findings of both the State Controller and the Non-housing DDR discussed below, however, to allow the Successor Agency to receive its Finding of Completion, the City transferred \$4,462,995 to the Successor Agency in November 2015 and the Successor Agency remitted payment to the County in December 2015. The City and Successor Agency continued to contest the order of the Department of Finance and were engaged in litigation on the matter. The Third District ordered \$911,495 to be returned to the City of Tracy as an enforceable obligation on the Successor Agency's fiscal year 2017 Recognized Obligations Payment Schedule. Furthermore, the State and the City Council have decided not to appeal to the State Supreme Court.

Effective January 31, 2012, the Community Development Agency was dissolved. Certain assets of the Community Development Agency Housing Fund were distributed to a Housing Successor; and the remaining Community Development Agency assets and liabilities were distributed to a Successor Agency.

Under the provisions of AB 1484, the City can elect to become the Housing Successor and retain the housing assets. The City elected to become the Housing Successor and on February 1, 2012, certain housing assets were transferred to the City's Housing Successor Special Revenue Fund.

The activities of the Housing Successor are reported in the Housing Successor Special Revenue Fund as the City has control of those assets, which may be used in accordance with the low and moderate income housing provisions of California Redevelopment Law.

On January 17, 2012, the City Council elected to become the Successor Agency for the former Community Development Agency in accordance with AB1484 as part of the City resolution number 2012-021, and on February 1, 2012 the Community Development Agency's remaining assets were distributed to and liabilities were assumed by the Successor Agency. ABx1 26 requires the establishment of an Oversight Board to oversee the activities of the Successor Agency and one was established in May 2012. The activities of the Successor Agency were subject to review and approval of the Oversight Board, which was comprised of seven members, including one member of City Council and one former Redevelopment Agency employee appointed by the Mayor. On July 1, 2018, the duties of the Tracy Oversight Board transferred to a new San Joaquin Countywide Consolidated Oversight Board, which is now responsible for overseeing the winddown affairs of all Successor Agencies in San Joaquin County, including the Successor Agency to the Tracy Community Development Agency.

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Community Development Agency.

AB1484 required the Successor Agency to complete two due diligence reviews – one for the low and moderate income housing assets of the Successor Agency (Housing DDR), and a second for all other balances of the Successor Agency (Non-housing DDR). The due diligence reviews are to calculate the balance of unencumbered balances as of June 30, 2012 available to be remitted to the County for disbursement to taxing entities. The Successor Agency submitted both due diligence reviews to the State Department of Finance for review and approval.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 21 – Community Development Agency Dissolution (Continued)

The Department of Finance approved the Housing DDR in November 2012, which indicated that \$3,398,232 was available for distribution and that amount was remitted to the County in November 2012. The Department of Finance did not initially approve the Non- housing DDR, which indicated that the Successor Agency had an available balance of \$2,281,467, and the State made adjustments to the Non-housing DDR and instead made a demand for the return of funds totaling \$4,618,398, which was remitted to the County in November 2015, as discussed above. The Successor Agency received its Finding of Completion on December 8, 2015, which means it can now utilize bond proceeds for projects consistent with the original bond covenants.

Note 22 – Commitments and Contingencies

A. *Litigation*

The City is currently a party to various claims and legal proceedings. Although the outcome of these lawsuits is not presently determinable, it is management's opinion that the ultimate liabilities, if any, resulting from such claims and proceedings will not materially affect the financial position of the City.

B. *Contingent Liabilities*

On March 1, 1993, the City issued Certificates of Participation in the aggregate of \$10,250,000 for the benefit of Tracy Community Hospital (Hospital), a California nonprofit public benefit corporation. The Hospital is not included in the City's reporting entity. The City is obligated to make the purchase payments only from and to the extent that it receives revenue from the Hospital. They are not secured by any pledge of taxes or other revenues of the City. In addition, the purchase payments are insured by the Office of Statewide Health Planning and Development of the State of California. As of June 30, 2022, the City has not recorded revenues from the Hospital.

C. *Federal and State Grants*

The City participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit act as amended. Accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

D. *Revenue Limitations Imposed by California Proposition 218*

Proposition 218, which was approved by the voters in November 1996, will regulate the City's ability to impose, increase, and extend taxes, assessments, and fees. Any new, increased, or extended taxes, assessments, and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees are subject to the voter initiative process and may be rescinded in the future years by the voters.

E. *Measure V Sales Tax Revenues*

The City receives tax proceeds from the Measure V one-half cent sales tax approved by Tracy voters in November 2016, commencing for a twenty year period beginning April 1, 2017. The amount of Measure V tax proceeds received and recorded during the fiscal year ending June 30, 2022 was \$13,017,279. Measure V is a general tax of the City and the revenues were deposited in the City's General Fund. Expenditures for a variety of City functions were made from the City's General Fund utilizing the Measure V and other revenue of the City.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 22 – Commitments and Contingencies (Continued)

F. Location Agreements

In December 2015, the City entered into a Location Agreement with a manufacturer and distributor of healthcare products and services to make payments to the Corporation in return for the Corporation establishing, locating and operating a sales office in the City. Under the terms of the agreement, the City has agreed to pay the Corporation fifty per cent (50%) of the quarterly local sales tax revenues attributable to the Corporation's taxable sales for each fiscal quarter, excluding penalty assessments, commencing with the quarter beginning January 1, 2017 and ending on December 31, 2036, unless otherwise extended in accordance with the agreement. The City paid \$4,136,089 to the Corporation during the year ended June 30, 2022.

In August 2017, the City entered into a Location Agreement with a distributor of precision laboratory equipment to make payments to the Corporation in return for the Corporation establishing, locating and operating a sales office in the City. Under the terms of the agreement, the City has agreed to pay the Corporation fifty per cent (50%) of the quarterly local sales tax revenues attributable to the Corporation's taxable sales for each fiscal quarter, excluding penalty assessments, commencing with the quarter beginning October 2018 and ending on October 2038, unless otherwise extended in accordance with the agreement. The City paid \$2,383,541 to the Corporation during the year ended June 30, 2022.

G. Encumbrances and Construction Commitments

The City uses an encumbrance system as an extension of normal budgetary accounting for governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end are automatically reappropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances outstanding by fund as of June 30, 2022 were as follows:

	Balance
General Fund	\$ 614,338
TEA Grant Special Revenue Fund	46,292
Community Development Fees Special Revenue Fund	990,868
General Projects Capital Projects Fund	902,000
Tracy Infrastructure Master Plan Capital Projects Fund	1,264,641
Non-Major Governmental Funds	21,167,103
	<u>\$ 24,985,243</u>

H. Housing Successor Excess Surplus

Health and Safety Code (HSC) Section 34176.1(d) defines an excess surplus as an unencumbered balance held by the housing successor that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the housing successor fund during the housing successor's preceding four fiscal years, whichever is greater. If a housing successor has an excess surplus, the HSC Section requires that the housing successor encumber the excess surplus for eligible purposes described in the HSC Section 34176.1(a)(3) or transfer the funds to another local housing successor within three fiscal years. If the housing successor fails to comply with this provision, the housing successor, within 90 days of the end of the third fiscal year, is required to transfer any excess surplus to the Department of Housing and Community Development for expenditure pursuant to the Multifamily Housing Program or the Joe Serna, Jr. Farmworker Housing Grant Program.

City of Tracy
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 22 – Commitments and Contingencies (Continued)

H. Housing Successor Excess Surplus (Continued)

The Housing Successor Special Revenue Fund serves as the housing successor and as of July 1, 2019 had an excess surplus balance of \$137,971. The City is in late stage discussions with two developers related for housing projects and the excess surplus is expected to be encumbered in fiscal year 2023.

I. State Approval of Enforceable Obligations

The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) semi-annually that contains all proposed expenditures for the subsequent six-month period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. Although the State Department of Finance may not question items included on the ROPS in one period, they may question the same items in a future period and disallow associated activities. The amount, if any, of current obligations that may be denied by the State Department of Finance cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Tracy
Required Supplementary Information (Unaudited)
Modified Approach to Reporting Street Pavement Costs
For the Year Ended June 30, 2022

Generally accepted accounting principles allow the City to use the Modified Approach with respect to infrastructure assets instead of depreciating these assets. The Modified Approach may be used if two requirements are met:

1. The City must have an asset management system (AMS) with certain features:
 - It must maintain an up-to-date inventory of the infrastructure assets.
 - It must estimate the annual costs to maintain and preserve those assets at the condition level the City has established and disclosed through administrative or executive policy or legislative action.
 - The AMS must be used to assess the condition of the assets periodically, using a measurement scale.
 - The condition assessments must be replicable as those that are based on sufficiently understandable and complete measurement methods such that different measurers using the same methods would reach substantially similar results.
2. The City must document that the roads are being preserved approximately at or above the condition level the City has established and disclosed. This documentation must include the results of the three most recent complete condition assessments and must provide reasonable assurance that the assets are being preserved approximately at or above the intended condition level.

The City has elected to use the Modified Approach to report street pavement costs. The City uses the Metropolitan Transportation Commission's (MTC) Pavement System to track the condition levels of each of the street sections.

The conditions of the pavement are based on a weighted average of seven distress factors found in pavement surfaces. The MTC pavement management system uses a measurement scale that is based on a condition index ranging from zero for a failed pavement to 100 for pavement with perfect conditions. The condition index is used to classify pavement in good or better condition (70-100), fair condition (50-69), and substandard condition (less than 50).

City of Tracy
Required Supplementary Information (Unaudited)
Modified Approach to Reporting Street Pavement Costs (Continued)
For the Year Ended June 30, 2022

The City's preservation costs are budgeted to be \$5,920,343 in fiscal year 2023. The Pavement Condition Index (PCI) for the City's street pavement for the latest years is as follows:

Year	PCI	Maintenance Budget	Actual Maintenance
2002	76	\$1,505,620	\$1,389,043
2003	77	1,621,170	1,642,556
2004	77	2,043,580	14,441,690
2005	81	2,303,227	13,943,191
2006	78	2,653,860	14,874,752
2007	76	4,244,964	8,647,067
2008	74	13,605,000	19,466,614
2009	72	1,667,146	19,115,824
2010	73	4,457,510	3,333,185
2011	82	4,355,038	3,096,185
2012	82	1,775,290	1,347,061
2013	77	2,973,800	1,387,484
2014	77	3,183,569	3,350,927
2015	74	3,387,213	2,244,902
2016	71	3,648,840	2,186,853
2017	69	3,565,677	2,238,573
2018	69	2,646,996	2,825,868
2019	69	4,039,845	2,220,870
2020	69	10,810,600	6,666,870
2021	69	9,866,151	7,827,339
2022	69	10,175,540	9,020,417
2023	69	5,920,343	

The City's administrative policy is to achieve a minimum rating of 69 for all street pavement. This rating allows for minor cracking and revealing of pavement along with minor roughness that could be noticeable to drivers traveling at posted speed. The City expended \$9,020,417 for street preservation for fiscal year 2022.

City of Tracy
Required Supplementary Information (Unaudited)
Budgetary Information
For the Year Ended June 30, 2022

Through the budget, the City Council sets the direction of the City, allocates its resources and establishes its priorities. The Annual Budget assures the efficient and effective uses of the City's economic resources, as well as establishing that the highest priority objectives are accomplished.

The Annual Budget serves from July 1 to June 30, and is a vehicle that accurately and openly communicates these priorities to the community, businesses, vendors, employees and other public agencies. Additionally, it establishes the foundation of effective financial planning by providing resource planning, performance measures, and controls that permit the evaluation and adjustment of the City's performance.

The City collects and records revenue and expenditures within the following categories:

- Governmental Activities
- Business-Type Activities

The Governmental Funds include the General Fund, Special Revenue, Debt Service and Capital Projects funds. All funding sources are kept separate for both reporting and use of the money. The General Fund is where most City services are funded that are not required to be segregated.

The budget process begins as a team effort in January of each year, starting with an annual strategic planning meeting. Then the individual departments use projected revenue assumptions to prioritize and recommend the next fiscal year's objectives. The City Manager's Office and the Finance Department review all budget proposals and revenue assumptions, as well as all current financial obligations before preparing the document that is proposed to the City Council. The City Council reviews the Proposed Budget through a series of committees and workshops and the final adoption of the budget is scheduled for June of each year.

Budgeting Procedures

Annual budgets are adopted for all governmental fund types, except capital projects funds, on a basis consistent with accounting principles generally accepted in the United States of America. The City's budget ordinance requires that in June of each fiscal year the City Manager submit a preliminary budget that includes projected expenditures and the means of financing them, to the City Council for the fiscal year commencing the following July 1. As modified during public study sessions, the preliminary budget becomes the proposed budget. Following public hearings on the proposed budget, the final annual budget is adopted by the City Council. After adoption of the final budget, transfers of appropriations within a general fund department, or within other funds, can be made by the City Manager. Budget modifications between funds; increases or decreases to a fund's overall budget; transfers between general fund departments; or transfers that affect capital projects, must be approved by the City Council. Numerous properly authorized amendments are made during the fiscal year.

The City does not adopt budgets for the CARES/ARPA Grant, Grow Tracy, and the FEMA Grant Special Revenue Funds.

Budgetary control is enhanced by integrating the budget into the general ledger accounts. Encumbrance accounting (e.g., purchase orders) is employed by the City.

City of Tracy
Required Supplementary Information (Unaudited)
Budgetary Information (Continued)
For the Year Ended June 30, 2022

Budgets and Budgetary Accounting

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Before the beginning of the fiscal year the City Manager submits to the City Council a proposed budget for the year commencing July 1.
2. A public meeting is conducted to obtain taxpayer comments.
3. The budget is subsequently adopted through passage of a resolution and is not included herein but is published separately.
4. All appropriations are as originally adopted or as amended by the City Council and all unencumbered budgeted amounts lapse at year-end, except in the General Fund where an expenditure control budget policy allows departments to carryover a portion of the unexpended amounts into the next fiscal year.
5. Continuing Appropriations are re-budgeted by the City Council as part of the adoption of subsequent year's budgets.
6. Legally adopted budget appropriations are set for the General, Special Revenue, and Debt Service Funds.
7. The legal level of budgetary control is at the department level. A Department Head may transfer appropriations within the department. Expenditures may exceed appropriations at this level to the extent that departmental owned revenues are sufficient to offset the excess. Expenditures in excess of departmental owned revenues must be approved by the City Council. The City Council, by the affirmative vote of three members, may amend the budget to add or delete appropriations, transfer between appropriations within a fund or change appropriation transfers between funds.
8. Budgets for General, Special Revenue, and Debt Service Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the budgeted governmental funds.

Encumbrances outstanding at year-end are reported as a restriction, commitment or assignment of fund balances, since the commitments will be honored through subsequent years' continuing appropriations. Encumbrances do not constitute expenditures or liabilities for US GAAP reporting purposes.

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Budgetary Comparison Schedules – General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Taxes	\$ 70,846,000	\$ 99,056,000	\$ 107,384,147	\$ 8,328,147
Licenses, permits and fees	4,022,000	4,022,000	4,149,346	127,346
Fines and penalties	135,000	59,000	168,400	109,400
Investment income (loss)	599,000	599,000	(2,281,888)	(2,880,888)
Intergovernmental	1,029,000	1,569,000	2,360,007	791,007
Charges for current services	9,252,000	9,438,000	12,485,210	3,047,210
Special assessments	472,000	472,000	468,439	(3,561)
Contributions	147,000	147,000	-	(147,000)
Other revenue	238,000	238,000	7,097,109	6,859,109
Total revenues	86,740,000	115,600,000	131,830,770	16,230,770
EXPENDITURES:				
Current:				
General government				
Economic development	237,000	272,000	741,589	(469,589)
General government	8,935,625	8,027,625	8,549,313	(521,688)
Finance	4,885,000	5,005,000	5,285,544	(280,544)
Non-departmental	434,000	431,000	1,904,536	(1,473,536)
Public safety				
Police	34,140,341	39,226,306	39,796,986	(570,680)
Fire	15,251,000	16,371,000	16,402,214	(31,214)
Public ways and facilities				
Development and engineering	139,000	212,000	212,389	(389)
Public works	6,590,000	7,371,000	8,216,190	(845,190)
Community development				
Parks and community services	4,060,000	4,098,000	4,041,955	56,045
Capital outlay	4,000	63,000	13,558	49,442
Debt service:				-
Principal	-	-	720	(720)
Interest and fiscal charges	-	-	158,533	(158,533)
Total expenditures	74,675,966	81,076,931	85,323,527	(4,246,596)
REVENUES OVER (UNDER) EXPENDITURES	12,064,034	34,523,069	46,507,243	11,984,174
OTHER FINANCING SOURCES (USES):				
Transfers in	60,000	60,000	70,147	10,147
Transfers out	(15,774,001)	(18,331,001)	(43,730,949)	(25,399,948)
Total other financing sources (uses)	(15,714,001)	(18,271,001)	(43,660,802)	(25,389,801)
Net change in fund balance	\$ (3,649,967)	\$ 16,252,068	2,846,441	\$ (13,405,627)
FUND BALANCE:				
Beginning of year			34,030,254	
End of year			<u>\$ 36,876,695</u>	

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Budgetary Comparison Schedules – Housing Successor Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ (16,730)	\$ (16,730)
Other revenue	55,000	55,000	16,018	(38,982)
Total revenues	55,000	55,000	(712)	(55,712)
EXPENDITURES:				
Capital outlay	190,000	460,000	901,766	(441,766)
Total expenditures	190,000	460,000	901,766	(441,766)
REVENUES OVER (UNDER) EXPENDITURES	(135,000)	(405,000)	(902,478)	(497,478)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	634,910	634,910
Total other financing sources (uses)	-	-	634,910	634,910
Net change in fund balance	<u>\$ (135,000)</u>	<u>\$ (405,000)</u>	(267,568)	<u>\$ 137,432</u>
FUND BALANCE:				
Beginning of year			4,903,952	
End of year			<u>\$ 4,636,384</u>	

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Budgetary Comparison Schedules – Community Development Fees Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Licenses, permits and fees	\$ 2,668,000	\$ 4,255,000	\$ 9,770,405	\$ 5,515,405
Investment income (loss)	-	-	(447,737)	(447,737)
Intergovernmental	43,000	-	-	-
Charges for current services	2,734,000	3,758,000	7,485,271	3,727,271
Other revenue	-	-	23,966	23,966
Total revenues	<u>5,445,000</u>	<u>8,013,000</u>	<u>16,831,905</u>	<u>8,818,905</u>
EXPENDITURES:				
Current:				
General government				
Non-departmental	820,000	820,000	819,077	923
Public ways and facilities				
Development and engineering	11,734,000	10,089,000	11,121,085	(1,032,085)
Capital outlay	5,000	-	-	-
Debt service:				
Principal	-	-	11,313	(11,313)
Interest and fiscal charges	-	-	55	(55)
Total expenditures	<u>12,559,000</u>	<u>10,909,000</u>	<u>11,951,530</u>	<u>(1,042,530)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(7,114,000)</u>	<u>(2,896,000)</u>	<u>4,880,375</u>	<u>7,776,375</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	2,109,000	2,109,000	2,109,068	68
Total other financing sources (uses)	<u>2,109,000</u>	<u>2,109,000</u>	<u>2,109,068</u>	<u>68</u>
Net change in fund balance	<u>\$ (5,005,000)</u>	<u>\$ (787,000)</u>	<u>6,989,443</u>	<u>\$ 7,776,443</u>
FUND BALANCE:				
Beginning of year			896,269	
End of year			<u>\$ 7,885,712</u>	

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Schedule of Changes in the Net Pension Liability and Related Ratios
For the Year Ended June 30, 2022

Miscellaneous Plan								
Total Pension Liability	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14 ¹
Service cost	\$ 4,423,657	\$ 4,471,783	\$ 3,979,362	\$ 3,700,689	\$ 3,555,373	\$ 2,910,705	\$ 2,892,504	\$ 3,019,742
Interest on total pension liability	12,514,107	11,946,424	11,084,143	10,406,741	9,859,228	9,339,655	9,030,774	8,760,895
Differences between expected and actual experience	(813,515)	3,547,669	1,781,080	1,406,163	70,396	(3,013,865)	(3,592,113)	-
Changes in assumptions	-	-	-	(1,198,922)	8,362,562	-	(2,261,183)	-
Changes in benefit terms	-	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(8,166,291)	(7,115,731)	(6,479,285)	(6,628,099)	(5,445,878)	(4,956,786)	(4,804,924)	(4,447,727)
Net change in total pension liability	7,957,958	12,850,145	10,365,300	7,686,572	16,401,681	4,279,709	1,265,058	7,332,910
Total pension liability - beginning	177,707,299	164,857,154	154,491,854	146,805,282	130,403,601	126,123,892	124,858,834	117,525,924
Total pension liability - ending (a)	\$185,665,257	\$177,707,299	\$164,857,154	\$154,491,854	\$146,805,282	\$130,403,601	\$126,123,892	\$124,858,834
Plan fiduciary net position								
Contributions - employer	6,067,470	5,671,613	4,774,139	4,065,966	3,873,007	3,466,879	2,793,345	2,699,952
Contributions - employee	2,122,136	2,054,668	1,907,660	1,720,800	1,552,617	1,461,861	1,346,337	1,374,066
Investment income (net of administrative expenses)	30,111,134	6,301,674	7,724,741	9,323,836	10,997,746	487,393	2,132,844	14,281,310
Benefit payments	(8,166,291)	(7,115,731)	(6,479,285)	(6,628,099)	(5,445,878)	(4,956,786)	(4,804,924)	(4,447,727)
Other	(131,162)	(175,606)	(83,023)	(459,215)	(144,490)	(59,400)	(101,304)	-
Net change in plan fiduciary net position	30,003,287	6,736,618	7,844,232	8,023,288	10,833,002	399,947	1,366,298	13,907,601
Plan fiduciary net position - beginning	131,301,729	124,565,111	116,720,879	108,697,591	97,864,589	97,464,642	96,098,344	82,190,743
Plan fiduciary net position - ending (b)	\$161,305,016	\$131,301,729	\$124,565,111	\$116,720,879	\$108,697,591	\$ 97,864,589	\$ 97,464,642	\$ 96,098,344
Net pension liability - ending (a)-(b)	\$ 24,360,241	\$ 46,405,570	\$ 40,292,043	\$ 37,770,975	\$ 38,107,691	\$ 32,539,012	\$ 28,659,250	\$ 28,760,490
Plan fiduciary net position as a percentage of the total pension liability								
	86.88%	73.89%	75.56%	75.55%	74.04%	75.05%	77.28%	76.97%
Covered payroll	\$ 27,962,432	\$ 27,434,251	\$ 24,136,362	\$ 21,560,758	\$ 20,282,805	\$ 18,513,576	\$ 18,046,570	\$ 18,128,965
Net pension liability as a percentage of covered payroll	87.12%	169.15%	166.94%	175.18%	187.88%	175.76%	158.81%	158.64%

Notes to Schedule:

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable.

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Schedule of Changes in the Net Pension Liability and Related Ratios (Continued)
For the Year Ended June 30, 2022

Safety Plan							
Total Pension Liability	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Service cost	\$ 6,319,026	\$ 5,954,133	\$ 5,341,283	\$ 5,100,415	\$ 4,863,739	\$ 4,239,783	\$ 4,491,843
Interest on total pension liability	15,086,876	14,167,518	13,132,663	12,156,431	11,508,306	10,762,768	10,281,540
Differences between expected and actual experience	470,585	3,242,995	3,440,318	(9,610)	433,771	(2,662,887)	(3,530,865)
Changes in assumptions	-	-	-	(761,909)	10,655,271	-	(2,807,525)
Changes in benefit terms	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(8,111,466)	(7,721,638)	(7,378,049)	(6,949,949)	(6,358,409)	(5,917,646)	(5,470,177)
Net change in total pension liability	13,765,021	15,643,008	14,536,215	9,535,378	21,102,678	6,422,018	2,964,816
Total pension liability - beginning	211,430,889	195,787,881	181,251,666	171,716,288	150,613,610	144,191,592	141,226,776
Total pension liability - ending (a)	\$ 225,195,910	\$ 211,430,889	\$ 195,787,881	\$ 181,251,666	\$ 171,716,288	\$ 150,613,610	\$ 144,191,592
Plan fiduciary net position							
Contributions - employer	7,379,587	6,693,746	5,822,621	5,132,782	4,604,350	4,433,276	4,171,390
Contributions - employee	2,523,099	2,355,865	2,104,947	1,985,924	1,590,493	1,421,949	1,380,651
Investment income (net of administrative expenses)	36,190,585	7,445,354	9,222,427	10,913,236	12,957,627	584,528	2,531,449
Benefit payments	(8,111,466)	(7,721,638)	(7,378,049)	(6,949,949)	(6,358,409)	(5,917,646)	(5,470,177)
Other	(157,580)	(210,313)	(99,235)	(615,373)	(171,890)	(70,678)	(130,531)
Net change in plan fiduciary net position	37,824,225	8,563,014	9,672,711	10,466,620	12,622,171	451,429	2,482,782
Plan fiduciary net position - beginning	157,747,183	149,184,169	139,511,458	129,044,838	116,422,667	115,971,238	113,488,456
Plan fiduciary net position - ending (b)	\$ 195,571,408	\$ 157,747,183	\$ 149,184,169	\$ 139,511,458	\$ 129,044,838	\$ 116,422,667	\$ 115,971,238
Net pension liability - ending (a)-(b)	\$ 29,624,502	\$ 53,683,706	\$ 46,603,712	\$ 41,740,208	\$ 42,671,450	\$ 34,190,943	\$ 28,220,354
Plan fiduciary net position as a percentage of the total pension liability							
	86.85%	74.61%	76.20%	76.97%	75.15%	77.30%	80.43%
Covered payroll	\$ 19,470,677	\$ 17,559,035	\$ 17,559,035	\$ 16,322,896	\$ 15,501,462	\$ 15,245,537	\$15,927,959
Net pension liability as a percentage of covered payroll							
	152.15%	305.73%	265.41%	255.72%	275.27%	224.27%	177.17%

Notes to Schedule:

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable.

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions - Pension
For the Year Ended June 30, 2022

Miscellaneous Plan							
Fiscal Year:	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>
Contractually determined contribution (actuarially determined)	\$ 6,787,574	\$ 6,067,472	\$ 5,566,882	\$ 4,749,293	\$ 4,050,711	\$ 3,873,007	\$ 3,499,868
Contributions in relation to the actuarially determined contributions	(6,787,574)	(6,067,472)	(5,566,882)	(4,749,293)	(4,050,711)	(3,873,007)	(3,499,868)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 28,939,453	\$ 27,962,432	\$ 27,601,313	\$ 25,887,652	\$ 23,989,506	\$ 20,465,522	\$ 19,352,925
Contributions as a percentage of covered payroll	23.45%	21.70%	20.17%	18.35%	16.89%	18.92%	18.08%

Notes to Schedule

Methods and assumptions used to determine contribution rates for the fiscal year ended June 30, 2022:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2022 were derived from the June 30, 2019 funding report.

Actuarial cost method	Entry Age Normal
Amortization method/period	For details, see June 30, 2019 Funding Valuation Report
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2019 Funding Valuation Report.
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll growth	2.750%
Investment rate of return	7.00% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 and 2015. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of 2016 published by the Society of Actuaries.

¹ Historical information is presented only for the periods for which GASB 68 is applicable.

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions – Pension (Continued)
For the Year Ended June 30, 2022

	Safety Plan							
Fiscal Year:	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15¹
Contractually determined								
contribution (actuarially determined)	\$ 7,549,380	\$ 7,379,603	\$ 6,437,044	\$ 5,643,974	\$ 5,148,037	\$ 4,604,350	\$ 4,477,450	\$ 3,522,006
Contributions in relation to the								
actuarially determined contributions	(7,549,380)	(7,379,603)	(6,437,044)	(5,643,974)	(5,148,037)	(4,604,350)	(4,477,450)	(3,522,006)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 15,292,362	\$ 17,684,752	\$ 19,725,873	\$ 18,413,297	\$ 16,743,454	\$ 15,512,824	\$ 15,414,995	\$ 15,225,341
Contributions as a percentage of covered payroll	49.37%	41.73%	32.63%	30.65%	30.75%	29.68%	29.05%	23.13%

Notes to Schedule

Methods and assumptions used to determine contribution rates for the fiscal year ended June 30, 2022:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2022 were derived from the June 30, 2019 funding valuation report.

Actuarial cost method	Entry Age Normal
Amortization method/period	For details, see June 30, 2019 Funding Valuation Report
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2019 Funding Valuation Report.
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll growth	2.750%
Investment rate of return	7.00% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 and 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

¹ Historical information is presented only for the periods for which GASB 68 is applicable.

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2022

Fiscal year ending:	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Measurement date:	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017 ¹
Total OPEB liability					
Service cost	\$ 450,489	\$ 443,619	\$ 417,193	\$ 318,114	\$ 343,641
Interest	178,125	195,454	192,818	192,889	153,933
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(356,446)	-	273,705	-
Changes of assumptions	287,043	(388,970)	101,040	(391,232)	(334,977)
Benefit payments, including refunds of member contributions	(211,025)	(209,370)	(195,363)	(174,114)	(138,947)
Net change in total OPEB liability	704,632	(315,713)	515,688	219,362	23,650
Total OPEB liability - beginning	6,350,859	6,666,572	6,150,884	5,931,522	5,907,872
Total OPEB liability - ending (a)	\$ 7,055,491	\$ 6,350,859	\$ 6,666,572	\$ 6,150,884	\$ 5,931,522
OPEB fiduciary net position					
Contributions - employer	\$ 211,025	\$ 209,370	\$ 195,363	\$ 174,114	\$ 138,947
Net investment income	-	-	-	-	-
Benefit payments, including refunds of member contributions	(211,025)	(209,370)	(195,363)	(174,114)	(138,947)
Administrative expense	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -
Plan net OPEB liability - ending (a) - (b)	\$ 7,055,491	\$ 6,350,859	\$ 6,666,572	\$ 6,150,884	\$ 5,931,522
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 40,530,944	\$ 38,076,958	\$ 36,576,729	\$ 34,460,922	\$ 23,997,600
Plan net OPEB liability as a percentage of covered-employee payroll	17.41%	16.68%	18.23%	17.85%	24.72%

¹ Information only presented from the implementation year

City of Tracy
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions - OPEB
For the Year Ended June 30, 2022

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17 ¹
Actuarially determined contribution ²	\$ -	\$ -	\$ -	\$ -	\$ 764,705	\$ 138,947
Contractually determined contribution ²	247,683	211,025	209,370	195,363	-	-
Contributions in relation to the actuarially determined or contractually required contribution	(247,683)	(211,025)	(211,025)	(195,363)	(174,114)	(138,947)
Contribution deficiency (excess)	\$ -	\$ -	\$ (1,655)	\$ -	\$ 590,591	\$ -
Covered payroll	\$ 41,746,872	\$ 40,530,944	\$ 38,076,958	\$ 36,576,729	\$ 34,460,922	\$ 23,997,600
Contributions as a percentage of covered payroll	0.59%	0.54%	0.55%	0.53%	0.51%	0.58%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year ended June 30, 2021 were as follows:

Methods and assumptions used to determine contribution rates:

Actuarial valuation date	6/30/2021
Actuarial cost method	Entry Age Normal, Level Percentage of Payroll
Amortization method	Level Percentage of Projected Payroll on an Open Basis
Remaining amortization	26 years remaining as of June 30, 2020
Asset valuation method	Market value of assets (\$0, no OPEB Trust has been established)
Inflation	2.50%
Investment rate of return	2.66%
Healthcare cost trend rate	5.7% for 2021, decreasing to an ultimate rate of 4.0% in 2076;
Projected salary growth and increase	Not applicable
Mortality	Based on CalPERS 2017 experience study report using data for the period from 1997 to 2015

¹ Information only presented from the implementation year

² The City did not obtain an actuarially determined contribution in the fiscal years 2019 through 2021, therefore contractually required contributions are reported.

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SUPPLEMENTARY INFORMATION

Non-Major Governmental Funds

Special Revenue Funds:

TEA Grant - This fund is used to account for the revenues from State and Federal transportation efficiency act grants that are restricted for specific projects.

Business Improvement District Fund - This fund is used to accumulate revenues from assessments against business properties to support the Downtown Tracy Business Improvement District.

Asset Forfeiture Fund - This fund is used to account for the revenues that occur from asset seizures. They are specifically restricted for the purchase of law enforcement equipment and supplies.

Transportation Development Fund - This fund is used to account for the City's share of the quarter cent statewide transportation sales tax devoted to street maintenance purposes. The tax first goes to the Transportation Development Fund.

Proposition K Transportation Fund - This fund is used to account for the City's share of the half cent transportation sales tax of San Joaquin County. It is used for street maintenance and repairs.

State Gas Tax Street Fund - This fund is used to account for the City's share of State-Imposed motor vehicle gas taxes, which are legally restricted to acquisition, construction, improvement, and maintenance of the City's streets.

Community Development Block Grant Fund - This fund is used to account for federal grant monies received from the U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grants.

Landscaping District Fund - This fund is used to account for transactions of the City's landscaping benefit assessment districts.

Residential and Commercial Rehabilitation Loan Fund - This fund is used to account for Department of Housing and Urban Development Fund (HUD) trust monies which are used for low interest loans to qualified borrowers for inner city rehabilitation projects in accordance with HUD agreements.

Community Access CTV Fund - This fund is used to account for fees collected from City cable TV customers to cover expenses for videotaping and broadcasting the City Council meetings.

Grow Tracy Fund - This fund is used to account for assistance to local business owners through the issuance of small business loans.

COPS Grant Fund - This fund is used to account for activities related to the State and federal grant revenues restricted for law enforcement activities. The activities related to these grants were previously reported in the General Fund.

FEMA Grant Fund - This fund is used to account for activities relate to the federal grant revenues restricted for FEMA emergency disaster activities.

CFD Services 2016-2 Fund - This fund is used to account for transactions related to maintenance responsibility of the City for the Community Facilities Services District No. 2016-2 (Ellis).

CFD Services 2018-1 Fund - This fund is used to account for transactions related to the City-wide maintenance responsibility of the City for the Community Facilities Services District No. 2018-1.

North East Industrial Plan Area Storm Drain Fund - This fund is used to account for capital projects to separate development for Storm Drain in the North East Industrial Area of the City.

Non-Major Governmental Funds (Continued)

Debt Service Funds:

Lease Revenue Bonds Fund - This fund is used to accumulate funds for the payment of debt service on the lease revenue bonds, series 2008 and 2022.

Capital Projects Funds:

North East Industrial Plan Area # 1 Fund - This fund is used to account for capital projects to separate development in the North East Industrial area of the City.

North East Industrial Plan Area # 2 Fund - This fund is used to account for capital projects to separate development in the North East Industrial area of the City.

Infill Projects Fund - This fund is used to account for capital projects financed through capital development fees levied upon developers in the City's infill areas.

I-205 Area Improvements Fund - This fund is used to account for monies received from the sale of bonds for the purpose of construction of various community facilities within a specific area in the City.

Urban Management Plan Facilities Fund - This fund is used to account for expenditures for the planning, design, and construction of capital facilities required for new development beyond the current infill, Residential Specific Plan (RSP), and I-205 development.

Capital Projects Deposits Fund - This fund is used to account for monies received from developers, contractors, and other entities for the purpose of reimbursing the City for expenditures incurred in studies, research, etc., regarding their proposed development.

South MacArthur Plan Area Fund - This fund is used to account for projects to support development in a specific area of the City financed by assessments and/or development impact fees.

Industrial Specific Plan South Fund - This fund is used to account for projects to support development in a specific area of the City financed by assessments and/or development impact fees.

Presidio Plan Area Fund - This fund is used to account for projects to support development in a specific area of the City financed by assessments and/or development impact fees.

Redevelopment Obligations Fund - This fund is used to account for CDA grant proceeds used by the City to complete redevelopment projects.

Tracy Gateway Area Fund - This fund is used to account for projects to support development in a specific area of the City financed by assessments and/or development impact fees.

Plan "C" Fund - This fund is used to account for Plan "C", which is a development area of the City which was approved in 1998. Capital development fees levied on developers in this area and the related expenditures are accounted for in this fund.

Residential Specific Plan Projects Fund - This fund is used to account for capital projects financed by fees levied on developers in the City's 1987 Residential Specific Plan area.

Ellis Area Fund - This fund is used to account for projects to support development in a specific area of the City financed by capital development fees and/ or assessments.

CORE Fees Fund - This fund is used to account for CORE fees collected by the City and which are to be used for various purposes.

Regional Transportation Impact Fund - This fund is used to account for transportation impact fees collected by the City and which are to be used for transportation mitigation purposes.

City of Tracy
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

Special Revenue

	TEA Grant	Business Improvement District	Asset Forfeiture	Transportation Development	Proposition K Transportation	State Gas Tax Street
ASSETS						
Cash and investments	\$ 37,157	\$ -	\$ 816,481	\$ 50,610	\$ 6,352,582	\$ 6,620,318
Cash and investments with fiscal agents	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	24,009	-
Intergovernmental receivable	329,240	-	-	96,222	581,448	343,557
Interest receivable	97	-	2,432	151	18,923	23,097
Deposits	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
Due from Fiduciary Funds	-	-	-	-	-	-
Total assets	\$ 366,494	\$ -	\$ 818,913	\$ 146,983	\$ 6,976,962	\$ 6,986,972
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 117	\$ -	\$ 24,930	\$ -	\$ 10,095	\$ 195,221
Accrued payroll	-	-	-	-	245	31,069
Due to other funds	-	69,670	-	-	-	-
Deposits payable	-	-	-	-	-	-
Total liabilities	117	69,670	24,930	-	10,340	226,290
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances:						
Restricted	366,377	-	793,983	146,983	6,966,622	6,760,682
Unassigned (deficit)	-	(69,670)	-	-	-	-
Total fund balances	366,377	(69,670)	793,983	146,983	6,966,622	6,760,682
Total liabilities, deferred inflows of resources, and fund balances	\$ 366,494	\$ -	\$ 818,913	\$ 146,983	\$ 6,976,962	\$ 6,986,972

(Continued)

City of Tracy
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

	Special Revenue					
	Community Development Block Grant	Landscaping District	Residential and Commercial Rehabilitation Loan	Community Access CTV	Grow Tracy	COPS Grant
ASSETS						
Cash and investments	\$ -	\$ 5,609,471	\$ 205,461	\$ 536,864	\$ -	\$ 71,212
Cash and investments with fiscal agents	-	-	-	-	-	-
Accounts receivable, net	-	-	-	40,185	-	-
Intergovernmental receivable	960,244	-	-	-	-	73,060
Interest receivable	-	16,714	612	1,599	-	-
Deposits	-	-	-	-	1,000,000	-
Loans receivable	-	-	-	-	-	-
Due from Fiduciary Funds	-	-	-	-	-	-
Total assets	\$ 960,244	\$ 5,626,185	\$ 206,073	\$ 578,648	\$ 1,000,000	\$ 144,272
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 12,000	\$ 112,102	\$ -	\$ 363	\$ -	\$ -
Accrued payroll	2,579	43,338	-	-	-	12,128
Due to other funds	1,022,692	-	-	-	-	-
Deposits payable	-	-	-	-	-	-
Total liabilities	1,037,271	155,440	-	363	-	12,128
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances:						
Restricted	-	5,470,745	206,073	578,285	1,000,000	132,144
Unassigned (deficit)	(77,027)	-	-	-	-	-
Total fund balances	(77,027)	5,470,745	206,073	578,285	1,000,000	132,144
Total liabilities, deferred inflows of resources, and fund balances	\$ 960,244	\$ 5,626,185	\$ 206,073	\$ 578,648	\$ 1,000,000	\$ 144,272

(Continued)

City of Tracy
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

	Special Revenue				Debt Service	Capital Projects
	FEMA Grant	CFD Services 2016-2	CFD Services 2018-1	North East Industrial Plan Area Storm Drain	Lease Revenue Bonds	North East Industrial Plan Area #1
ASSETS						
Cash and investments	\$ 2,857	\$ 1,336,834	\$ 815,424	\$ 2,561,657	\$ 1,766,426	\$ -
Cash and investments with fiscal agents	-	-	-	-	20,008,617	-
Accounts receivable, net	-	-	6,799	-	-	-
Intergovernmental receivable	-	-	-	-	-	-
Interest receivable	-	3,982	2,429	7,631	-	-
Deposits	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
Due from Fiduciary Funds	-	-	-	-	4,902,529	-
Total assets	\$ 2,857	\$ 1,340,816	\$ 824,652	\$ 2,569,288	\$ 26,677,572	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ 2,654	\$ 22,289	\$ -	\$ 23,000	\$ -
Accrued payroll	-	7,187	1,924	-	-	-
Due to other funds	-	-	-	-	-	-
Deposits payable	-	790,269	100,000	-	-	-
Total liabilities	-	800,110	124,213	-	23,000	-
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	4,902,529	-
Total deferred inflows of resources	-	-	-	-	4,902,529	-
Fund Balances:						
Restricted	2,857	540,706	700,439	2,569,288	21,752,043	-
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances	2,857	540,706	700,439	2,569,288	21,752,043	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,857	\$ 1,340,816	\$ 824,652	\$ 2,569,288	\$ 26,677,572	\$ -

(Continued)

City of Tracy
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

	Capital Projects					
	North East Industrial Plan Area #2	Infill Projects	I-205 Area Improvements	Urban Management Plan Facilities	Capital Projects Deposit	South MacArthur Plan Area
ASSETS						
Cash and investments	\$ -	\$ 88,188	\$ -	\$ 9,872,777	\$ 3,938,793	\$ -
Cash and investments with fiscal agents	-	-	-	-	-	-
Accounts receivable, net	-	-	-	123,901	-	-
Intergovernmental receivable	-	-	-	-	-	-
Interest receivable	-	263	-	29,409	11,733	-
Deposits	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
Due from Fiduciary Funds	-	-	-	-	-	-
Total assets	\$ -	\$ 88,451	\$ -	\$ 10,026,087	\$ 3,950,526	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 214,165	\$ -	\$ -
Accrued payroll	-	-	-	7,297	-	-
Due to other funds	-	-	-	-	-	-
Deposits payable	-	-	-	4,481,664	4,052,977	-
Total liabilities	-	-	-	4,703,126	4,052,977	-
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances:						
Restricted	-	88,451	-	5,322,961	-	-
Unassigned (deficit)	-	-	-	-	(102,451)	-
Total fund balances	-	88,451	-	5,322,961	(102,451)	-
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 88,451	\$ -	\$ 10,026,087	\$ 3,950,526	\$ -

(Continued)

City of Tracy
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

	Capital Projects					
	Industrial Specific Plan South	Presidio Plan Area	Redevelopment Obligations	Tracy Gateway Area	Plan "C"	Residential Specific Plan Project
ASSETS						
Cash and investments	\$ -	\$ -	\$ 1,065,059	\$ 2,046,009	\$ -	\$ 2,817,639
Cash and investments with fiscal agents	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-
Interest receivable	-	-	3,173	6,095	-	8,393
Deposits	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	1,738,309
Due from Fiduciary Funds	-	-	-	-	-	-
Total assets	\$ -	\$ -	\$ 1,068,232	\$ 2,052,104	\$ -	\$ 4,564,341
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 3,462	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Deposits payable	-	-	3,000	-	-	-
Total liabilities	-	-	3,000	3,462	-	-
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	1,738,309
Total deferred inflows of resources	-	-	-	-	-	1,738,309
Fund Balances:						
Restricted	-	-	1,065,232	2,048,642	-	2,826,032
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances	-	-	1,065,232	2,048,642	-	2,826,032
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ -	\$ 1,068,232	\$ 2,052,104	\$ -	\$ 4,564,341

(Continued)

City of Tracy
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2022

	Capital Projects			
	Ellis Area	CORE Capital Projects	Regional Transportation Impact	Total Non-Major Funds
ASSETS				
Cash and investments	\$ 13,003,996	\$ 45,148,865	\$ 12,818,098	\$ 117,582,778
Cash and investments with fiscal agents	-	-	-	20,008,617
Accounts receivable, net	-	-	-	194,894
Intergovernmental receivable	-	-	-	2,383,771
Interest receivable	38,735	150,686	-	326,154
Deposits	-	-	-	1,000,000
Loans receivable	-	-	-	1,738,309
Due from Fiduciary Funds	-	-	-	4,902,529
Total assets	<u>\$ 13,042,731</u>	<u>\$ 45,299,551</u>	<u>\$ 12,818,098</u>	<u>\$ 148,137,052</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,458	\$ 26,192	\$ 49,791	\$ 697,839
Accrued payroll	-	3,076	-	108,843
Due to other funds	-	-	-	1,092,362
Deposits payable	682,172	-	239,886	10,349,968
Total liabilities	<u>683,630</u>	<u>29,268</u>	<u>289,677</u>	<u>12,249,012</u>
Deferred inflows of resources:				
Unavailable revenue	-	-	-	6,640,838
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,640,838</u>
Fund Balances:				
Restricted	12,359,101	45,270,283	12,528,421	129,496,350
Unassigned (deficit)	-	-	-	(249,148)
Total fund balances	<u>12,359,101</u>	<u>45,270,283</u>	<u>12,528,421</u>	<u>129,247,202</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,042,731</u>	<u>\$ 45,299,551</u>	<u>\$ 12,818,098</u>	<u>\$ 148,137,052</u>

(Concluded)

City of Tracy
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue					
	TEA Grant	Business Improvement District	Asset Forfeiture	Transportation Development	Proposition K Transportation	State Gas Tax Street
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ 349,058	\$ 2,431,804	\$ -
Licenses, permits and fees	-	-	-	-	-	-
Fines and penalties	-	-	86,143	-	-	-
Investment income (loss)	(1,725)	-	(22,502)	(2,971)	(167,607)	(206,902)
Intergovernmental	952,712	-	-	-	24,007	4,259,070
Charges for current services	-	-	-	-	-	-
Special assessments	-	135,461	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	950,987	135,461	63,641	346,087	2,288,204	4,052,168
EXPENDITURES:						
Current:						
General government						
Economic development	-	206,628	-	-	-	-
Non-departmental	-	-	-	5,329	-	119,449
Public safety						
Police	-	-	27,594	-	-	-
Public ways and facilities						
Development and engineering	-	-	-	-	3,134	-
Public works	-	-	-	-	-	1,463,355
Capital outlay	60,694	-	101,162	828,018	569,271	2,582,977
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	60,694	206,628	128,756	833,347	572,405	4,165,781
REVENUES OVER (UNDER) EXPENDITURES	890,293	(71,167)	(65,115)	(487,260)	1,715,799	(113,613)
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of long-term debt	-	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-	-
Transfers in	3,487	-	-	-	-	623,472
Transfers out	(952,712)	-	-	-	(171)	-
Total other financing sources (uses)	(949,225)	-	-	-	(171)	623,472
NET CHANGES IN FUND BALANCES	(58,932)	(71,167)	(65,115)	(487,260)	1,715,628	509,859
FUND BALANCES (DEFICIT):						
Beginning of year	425,309	1,497	859,098	634,243	5,250,994	6,250,823
End of year	<u>\$ 366,377</u>	<u>\$ (69,670)</u>	<u>\$ 793,983</u>	<u>\$ 146,983</u>	<u>\$ 6,966,622</u>	<u>\$ 6,760,682</u>

(Continued)

City of Tracy
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue					
	Community Development Block Grant	Landscaping District	Residential and Commercial Rehabilitation Loan	Community Access CTV	Grow Tracy	COPS Grant
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	164,568	-	-
Fines and penalties	-	-	-	-	-	-
Investment income (loss)	-	(152,560)	(5,608)	(14,427)	-	(2,190)
Intergovernmental	789,545	-	-	-	-	223,088
Charges for current services	-	-	-	765	-	-
Special assessments	-	3,589,632	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	789,545	3,437,072	(5,608)	150,906	-	220,898
EXPENDITURES:						
Current:						
General government						
Economic development	89,240	-	-	-	-	-
Non-departmental	-	270,306	-	-	-	-
Public safety						
Police	-	-	-	-	-	183,271
Public ways and facilities						
Development and engineering	-	-	-	-	-	-
Public works	-	3,299,540	-	-	-	-
Capital outlay	-	671	-	81,017	-	57,155
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	89,240	3,570,517	-	81,017	-	240,426
REVENUES OVER (UNDER) EXPENDITURES	700,305	(133,445)	(5,608)	69,889	-	(19,528)
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of long-term debt	-	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-	-
Transfers in	-	95,950	-	-	-	-
Transfers out	(781,956)	-	-	-	-	(1,544)
Total other financing sources (uses)	(781,956)	95,950	-	-	-	(1,544)
NET CHANGES IN FUND BALANCES	(81,651)	(37,495)	(5,608)	69,889	-	(21,072)
FUND BALANCES (DEFICIT):						
Beginning of year	4,624	5,508,240	211,681	508,396	1,000,000	153,216
End of year	\$ (77,027)	\$ 5,470,745	\$ 206,073	\$ 578,285	\$ 1,000,000	\$ 132,144

(Continued)

City of Tracy
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue				Debt Service	Capital Projects
	FEMA Grant	CFD Services 2016-2	CFD Services 2018-1	North East Industrial Plan Area Storm Drain	Lease Revenue Bonds	North East Industrial Plan Area #1
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Investment income (loss)	-	(35,673)	(22,417)	(69,920)	(8,713)	(56,137)
Intergovernmental	-	-	-	-	-	-
Charges for current services	-	-	-	-	-	-
Special assessments	-	693,110	229,551	-	-	-
Other revenue	-	-	-	-	289,571	-
Total revenues	-	657,437	207,134	(69,920)	280,858	(56,137)
EXPENDITURES:						
Current:						
General government						
Economic development	-	-	-	-	-	-
Non-departmental	-	-	225,977	-	-	-
Public safety						
Police	-	-	-	-	-	-
Public ways and facilities						
Development and engineering	-	-	-	-	-	-
Public works	-	345,882	20,180	-	-	-
Capital outlay	-	-	-	-	-	648
Debt service:						
Principal	-	-	-	-	595,000	-
Interest and fiscal charges	-	-	-	-	1,039,367	-
Total expenditures	-	345,882	246,157	-	1,634,367	648
REVENUES OVER (UNDER) EXPENDITURES	-	311,555	(39,023)	(69,920)	(1,353,509)	(56,785)
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of long-term debt	-	-	-	-	18,275,000	-
Premium on bond issuance	-	-	-	-	2,051,917	-
Transfers in	-	-	-	-	1,121,406	-
Transfers out	-	-	(70,147)	-	-	(11,545,388)
Total other financing sources (uses)	-	-	(70,147)	-	21,448,323	(11,545,388)
NET CHANGES IN FUND BALANCES	-	311,555	(109,170)	(69,920)	20,094,814	(11,602,173)
FUND BALANCES (DEFICIT):						
Beginning of year	2,857	229,151	809,609	2,639,208	1,657,229	11,602,173
End of year	\$ 2,857	\$ 540,706	\$ 700,439	\$ 2,569,288	\$ 21,752,043	\$ -

(Continued)

City of Tracy
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2022

	Capital Projects					
	North East Industrial Plan Area #2	Infill Projects	I-205 Area Improvements	Urban Management Plan Facilities	Capital Projects Deposit	South MacArthur Plan Area
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Investment income (loss)	-	(29,784)	(61,501)	(263,381)	(107,507)	(57,036)
Intergovernmental	-	-	-	-	-	-
Charges for current services	2,232,788	244,916	972,576	1,998,884	-	-
Special assessments	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	<u>2,232,788</u>	<u>215,132</u>	<u>911,075</u>	<u>1,735,503</u>	<u>(107,507)</u>	<u>(57,036)</u>
EXPENDITURES:						
Current:						
General government						
Economic development	-	-	-	-	-	-
Non-departmental	-	-	-	-	-	-
Public safety						
Police	-	-	-	-	-	-
Public ways and facilities						
Development and engineering	-	38,351	-	1,021,115	-	-
Public works	-	-	-	-	-	-
Capital outlay	-	59,473	1,287	151,443	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>97,824</u>	<u>1,287</u>	<u>1,172,558</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>2,232,788</u>	<u>117,308</u>	<u>909,788</u>	<u>562,945</u>	<u>(107,507)</u>	<u>(57,036)</u>
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of long-term debt	-	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-	-
Transfers in	4,678,830	111,740	-	170,572	-	-
Transfers out	(4,735,844)	(5,737,737)	(12,465,365)	-	-	(11,731,601)
Total other financing sources (uses)	<u>(57,014)</u>	<u>(5,625,997)</u>	<u>(12,465,365)</u>	<u>170,572</u>	<u>-</u>	<u>(11,731,601)</u>
NET CHANGES IN FUND BALANCES	<u>2,175,774</u>	<u>(5,508,689)</u>	<u>(11,555,577)</u>	<u>733,517</u>	<u>(107,507)</u>	<u>(11,788,637)</u>
FUND BALANCES (DEFICIT):						
Beginning of year	(2,175,774)	5,597,140	11,555,577	4,589,444	5,056	11,788,637
End of year	<u>\$ -</u>	<u>\$ 88,451</u>	<u>\$ -</u>	<u>\$ 5,322,961</u>	<u>\$ (102,451)</u>	<u>\$ -</u>

(Continued)

City of Tracy
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2022

	Capital Projects					
	Industrial Specific Plan South	Presidio Plan Area	Redevelopment Obligations	Tracy Gateway Area	Plan "C"	Residential Specific Plan Projects
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-
Investment income (loss)	(10,192)	(27,039)	(30,212)	(55,891)	(119,935)	(76,908)
Intergovernmental	-	-	-	-	-	-
Charges for current services	364,797	-	-	-	432,436	-
Special assessments	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	<u>354,605</u>	<u>(27,039)</u>	<u>(30,212)</u>	<u>(55,891)</u>	<u>312,501</u>	<u>(76,908)</u>
EXPENDITURES:						
Current:						
General government						
Economic development	-	-	-	-	-	-
Non-departmental	-	-	-	-	-	-
Public safety						
Police	-	-	-	-	-	-
Public ways and facilities						
Development and engineering	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Capital outlay	2,036,884	-	1,457	22,340	171	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>2,036,884</u>	<u>-</u>	<u>1,457</u>	<u>22,340</u>	<u>171</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,682,279)</u>	<u>(27,039)</u>	<u>(31,669)</u>	<u>(78,231)</u>	<u>312,330</u>	<u>(76,908)</u>
OTHER FINANCING SOURCES (USES):						
Proceeds from issuance of long-term debt	-	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-	-
Transfers in	1,058,625	-	-	-	-	-
Transfers out	(1,465,969)	(5,561,639)	(239,298)	-	(24,741,801)	-
Total other financing sources (uses)	<u>(407,344)</u>	<u>(5,561,639)</u>	<u>(239,298)</u>	<u>-</u>	<u>(24,741,801)</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>(2,089,623)</u>	<u>(5,588,678)</u>	<u>(270,967)</u>	<u>(78,231)</u>	<u>(24,429,471)</u>	<u>(76,908)</u>
FUND BALANCES (DEFICIT):						
Beginning of year	2,089,623	5,588,678	1,336,199	2,126,873	24,429,471	2,902,940
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,065,232</u>	<u>\$ 2,048,642</u>	<u>\$ -</u>	<u>\$ 2,826,032</u>

(Continued)

City of Tracy
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2022

	Capital Projects			
	Ellis Area	CORE Capital Projects	Regional Transportation Impact	Total Non-Major Funds
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ 2,780,862
Licenses, permits and fees	-	-	-	164,568
Fines and penalties	-	-	-	86,143
Investment income (loss)	(351,063)	(1,115,081)	(344,785)	(3,419,667)
Intergovernmental	-	-	-	6,248,422
Charges for current services	5,530,764	(58,115)	2,955,135	14,674,946
Special assessments	-	-	-	4,647,754
Other revenue	-	-	-	289,571
Total revenues	5,179,701	(1,173,196)	2,610,350	25,472,599
EXPENDITURES:				
Current:				
General government				
Economic development	-	-	-	295,868
Non-departmental	-	-	-	621,061
Public safety				
Police	-	-	-	210,865
Public ways and facilities				
Development and engineering	-	-	-	1,062,600
Public works	-	-	-	5,128,957
Capital outlay	140,380	106,211	-	6,801,259
Debt service:				
Principal	-	-	-	595,000
Interest and fiscal charges	-	-	-	1,039,367
Total expenditures	140,380	106,211	-	15,754,977
REVENUES OVER (UNDER) EXPENDITURES	5,039,321	(1,279,407)	2,610,350	9,717,622
OTHER FINANCING SOURCES (USES):				
Proceeds from issuance of long-term debt	-	-	-	18,275,000
Premium on bond issuance	-	-	-	2,051,917
Transfers in	-	54,622,036	-	62,486,118
Transfers out	(2,900,000)	(8,072,346)	(335,319)	(91,338,837)
Total other financing sources (uses)	(2,900,000)	46,549,690	(335,319)	(8,525,802)
NET CHANGES IN FUND BALANCES	2,139,321	45,270,283	2,275,031	1,191,820
FUND BALANCES (DEFICIT):				
Beginning of year	10,219,780	-	10,253,390	128,055,382
End of year	<u>\$ 12,359,101</u>	<u>\$ 45,270,283</u>	<u>\$ 12,528,421</u>	<u>\$ 129,247,202</u>

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City of Tracy
Budgetary Comparison Schedule
General Capital Projects Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ 287,969	\$ 287,969
Other revenue	-	-	3,695,416	3,695,416
Total revenues	-	-	3,983,385	3,983,385
EXPENDITURES:				
Capital outlay	-	3,333,800	4,906,096	(1,572,296)
Total expenditures	-	3,333,800	4,906,096	(1,572,296)
REVENUES OVER (UNDER) EXPENDITURES	-	(3,333,800)	(922,711)	2,411,089
OTHER FINANCING SOURCES (USES):				
Transfers in	11,812,000	13,912,000	42,157,239	28,245,239
Total other financing sources (uses)	11,812,000	13,911,800	42,157,239	28,245,439
Net change in fund balance	<u>\$ 11,812,000</u>	<u>\$ 10,578,000</u>	41,234,528	<u>\$ 30,656,528</u>
FUND BALANCE:				
Beginning of year			38,507,759	
End of year			<u>\$ 79,742,287</u>	

City of Tracy
Budgetary Comparison Schedule
Tracy Infrastructure Master Plans Capital Projects Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ (2,237,354)	\$ (2,237,354)
Charges for current services	-	5,463,000	35,268,383	29,805,383
Total revenues	-	5,463,000	33,031,029	27,568,029
EXPENDITURES:				
Capital outlay	-	1,084,527	1,424,355	(339,828)
Total expenditures	-	1,084,527	1,424,355	(339,828)
REVENUES OVER (UNDER) EXPENDITURES	-	4,378,473	31,606,674	27,228,201
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	10,276,042	10,276,042
Transfers out	-	(10,180,473)	(9,338,756)	841,717
Total other financing sources (uses)	-	(10,180,473)	937,286	11,117,759
Net change in fund balance	<u>\$ -</u>	<u>\$ (5,802,000)</u>	32,543,960	<u>\$ 38,345,960</u>
FUND BALANCE:				
Beginning of year			58,325,132	
End of year			<u>\$ 90,869,092</u>	

City of Tracy
Budgetary Comparison Schedule
TEA Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ (1,725)	\$ (1,725)
Intergovernmental	-	25,507,000	952,712	(24,554,288)
Total revenues	-	25,507,000	950,987	(24,556,013)
EXPENDITURES:				
Capital outlay	563,000	813,000	60,694	752,306
Total expenditures	563,000	813,000	60,694	752,306
REVENUES OVER (UNDER) EXPENDITURES	(563,000)	24,694,000	890,293	(23,803,707)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	3,487	3,487
Transfers out	-	-	(952,712)	(952,712)
Total other financing sources (uses)	-	-	(949,225)	(949,225)
Net change in fund balance	<u><u>\$ (563,000)</u></u>	<u><u>\$ 24,694,000</u></u>	(58,932)	<u><u>\$ (24,752,932)</u></u>
FUND BALANCE:				
Beginning of year			425,309	
End of year			<u><u>\$ 366,377</u></u>	

City of Tracy
Budgetary Comparison Schedule
Business Improvement District Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Favorable/ (Unfavorable)
REVENUES:				
Special assessments	\$ 134,000	\$ 134,000	\$ 135,461	\$ 1,461
Total revenues	<u>134,000</u>	<u>134,000</u>	<u>135,461</u>	<u>1,461</u>
EXPENDITURES:				
Current:				
General government				
Economic development	134,000	207,000	206,628	372
Total expenditures	<u>134,000</u>	<u>207,000</u>	<u>206,628</u>	<u>372</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (73,000)</u>	(71,167)	<u>\$ 1,833</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>1,497</u>	
End of year			<u>\$ (69,670)</u>	

City of Tracy
Budgetary Comparison Schedule
Asset Forfeiture Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Fines and penalties	\$ -	\$ -	\$ 86,143	\$ 86,143
Investment income (loss)	-	-	(22,502)	(22,502)
Total revenues	-	-	63,641	63,641
EXPENDITURES:				
Current:				
Public safety				
Police	66,329	(20,671)	27,594	(48,265)
Capital outlay	-	101,000	101,162	(162)
Total expenditures	66,329	80,329	128,756	(48,427)
REVENUES OVER (UNDER) EXPENDITURES	(66,329)	(80,329)	(65,115)	15,214
OTHER FINANCING SOURCES (USES):				
Transfers out	(38,405)	(38,405)	-	38,405
Total other financing sources (uses)	(38,405)	(38,405)	-	38,405
Net change in fund balance	<u>\$ (104,734)</u>	<u>\$ (118,734)</u>	(65,115)	<u>\$ 53,619</u>
FUND BALANCE:				
Beginning of year			859,098	
End of year			<u>\$ 793,983</u>	

City of Tracy
Budgetary Comparison Schedule
Transportation Development Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Taxes	\$ -	\$ -	\$ 349,058	\$ 349,058
Investment income (loss)	23,000	23,000	(2,971)	(25,971)
Total revenues	<u>23,000</u>	<u>23,000</u>	<u>346,087</u>	<u>323,087</u>
EXPENDITURES:				
Current:				
General government				
Non-departmental	-	12,000	5,329	6,671
Capital outlay	<u>280,000</u>	<u>280,000</u>	<u>828,018</u>	<u>(548,018)</u>
Total expenditures	<u>280,000</u>	<u>292,000</u>	<u>833,347</u>	<u>(541,347)</u>
Net change in fund balance	<u><u>\$ (257,000)</u></u>	<u><u>\$ (269,000)</u></u>	<u>(487,260)</u>	<u><u>\$ (218,260)</u></u>
FUND BALANCE:				
Beginning of year			<u>634,243</u>	
End of year			<u><u>\$ 146,983</u></u>	

City of Tracy
Budgetary Comparison Schedule
Proposition K Transportation Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Taxes	\$ -	\$ 2,400,000	\$ 2,431,804	\$ 31,804
Investment income (loss)	-	-	(167,607)	(167,607)
Intergovernmental	-	-	24,007	24,007
Total revenues	-	2,400,000	2,288,204	(111,796)
EXPENDITURES:				
Current:				
Public ways and facilities				
Development and engineering	-	-	3,134	(3,134)
Capital outlay	-	683,000	569,271	113,729
Total expenditures	-	683,000	572,405	110,595
REVENUES OVER (UNDER) EXPENDITURES	-	1,717,000	1,715,799	(1,201)
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(171)	(171)
Total other financing sources (uses)	-	-	(171)	(171)
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,717,000</u>	1,715,628	<u>\$ (1,372)</u>
FUND BALANCE:				
Beginning of year			5,250,994	
End of year			<u>\$ 6,966,622</u>	

City of Tracy
Budgetary Comparison Schedule
State Gas Tax Street Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ 31,000	\$ 31,000	\$ (206,902)	\$ (237,902)
Intergovernmental	3,135,000	3,135,000	4,259,070	1,124,070
Total revenues	<u>3,166,000</u>	<u>3,166,000</u>	<u>4,052,168</u>	<u>886,168</u>
EXPENDITURES:				
Current:				
General government				
Non-departmental	119,000	119,000	119,449	(449)
Public ways and facilities				
Public works	1,310,000	1,606,000	1,463,355	142,645
Capital outlay	<u>130,000</u>	<u>218,000</u>	<u>2,582,977</u>	<u>(2,364,977)</u>
Total expenditures	<u>1,559,000</u>	<u>1,943,000</u>	<u>4,165,781</u>	<u>(2,222,781)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,607,000</u>	<u>1,223,000</u>	<u>(113,613)</u>	<u>(1,336,613)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	623,472	623,472
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>623,472</u>	<u>623,472</u>
Net change in fund balance	<u><u>\$ 1,607,000</u></u>	<u><u>\$ 1,223,000</u></u>	<u>509,859</u>	<u><u>\$ (713,141)</u></u>
FUND BALANCE:				
Beginning of year			<u>6,250,823</u>	
End of year			<u><u>\$ 6,760,682</u></u>	

City of Tracy
Budgetary Comparison Schedule
Community Development Block Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Intergovernmental	\$ 426,000	\$ 426,000	\$ 789,545	\$ 363,545
Total revenues	<u>426,000</u>	<u>426,000</u>	<u>789,545</u>	<u>363,545</u>
EXPENDITURES:				
Current:				
General government				
Economic development	418,000	89,000	89,240	(240)
Capital outlay	-	198,000	-	198,000
Total expenditures	<u>418,000</u>	<u>287,000</u>	<u>89,240</u>	<u>197,760</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>8,000</u>	<u>139,000</u>	<u>700,305</u>	<u>561,305</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(781,956)	(781,956)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(781,956)</u>	<u>(781,956)</u>
Net change in fund balance	<u><u>\$ 8,000</u></u>	<u><u>\$ 139,000</u></u>	<u>(81,651)</u>	<u><u>\$ (220,651)</u></u>
FUND BALANCE (DEFICIT):				
Beginning of year			4,624	
End of year			<u><u>\$ (77,027)</u></u>	

City of Tracy
Budgetary Comparison Schedule
Landscaping District Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ (152,560)	\$ (152,560)
Special assessments	3,551,000	3,551,000	3,589,632	38,632
Total revenues	<u>3,551,000</u>	<u>3,551,000</u>	<u>3,437,072</u>	<u>(113,928)</u>
EXPENDITURES:				
Current:				
General government				
Non-departmental	266,000	270,000	270,306	(306)
Public ways and facilities				
Public works	1,593,000	1,364,000	3,299,540	(1,935,540)
Capital outlay	-	2,000	671	1,329
Total expenditures	<u>1,859,000</u>	<u>1,636,000</u>	<u>3,570,517</u>	<u>(1,934,517)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,692,000</u>	<u>1,915,000</u>	<u>(133,445)</u>	<u>(2,048,445)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	95,950	95,950
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>95,950</u>	<u>95,950</u>
Net change in fund balance	<u>\$ 1,692,000</u>	<u>\$ 1,915,000</u>	<u>(37,495)</u>	<u>\$ (1,952,495)</u>
FUND BALANCE:				
Beginning of year			5,508,240	
End of year			<u>\$ 5,470,745</u>	

City of Tracy
Budgetary Comparison Schedule
Residential and Commercial Rehabilitation Loan Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ (5,608)	\$ (5,608)
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>(5,608)</u>	<u>\$ (5,608)</u>
FUND BALANCE:				
Beginning of year			211,681	
End of year			<u>\$ 206,073</u>	

City of Tracy
Budgetary Comparison Schedule
Community Access CTV Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Licenses, permits and fees	\$ 84,000	\$ 84,000	\$ 164,568	\$ 80,568
Investment income (loss)	-	-	(14,427)	(14,427)
Charges for current services	-	-	765	765
Total revenues	84,000	84,000	150,906	66,906
EXPENDITURES:				
Capital outlay	123,000	273,000	81,017	191,983
Total expenditures	123,000	273,000	81,017	191,983
Net change in fund balance	<u><u>\$ (39,000)</u></u>	<u><u>\$ (189,000)</u></u>	69,889	<u><u>\$ 258,889</u></u>
FUND BALANCE:				
Beginning of year			508,396	
End of year			<u><u>\$ 578,285</u></u>	

City of Tracy
Budgetary Comparison Schedule
COPS Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ 6,000	\$ 6,000	\$ (2,190)	\$ (8,190)
Intergovernmental	190,000	190,000	223,088	33,088
Total revenues	196,000	196,000	220,898	24,898
EXPENDITURES:				
Current:				
General government				
General government	11,000	-	-	-
Public safety				
Police	221,000	183,000	183,271	(271)
Capital outlay	-	59,000	57,155	1,845
Total expenditures	232,000	242,000	240,426	1,574
REVENUES OVER (UNDER) EXPENDITURES	(36,000)	(46,000)	(19,528)	26,472
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(1,544)	(1,544)
Total other financing sources (uses)	-	-	(1,544)	(1,544)
Net change in fund balance	\$ (36,000)	\$ (46,000)	(21,072)	\$ 24,928
FUND BALANCE:				
Beginning of year			153,216	
End of year			<u>\$ 132,144</u>	

City of Tracy
Budgetary Comparison Schedule
CFD Services 2016-2 Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ (35,673)	\$ (35,673)
Special assessments	411,000	411,000	693,110	282,110
Total revenues	<u>411,000</u>	<u>411,000</u>	<u>657,437</u>	<u>246,437</u>
EXPENDITURES:				
Current:				
Public ways and facilities				
Public works	161,000	344,000	345,882	(1,882)
Total expenditures	<u>161,000</u>	<u>344,000</u>	<u>345,882</u>	<u>(1,882)</u>
Net change in fund balance	<u>\$ 250,000</u>	<u>\$ 67,000</u>	311,555	<u>\$ 244,555</u>
FUND BALANCE:				
Beginning of year			229,151	
End of year			<u>\$ 540,706</u>	

City of Tracy
Budgetary Comparison Schedule
CFD Services 2018-1 Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ (22,417)	\$ (22,417)
Special assessments	159,000	159,000	229,551	70,551
Total revenues	<u>159,000</u>	<u>159,000</u>	<u>207,134</u>	<u>48,134</u>
EXPENDITURES:				
Current:				
General government				
Non-departmental	136,000	195,000	225,977	(30,977)
Public ways and facilities				
Public works	-	20,000	20,180	(180)
Total expenditures	<u>136,000</u>	<u>215,000</u>	<u>246,157</u>	<u>(31,157)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>23,000</u>	<u>(56,000)</u>	<u>(39,023)</u>	<u>16,977</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(60,000)	(70,000)	(70,147)	(147)
Total other financing sources (uses)	<u>(60,000)</u>	<u>(70,000)</u>	<u>(70,147)</u>	<u>(147)</u>
Net change in fund balance	<u><u>\$ (37,000)</u></u>	<u><u>\$ (126,000)</u></u>	<u>(109,170)</u>	<u><u>\$ 16,830</u></u>
FUND BALANCE:				
Beginning of year			<u>809,609</u>	
End of year			<u><u>\$ 700,439</u></u>	

City of Tracy
Budgetary Comparison Schedule
North East Industrial Plan Area Storm Drain Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Favorable/ (Unfavorable)
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ (69,920)	\$ (69,920)
Total revenues	<u>-</u>	<u>-</u>	<u>(69,920)</u>	<u>(69,920)</u>
EXPENDITURES:				
Capital outlay	2,500,000	2,500,000	-	2,500,000
Total expenditures	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>	<u>2,500,000</u>
Net change in fund balance	<u>\$ (2,500,000)</u>	<u>\$ (2,500,000)</u>	<u>(69,920)</u>	<u>\$ 2,430,080</u>
FUND BALANCE:				
Beginning of year			2,639,208	
End of year			<u>\$ 2,569,288</u>	

Non-Major Enterprise Funds

Municipal Airport Fund - This fund is used to account for the activities associated with the operations and maintenance of the City's airport.

Municipal Transit Fund - This fund is used to account for the activities associated with the operations and maintenance of the City's public transit activities, and has particular emphasis on serving the elderly and handicapped.

City of Tracy
Combining Statement of Net Position
Non-Major Enterprise Funds
June 30, 2022

	Municipal Airport Fund	Municipal Transit Fund	Total
ASSETS			
Current assets:			
Accounts receivable, net	\$ 171,775	\$ -	\$ 171,775
Intergovernmental receivable	53,211	8,172,977	8,226,188
Interest receivable	-	527	527
Lease receivable - due within one year	93,748	-	93,748
Total current assets	318,734	8,173,504	8,492,238
Noncurrent assets:			
Lease receivable - due in more than one year	1,942,111	-	1,942,111
Capital assets:			
Non-depreciable	15,826	1,428,929	1,444,755
Depreciable, net	14,557,189	12,519,228	27,076,417
Total capital assets, net	14,573,015	13,948,157	28,521,172
Total noncurrent assets	16,515,126	13,948,157	30,463,283
Total assets	16,833,860	22,121,661	38,955,521
DEFERRED OUTFLOW OF RESOURCES			
Related to OPEB	3,090	5,125	8,215
Related to pensions	55,406	92,938	148,344
Total deferred outflow of resources	58,496	98,063	156,559
LIABILITIES			
Current liabilities:			
Accounts payable	10,834	532,075	542,909
Accrued payroll	12,950	24,072	37,022
Due to other funds	228,038	1,297,610	1,525,648
Deposits payable	53,711	-	53,711
Unearned revenue	-	60,539	60,539
Compensated absences - due within one year	7,620	12,909	20,529
Total current liabilities	313,153	1,927,205	2,240,358
Noncurrent liabilities:			
Advances from other funds	-	-	-
Net OPEB liability	28,928	47,977	76,905
Net pension liability	151,033	253,347	404,380
Compensated absences - due in more than one year	10,478	19,762	30,240
Total noncurrent liabilities	190,439	321,086	511,525
Total liabilities	503,592	2,248,291	2,751,883
DEFERRED INFLOWS OF RESOURCES			
Related to leases	2,019,158	-	2,019,158
Related to OPEB	4,207	6,978	11,185
Related to pensions	97,271	163,164	260,435
Total deferred inflows of resources	2,120,636	170,142	2,290,778
NET POSITION			
Net investment in capital assets	14,573,015	13,948,157	28,521,172
Unrestricted (deficit)	(304,887)	5,853,134	5,548,247
Total net position	\$ 14,268,128	\$ 19,801,291	\$ 34,069,419

City of Tracy
Combining Statement of Revenues, Expenses, and Changes in Net Position
Non-Major Enterprise Funds
For the Year Ended June 30, 2022

	Municipal Airport Fund	Municipal Transit Fund	Total
OPERATING REVENUES:			
Sales and charges for services	\$ 582,364	\$ 7,571,420	\$ 8,153,784
Other operating revenue	128,504	-	128,504
Total operating revenues	710,868	7,571,420	8,282,288
OPERATING EXPENSES:			
Maintenance and operation	1,038,009	4,536,881	5,574,890
Administration	67,945	429,148	497,093
Depreciation	1,125,380	1,114,339	2,239,719
Total operating expenses	2,231,334	6,080,368	8,311,702
OPERATING INCOME (LOSS)	(1,520,466)	1,491,052	(29,414)
NONOPERATING REVENUES (EXPENSES):			
Operating grants	-	485,176	485,176
Capital grants	121,219	44,708	165,927
Investment income (loss)	41,386	140	41,526
Gain on sale of capital assets	3,104	-	3,104
Total nonoperating revenues (expenses)	165,709	530,024	695,733
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(1,354,757)	2,021,076	666,319
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Transfers in	395,343	171	395,514
Total transfers	395,343	171	395,514
Changes in net position	(959,414)	2,021,247	1,061,833
NET POSITION:			
Beginning of year	15,227,542	17,780,044	33,007,586
End of year	<u>\$ 14,268,128</u>	<u>\$ 19,801,291</u>	<u>\$ 34,069,419</u>

City of Tracy
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended June 30, 2022

	Municipal Airport Fund	Municipal Transit Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers/other funds	\$ 509,975	\$ 5,637,176	\$ 6,147,151
Cash payments to suppliers for goods and services/other funds	(1,032,077)	(4,295,558)	(5,327,635)
Cash payments to employees for services	(64,308)	(420,530)	(484,838)
Receipts from other operating revenues	128,504	-	128,504
Net cash provided by (used in) operating activities	(457,906)	921,088	463,182
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Operating grants	-	485,176	485,176
Repayment to other funds	36,757	(1,076,478)	(1,039,721)
Transfers from other funds	395,343	171	395,514
Net cash provided by (used in) noncapital financing activities	432,100	(591,131)	(159,031)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital grants	121,219	44,708	165,927
Acquisition of capital assets	(136,799)	(374,278)	(511,077)
Net cash (used in) capital and related financing activities	(15,580)	(329,570)	(345,150)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest from investments	41,386	(387)	40,999
Net cash provided by (used in) investing activities	41,386	(387)	40,999
Net change in cash and cash equivalents	-	-	-
CASH AND CASH EQUIVALENTS:			
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:			
Cash and cash investments	\$ -	\$ -	\$ -
Restricted cash and investments	-	-	-
Total cash and cash equivalents	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(Continued)

City of Tracy
Combining Statement of Cash Flows (Continued)
Non-Major Enterprise Funds
For the Year Ended June 30, 2022

	Municipal Airport Fund	Municipal Transit Fund	Total
RECONCILIATION OF OPERATING (LOSS) TO			
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (1,520,466)	\$ 1,491,052	\$ (29,414)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:			
Depreciation	1,125,380	1,114,339	2,239,719
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	(1,405)	6,239,901	6,238,496
Intergovernmental receivable	(53,211)	(8,172,977)	(8,226,188)
Lease receivable	109,228	-	109,228
Deferred outflows - OPEB related	(2,063)	(2,780)	(4,843)
Deferred outflows - pension related	8,301	7,482	15,783
Accounts payable	5,932	241,323	247,255
Accrued payroll	1,343	8,887	10,230
Deposits payable	(1,072)	-	(1,072)
Unearned revenue	-	(1,168)	(1,168)
Compensated absences	5,142	(7,370)	(2,228)
Net OPEB liability	15,640	17,632	33,272
Net pension liability	(122,760)	(178,225)	(300,985)
Deferred inflows - lease related	(125,929)	-	(125,929)
Deferred inflows - OPEB related	1,774	1,421	3,195
Deferred inflows - pension related	96,260	161,571	257,831
Total adjustments	1,062,560	(569,964)	492,596
Net cash provided by (used in) operating activities	\$ (457,906)	\$ 921,088	\$ 463,182

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Internal Service Funds

Central Garage Fund - This fund is used to account for the maintenance of the City's fleet of vehicles which services the transportation needs of City departments and divisions.

Central Services Fund - This fund is used to account for monies received from various funds for postage, telephone, and copying charges.

Equipment Acquisition Fund - This fund is used to account for the replacement of equipment utilized by City departments.

Building Maintenance Fund - This fund is used to account for monies received from various funds for the repair and maintenance of all City owned and operated buildings.

Insurance Fund - This fund is used to finance and account for the City's risk management and insurance programs.

City of Tracy
Combining Statement of Net Position
All Internal Service Funds
June 30, 2022

	Central Garage	Central Services	Equipment Acquisition
ASSETS			
Current assets:			
Cash and investments	\$ 182,490	\$ 500,225	\$ 8,115,385
Interest receivable	-	1,490	24,173
Prepaid items	-	-	65,532
Total current assets	182,490	501,715	8,205,090
Noncurrent assets:			
Capital assets:			
Non-depreciable	-	-	118,147
Depreciable, net	6,862	-	10,529,471
Total capital assets, net	6,862	-	10,647,618
Total noncurrent assets	6,862	-	10,647,618
Total assets	189,352	501,715	18,852,708
DEFERRED OUTFLOW OF RESOURCES			
Related to OPEB	7,763	14,470	-
Related to pensions	141,195	262,729	-
Total deferred outflow of resources	148,958	277,199	-
LIABILITIES			
Current liabilities:			
Accounts payable	63,146	80,552	89,038
Accrued payroll	29,677	59,380	-
Deposits payable	-	-	-
Compensated absences - due within one year	15,276	37,213	-
Total current liabilities	108,099	177,145	89,038
Noncurrent liabilities:			
Net OPEB liability	72,672	135,465	-
Net pension liability	384,892	716,191	-
Compensated absences - due in more than one year	16,618	124,969	-
Total noncurrent liabilities	474,182	976,625	-
Total liabilities	582,281	1,153,770	89,038
DEFERRED INFLOWS OF RESOURCES			
Related to OPEB	10,569	19,701	-
Related to pensions	247,884	461,252	-
Total deferred inflows of resources	258,453	480,953	-
NET POSITION			
Investment in capital assets	6,862	-	10,647,618
Unrestricted (deficit)	(509,286)	(855,809)	8,116,052
Total net position	\$ (502,424)	\$ (855,809)	\$ 18,763,670

(Continued)

City of Tracy
Combining Statement of Net Position (Continued)
All Internal Service Funds
June 30, 2022

	Building Maintenance	Insurance	Total
ASSETS			
Current assets:			
Cash and investments	\$ 2,953,731	\$ 1,028,931	\$ 12,780,762
Interest receivable	8,842	3,065	37,570
Prepaid items	-	-	65,532
Total current assets	<u>2,962,573</u>	<u>1,031,996</u>	<u>12,883,864</u>
Noncurrent assets:			
Capital assets:			
Non-depreciable	-	-	118,147
Depreciable, net	3,330	-	10,539,663
Total capital assets, net	<u>3,330</u>	<u>-</u>	<u>10,657,810</u>
Total noncurrent assets	<u>3,330</u>	<u>-</u>	<u>10,657,810</u>
Total assets	<u>2,965,903</u>	<u>1,031,996</u>	<u>23,541,674</u>
DEFERRED OUTFLOW OF RESOURCES			
Related to OPEB	9,270	7,235	38,738
Related to pensions	168,897	130,471	703,292
Total deferred outflow of resources	<u>178,167</u>	<u>137,706</u>	<u>742,030</u>
LIABILITIES			
Current liabilities:			
Accounts payable	61,627	11,085	305,448
Accrued payroll	37,182	28,711	154,950
Deposits payable	6,758	-	6,758
Compensated absences - due within one year	19,979	16,663	89,131
Total current liabilities	<u>125,546</u>	<u>56,459</u>	<u>556,287</u>
Noncurrent liabilities:			
Net OPEB liability	86,783	67,733	362,653
Net pension liability	460,409	355,660	1,917,152
Compensated absences - due in more than one year	52,261	57,711	251,559
Total noncurrent liabilities	<u>599,453</u>	<u>481,104</u>	<u>2,531,364</u>
Total liabilities	<u>724,999</u>	<u>537,563</u>	<u>3,087,651</u>
DEFERRED INFLOWS OF RESOURCES			
Related to OPEB	12,621	9,851	52,742
Related to pensions	296,519	229,057	1,234,712
Total deferred inflows of resources	<u>309,140</u>	<u>238,908</u>	<u>1,287,454</u>
NET POSITION			
Investment in capital assets	3,330	-	10,657,810
Unrestricted (deficit)	<u>2,106,601</u>	<u>393,231</u>	<u>9,250,789</u>
Total net position	<u>\$ 2,109,931</u>	<u>\$ 393,231</u>	<u>\$ 19,908,599</u>

(Concluded)

City of Tracy
Combining Statement of Revenues, Expenses, and Changes in Net Position
All Internal Service Funds
For the Year Ended June 30, 2022

	Central Garage	Central Services	Equipment Acquisition
OPERATING REVENUES:			
Sales and charges for services	\$ 2,454,416	\$ 2,662,615	\$ -
Other operating revenue	-	-	2,318,057
Total operating revenues	<u>2,454,416</u>	<u>2,662,615</u>	<u>2,318,057</u>
OPERATING EXPENSES:			
Maintenance and operation	2,496,817	2,797,152	502,068
Administration	132,795	128,704	79,104
Insurance costs and claims	-	-	-
Depreciation	499	-	1,617,686
Total operating expenses	<u>2,630,111</u>	<u>2,925,856</u>	<u>2,198,858</u>
OPERATING INCOME (LOSS)	<u>(175,695)</u>	<u>(263,241)</u>	<u>119,199</u>
NONOPERATING REVENUES (EXPENSES):			
Investment income (loss)	(795)	(13,682)	(218,149)
Gain on sale of capital assets	-	-	(1,873,560)
Total nonoperating revenues (expenses)	<u>(795)</u>	<u>(13,682)</u>	<u>(2,091,709)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(176,490)</u>	<u>(276,923)</u>	<u>(1,972,510)</u>
TRANSFERS:			
Capital contributions	-	-	82,089
Transfers in	-	-	1,248,006
Total transfers	<u>-</u>	<u>-</u>	<u>1,330,095</u>
Changes in net position	<u>(176,490)</u>	<u>(276,923)</u>	<u>(642,415)</u>
NET POSITION:			
Beginning of year	<u>(325,934)</u>	<u>(578,886)</u>	<u>19,406,085</u>
End of year	<u><u>\$ (502,424)</u></u>	<u><u>\$ (855,809)</u></u>	<u><u>\$ 18,763,670</u></u>

(Continued)

City of Tracy
Combining Statement of Revenues, Expenses, and Changes in Net Position (Continued)
All Internal Service Funds
For the Year Ended June 30, 2022

	Building Maintenance	Insurance	Total
OPERATING REVENUES:			
Sales and charges for services	\$ 2,249,576	\$ 5,725,633	\$ 13,092,240
Other operating revenue	-	1,184,624	3,502,681
Total operating revenues	<u>2,249,576</u>	<u>6,910,257</u>	<u>16,594,921</u>
OPERATING EXPENSES:			
Maintenance and operation	1,944,439	1,183,535	8,924,011
Administration	309,974	433,474	1,084,051
Insurance costs and claims	-	6,427,150	6,427,150
Depreciation	261	-	1,618,446
Total operating expenses	<u>2,254,674</u>	<u>8,044,159</u>	<u>18,053,658</u>
OPERATING INCOME (LOSS)	<u>(5,098)</u>	<u>(1,133,902)</u>	<u>(1,458,737)</u>
NONOPERATING REVENUES (EXPENSES):			
Investment income (loss)	(79,442)	(34,401)	(346,469)
Gain (loss) on sale of capital assets	-	-	(1,873,560)
Total nonoperating revenues (expenses)	<u>(79,442)</u>	<u>(34,401)</u>	<u>(2,220,029)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(84,540)</u>	<u>(1,168,303)</u>	<u>(3,678,766)</u>
TRANSFERS:			
Capital contributions	-	-	82,089
Transfers in	-	-	1,248,006
Total transfers	<u>-</u>	<u>-</u>	<u>1,330,095</u>
Changes in net position	<u>(84,540)</u>	<u>(1,168,303)</u>	<u>(2,348,671)</u>
NET POSITION:			
Beginning of year	<u>2,194,471</u>	<u>1,561,534</u>	<u>22,257,270</u>
End of year	<u><u>\$ 2,109,931</u></u>	<u><u>\$ 393,231</u></u>	<u><u>\$ 19,908,599</u></u>

(Concluded)

City of Tracy
Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended June 30, 2022

	Central Garage	Central Services	Equipment Acquisition
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers/other funds	\$ 2,454,416	\$ 2,662,615	\$ 11,673
Cash payments to suppliers for goods and services/other funds	(2,613,997)	(2,862,298)	(601,711)
Cash payments to employees for services	(37,727)	(55,348)	-
Receipts from other operating activities	-	-	2,318,057
Net cash provided by (used in) operating activities	<u>(197,308)</u>	<u>(255,031)</u>	<u>1,728,019</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from other funds	-	-	1,248,006
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>1,248,006</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital contributions from developers and others	-	-	82,089
Acquisition of capital assets	-	-	(2,542,252)
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(2,460,163)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest from investments	(91)	(13,638)	(226,712)
Net cash provided by (used in) investing activities	<u>(91)</u>	<u>(13,638)</u>	<u>(226,712)</u>
Net change in cash and cash equivalents	(197,399)	(268,669)	289,150
CASH AND CASH EQUIVALENTS:			
Beginning of year	379,889	768,894	7,826,235
End of year	<u>\$ 182,490</u>	<u>\$ 500,225</u>	<u>\$ 8,115,385</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:			
Cash and cash investments	\$ 182,490	\$ 500,225	\$ 8,115,385
Total cash and cash equivalents	<u>\$ 182,490</u>	<u>\$ 500,225</u>	<u>\$ 8,115,385</u>

(Continued)

City of Tracy
Combining Statement of Cash Flows (Continued)
All Internal Service Funds
For the Year Ended June 30, 2022

	Central Garage	Central Services	Equipment Acquisition
RECONCILIATION OF OPERATING INCOME (LOSS)			
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (175,695)	\$ (263,241)	\$ 119,199
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	499	-	1,617,686
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	-	-	11,673
Prepaid items	-	-	(65,532)
Deferred outflows - OPEB related	(5,079)	(4,753)	-
Deferred outflows - pension related	24,012	32,052	-
Accounts payable	15,615	63,558	44,993
Accrued payroll	226	14,875	-
Compensated absences	(19,200)	(9,813)	-
Net OPEB liability	37,953	9,721	-
Net pension liability	(325,113)	(550,681)	-
Deferred inflows - OPEB related	4,211	(3,325)	-
Deferred inflows - pension related	245,263	456,576	-
Total adjustments	(21,613)	8,210	1,608,820
Net cash provided by (used in) operating activities	\$ (197,308)	\$ (255,031)	\$ 1,728,019

(Continued)

City of Tracy
Combining Statement of Cash Flows (Continued)
All Internal Service Funds
For the Year Ended June 30, 2022

	Building Maintenance	Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers/other funds	\$ 2,305,903	\$ 5,725,633	\$ 13,160,240
Cash payments to suppliers for goods and services/other funds	(2,248,183)	(8,144,724)	(16,470,913)
Cash payments to employees for services	67,289	(13,000)	(38,786)
Receipts from other operating activities	-	1,184,624	3,502,681
Net cash provided by (used in) operating activities	<u>125,009</u>	<u>(1,247,467)</u>	<u>153,222</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from other funds	-	-	1,248,006
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>1,248,006</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital contributions from developers and others	-	-	82,089
Acquisition of capital assets	-	-	(2,542,252)
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(2,460,163)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest from investments	(82,583)	(33,104)	(356,128)
Net cash provided by (used in) investing activities	<u>(82,583)</u>	<u>(33,104)</u>	<u>(356,128)</u>
Net change in cash and cash equivalents	42,426	(1,280,571)	(1,415,063)
CASH AND CASH EQUIVALENTS:			
Beginning of year	2,911,305	2,309,502	14,195,825
End of year	<u>\$ 2,953,731</u>	<u>\$ 1,028,931</u>	<u>\$ 12,780,762</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:			
Cash and cash investments	\$ 2,953,731	\$ 1,028,931	\$ 12,780,762
Total cash and cash equivalents	<u>\$ 2,953,731</u>	<u>\$ 1,028,931</u>	<u>\$ 12,780,762</u>

(Continued)

City of Tracy
Combining Statement of Cash Flows (Continued)
All Internal Service Funds
For the Year Ended June 30, 2022

	Building Maintenance	Insurance	Total
RECONCILIATION OF OPERATING INCOME (LOSS)			
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (5,098)	\$ (1,133,902)	\$ (1,458,737)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	261	-	1,618,446
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	56,327	-	68,000
Prepaid items	-	-	(65,532)
Deferred outflows - OPEB related	(9,270)	(3,519)	(22,621)
Deferred outflows - pension related	16,826	19,619	92,509
Accounts payable	6,230	(100,565)	29,831
Accrued payroll	4,207	6,380	25,688
Compensated absences	316	6,534	(22,163)
Net OPEB liability	86,783	19,643	154,100
Net pension liability	(337,767)	(289,377)	(1,502,938)
Deferred inflows - OPEB related	12,621	1,044	14,551
Deferred inflows - pension related	293,573	226,676	1,222,088
Total adjustments	130,107	(113,565)	1,611,959
Net cash provided by (used in) operating activities	\$ 125,009	\$ (1,247,467)	\$ 153,222

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Fiduciary Funds - Custodial Funds

Community Facilities District 89-1 Fund - This fund is used account for the assets held on behalf of the 89-1 Community Facilities District property owners until they are remitted to the bond trustee.

Assessment District 94-1 Fund - This fund is used account for the assets held on behalf of the 94-1 Community Facilities District property owners until they are remitted to the bond trustee.

Community Facilities District 93-1 Fund - This fund is used account for the assets held on behalf of the 93-1 Community Facilities District property owners until they are remitted to the bond trustee.

Community Facilities District 98-1 Fund - This fund is used account for the assets held on behalf of the 98-1 Community Facilities District property owners until they are remitted to the bond trustee.

Community Facilities District 98-3 Fund - This fund is used account for the assets held on behalf of the 98-3 Community Facilities District Property owners until they are remitted to the bond trustee.

Community Facilities District 99-1 Fund - This fund is used account for the assets held on behalf of the 99-1 Community Facilities District property owners until they are remitted to the bond trustee.

Assessment District 2000-01 Fund - This fund is used account for the assets held on behalf of the 2000-01 Assessment District property owners until they are remitted to the bond trustee.

2006-01 NE Industrial #2 Fund - This fund is used account for the assets held on behalf of the 2006-01 Assessment District property owners until they are remitted to the bond trustee.

I-205 Residential Reassessment District 1999 Fund - This fund is used account for the assets held on behalf of the 93-2, 95-1, 96-1, 97-1, and 97-2 Assessment District property owners until they are remitted to the bond trustee.

Assessment District 2003-01 Fund - This fund is used account for the assets held on behalf of the 2003-01 Assessment District property owners until they are remitted to the bond trustee.

2011 TOP JPA Revenue Bonds Fund - This fund was established to refund two outstanding community facilities district bonds and to refund two limited obligation assessment bonds, and to finance public capital improvements.

CFD 2011-01 Tracy 580 Business Park Fund - This fund is used to account for the transactions of the 2011-01 CFD.

Community Facilities District 2016-02 Fund - This fund is used to account for the assets held on behalf of the 2016-02 Community Facilities District property owners until they are remitted to the bond trustee.

Community Facilities District 2016-01 Tracy Hills Fund - This fund is used to account for the assets held on behalf of the 2016-01 Assessment District property owners until they are remitted to the bond trustee.

City of Tracy
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
June 30, 2022

	Community Facilities District 89-1	Assessment District 94-1	Community Facilities District 93-1	Community Facilities District 98-1	Community Facilities District 98-3	Community Facilities District 99-1
ASSETS						
Cash and investments	\$ 337,835	\$ 46,869	\$ 4,027,379	\$ -	\$ 45,028	\$ -
Cash and investments with fiscal agent	662,513	610,156	530,923	6,361,913	844,135	1,063,098
Total assets	<u>1,000,348</u>	<u>657,025</u>	<u>4,558,302</u>	<u>6,361,913</u>	<u>889,163</u>	<u>1,063,098</u>
LIABILITIES						
Accounts payable	-	-	-	-	-	-
Deposits payable	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION						
Held for:						
Individuals, organizations, and other governments	<u>1,000,348</u>	<u>657,025</u>	<u>4,558,302</u>	<u>6,361,913</u>	<u>889,163</u>	<u>1,063,098</u>
Total Net Position	<u>\$ 1,000,348</u>	<u>\$ 657,025</u>	<u>\$ 4,558,302</u>	<u>\$ 6,361,913</u>	<u>\$ 889,163</u>	<u>\$ 1,063,098</u>

(Continued)

City of Tracy
Combining Statement of Fiduciary Net Position (Continued)
Fiduciary Funds - Custodial Funds
June 30, 2022

	Assessment District 2000-01	2006-01 NE Industrial #2	I-205 Residential Reassessment District 1999	Assessment District 2003-01	2011 TOP JPA Revenue Bonds	CFD 2011-01 Tracy 580 Business Park
ASSETS						
Cash and investments	\$ 162,120	\$ 1,225,732	\$ -	\$ 301,733	\$ -	\$ 76,257
Cash and investments with fiscal agent	1,017,206	2,655,211	2,110,094	137,411	3,411,907	-
Total assets	<u>1,179,326</u>	<u>3,880,943</u>	<u>2,110,094</u>	<u>439,144</u>	<u>3,411,907</u>	<u>76,257</u>
LIABILITIES						
Accounts payable	-	-	-	345	690	-
Deposits payable	-	-	-	298,184	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>298,529</u>	<u>690</u>	<u>-</u>
NET POSITION						
Held for:						
Individuals, organizations, and other governments	<u>1,179,326</u>	<u>3,880,943</u>	<u>2,110,094</u>	<u>140,615</u>	<u>3,411,217</u>	<u>76,257</u>
Total Net Position	<u>\$ 1,179,326</u>	<u>\$ 3,880,943</u>	<u>\$ 2,110,094</u>	<u>\$ 140,615</u>	<u>\$ 3,411,217</u>	<u>\$ 76,257</u>

(Continued)

City of Tracy
Combining Statement of Fiduciary Net Position (Continued)
Fiduciary Funds - Custodial Funds
June 30, 2022

	Community Facilities District 2016-02	Community Facilities District 2016-01 Tracy Hills	Community Facilities District 2021-01 Hillview	Tracy Rural Fire Medical Leave Bank	Total
ASSETS					
Cash and investments	\$ 57,292	\$ 20,675	\$ -	\$ 316,431	\$ 6,617,351
Cash and investments with fiscal agent	5,670,216	13,443,167	6,868,379	-	45,386,329
Total assets	5,727,508	13,463,842	6,868,379	316,431	52,003,680
LIABILITIES					
Accounts payable	-	5,375	-	-	6,410
Deposits payable	-	-	-	-	298,184
Total liabilities	-	5,375	-	-	304,594
NET POSITION					
Held for:					
Individuals, organizations, and other governments	5,727,508	13,458,467	6,868,379	316,431	51,699,086
Total Net Position	\$ 5,727,508	\$ 13,458,467	\$ 6,868,379	\$ 316,431	\$ 51,699,086
(Concluded)					

City of Tracy
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2022

	Community Facilities District 89-1	Assessment District 94-1	Community Facilities District 93-1	Community Facilities District 98-1	Community Facilities District 98-3	Community Facilities District 99-1
ADDITIONS:						
Fee collections for other governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments for other governments	-	-	277,577	5,973,175	347,772	671,216
Investment income (loss)	(5,933)	(1,058)	(10,011)	4,582	1,379	201
Proceeds from debt issuance	-	-	-	-	-	-
Total additions	<u>(5,933)</u>	<u>(1,058)</u>	<u>267,566</u>	<u>5,977,757</u>	<u>349,151</u>	<u>671,417</u>
DEDUCTIONS:						
Administration	-	999	18,550	17,526	14,390	12,384
Payments on conduit bonds - principal	-	295,000	120,000	4,350,000	270,000	545,000
Payments on conduit bonds - interest	-	7,375	127,588	1,326,950	44,831	92,600
Project payments	-	-	-	-	-	-
Payments to other governments	-	-	-	-	-	-
Total deductions	<u>-</u>	<u>303,374</u>	<u>266,138</u>	<u>5,694,476</u>	<u>329,221</u>	<u>649,984</u>
Changes in net position	(5,933)	(304,432)	1,428	283,281	19,930	21,433
NET POSITION:						
Beginning of year	1,006,281	961,457	4,556,874	6,078,632	869,233	1,041,665
End of year	<u>\$ 1,000,348</u>	<u>\$ 657,025</u>	<u>\$ 4,558,302</u>	<u>\$ 6,361,913</u>	<u>\$ 889,163</u>	<u>\$ 1,063,098</u>

(Continued)

City of Tracy
Combining Statement of Changes in Fiduciary Net Position (Continued)
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2022

	Assessment District 2000-01	2006-01 NE Industrial #2	I-205 Residential Reassessment District 1999	Assessment District 2003-01	2011 TOP JPA Revenue Bonds	CFD 2011-01 Tracy 580 Business Park
ADDITIONS:						
Fee collections for other governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments for other governments	1,142,746	678,156	7,174	81,097	1,412,363	-
Investment income (loss)	744	49	2,460	(713)	4,163	(208)
Proceeds from debt issuance	-	-	-	-	-	-
Total additions	<u>1,143,490</u>	<u>678,205</u>	<u>9,634</u>	<u>80,384</u>	<u>1,416,526</u>	<u>(208)</u>
DEDUCTIONS:						
Administration	17,490	14,276	15,995	10,569	34,939	-
Payments on conduit bonds - principal	640,000	260,000	300,000	45,000	1,000,000	-
Payments on conduit bonds - interest	433,175	380,100	18,500	22,391	320,456	-
Project payments	-	-	-	-	-	-
Payments to other governments	-	-	-	-	-	-
Total deductions	<u>1,090,665</u>	<u>654,376</u>	<u>334,495</u>	<u>77,960</u>	<u>1,355,395</u>	<u>-</u>
Changes in net position	52,825	23,829	(324,861)	2,424	61,131	(208)
NET POSITION:						
Beginning of year	<u>1,126,501</u>	<u>3,857,114</u>	<u>2,434,955</u>	<u>138,191</u>	<u>3,350,086</u>	<u>76,465</u>
End of year	<u>\$ 1,179,326</u>	<u>\$ 3,880,943</u>	<u>\$ 2,110,094</u>	<u>\$ 140,615</u>	<u>\$ 3,411,217</u>	<u>\$ 76,257</u>

(Continued)

City of Tracy
Combining Statement of Changes in Fiduciary Net Position (Continued)
Fiduciary Funds - Custodial Funds
For the Year Ended June 30, 2022

	Community Facilities District 2016-02	Community Facilities District 2016-01 Tracy Hills	Community Facilities District 2021-01 Hillview	Tracy Rural Fire Medical Leave Bank	Total
ADDITIONS:					
Fee collections for other governments	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments for other governments	1,555,252	3,468,687	-	-	15,615,215
Investment income (loss)	802	1,849	26	-	(1,668)
Proceeds from debt issuance	14,480,276	-	6,868,353	-	21,348,629
Total additions	16,036,330	3,470,536	6,868,379	-	36,962,176
DEDUCTIONS:					
Administration	57,132	41,717	-	-	255,967
Payments on conduit bonds - principal	50,000	190,000	-	-	8,065,000
Payments on conduit bonds - interest	937,917	3,059,550	-	-	6,771,433
Project payments	12,619,921	15,065,449	-	-	27,685,370
Payments to other governments	-	-	-	62,600	62,600
Total deductions	13,664,970	18,356,716	-	62,600	42,840,370
Changes in net position	2,371,360	(14,886,180)	6,868,379	(62,600)	(5,878,194)
NET POSITION:					
Beginning of year	3,356,148	28,344,647	-	379,031	57,577,280
End of year	<u>\$ 5,727,508</u>	<u>\$ 13,458,467</u>	<u>\$ 6,868,379</u>	<u>\$ 316,431</u>	<u>\$ 51,699,086</u>

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STATISTICAL SECTION
(Unaudited)

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CITY OF TRACY - STATISTICAL SECTION

This part of the City of Tracy's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health

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Sources: Unless otherwise noted, the information in these schedules is derived from the City's annual comprehensive financial reports for the relevant year

City of Tracy
Net Position by Component
Last Ten Fiscal Years
(amounts in thousands)

	Fiscal Year				
	2022	2021	2020	2019	2018
Governmental activities					
Net investment in capital assets	\$ 640,818	\$ 653,646	\$ 638,464	\$ 626,220	\$ 609,080
Restricted	237,567	217,130	201,440	199,212	183,594
Unrestricted	70,533	1,254	(36,566)	(22,474)	(10,576)
Total governmental activities net assets	948,918	872,030	803,338	802,958	782,098
Business-type activities:					
Net investment in capital assets	\$ 421,052	\$ 412,464	\$ 397,487	\$ 370,880	\$ 359,213
Restricted	-	-	518	1	-
Unrestricted	66,078	51,960	62,495	48,068	48,616
Total business-type activities	\$ 487,130	\$ 464,424	\$ 460,500	\$ 418,949	\$ 407,829
Primary government:					
Net investment in capital assets	\$ 1,061,870	\$ 1,066,110	\$ 1,035,951	\$ 997,100	\$ 968,293
Restricted	237,567	217,130	201,958	199,213	183,594
Unrestricted	136,611	53,214	25,929	26,594	38,040
Total primary government	\$ 1,436,048	\$ 1,336,454	\$ 1,263,838	\$ 1,222,907	\$ 1,189,927

Source: City of Tracy, Finance Department:

City of Tracy
Net Position by Component (Continued)
Last Ten Fiscal Years
(amounts in thousands)

	Fiscal Year				
	2017	2016	2015	2014	2013
Governmental activities					
Net investment in capital assets	\$ 581,394	\$ 553,914	\$ 526,467	\$ 518,181	\$ 512,728
Restricted	155,947	145,381	152,380	100,403	111,131
Unrestricted	(1,272)	(5,343)	(11,671)	42,063	35,606
Total governmental activities net assets	736,069	693,952	667,176	660,647	659,465
Business-type activities:					
Net investment in capital assets	\$ 357,628	\$ 302,888	\$ 314,492	\$ 327,065	\$ 328,985
Restricted	350	348	346	247	237
Unrestricted	41,657	39,357	31,221	31,101	31,283
Total business-type activities	\$ 399,635	\$ 342,593	\$ 346,059	\$ 358,413	\$ 360,505
Primary government:					
Net investment in capital assets	\$ 939,022	\$ 856,802	\$ 840,959	\$ 845,246	\$ 841,713
Restricted	156,297	145,729	152,726	100,650	111,368
Unrestricted	40,385	34,014	19,550	73,164	66,889
Total primary government	\$ 1,135,704	\$ 1,036,545	\$ 1,013,235	\$ 1,019,060	\$ 1,019,970

Source: City of Tracy, Finance Department:

City of Tracy
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2022	2021	2020	2019	2018
Expenses:					
Governmental activities:					
General Government	\$ 26,685	\$ 22,135	\$ 14,661	\$ 14,455	\$ 13,480
Public safety	55,696	56,194	60,125	54,075	52,785
Public works	34,402	32,034	34,151	42,693	34,183
Culture and leisure	4,800	3,848	4,044	3,920	3,395
Interest on long-term debt	990	675	1,338	1,271	1,288
Unallocated depreciation	-	-	-	-	-
Total Governmental Activities Expenses	<u>122,573</u>	<u>114,886</u>	<u>114,319</u>	<u>116,414</u>	<u>105,131</u>
Business-type Activities:					
Water	\$ 24,886	\$ 21,177	\$ 21,458	\$ 19,941	\$ 19,087
Wastewater	23,435	21,238	18,991	18,961	18,601
Solid waste	28,418	25,986	25,275	22,289	20,958
Drainage operations	2,114	2,195	2,610	2,558	2,791
Municipal airport	2,228	1,144	1,363	1,123	1,475
Municipal transit	6,080	5,352	5,485	5,017	5,571
Total Business-Type Activities	<u>87,161</u>	<u>77,092</u>	<u>75,182</u>	<u>69,889</u>	<u>68,483</u>
Total Primary Governmental Expenses	<u><u>\$ 209,734</u></u>	<u><u>\$ 191,978</u></u>	<u><u>\$ 189,501</u></u>	<u><u>\$ 186,303</u></u>	<u><u>\$ 173,614</u></u>

City of Tracy
Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2022	2021	2020	2019	2018
Program revenues:					
Governmental activities:					
Charges for Services:					
Development fees	\$ 17,279	\$ 11,151	\$ 7,731	\$ 10,068	\$ 8,784
Other public works	2,721	2,721	2,721	2,831	2,722
Parks and community services	884	222	522	666	762
Other activities	9,159	8,728	8,165	7,227	7,252
Operating grants and contributions	13,576	8,330	14,969	15,142	14,191
Capital grants and contributions	63,193	52,673	39,662	36,408	68,535
Total Governmental Activities Program Revenues	<u>106,812</u>	<u>83,825</u>	<u>73,770</u>	<u>72,342</u>	<u>102,246</u>
Business-type Activities:					
Charges for Services:					
Water	\$ 22,407	\$ 23,406	\$ 20,328	\$ 16,497	\$ 16,307
Wastewater	14,973	15,051	14,552	14,168	14,836
Solid waste	25,758	24,309	23,072	21,550	20,973
Drainage operations	731	750	737	686	691
Municipal airport	582	854	662	658	732
Municipal transit	7,571	62	103	117	117
Operating grants and contributions	1,688	6,988	4,263	3,733	6,397
Capital grants and contributions	12,703	5,801	22,818	20,936	9,181
Total Business-Types Activities Program Revenues	<u>86,413</u>	<u>77,221</u>	<u>86,535</u>	<u>78,345</u>	<u>69,234</u>
Total Primary Government Program Revenues	<u>\$ 193,225</u>	<u>\$ 161,046</u>	<u>\$ 160,305</u>	<u>\$ 150,687</u>	<u>\$ 171,480</u>
Net (expense)/revenue					
Governmental activities	\$ (15,761)	\$ (31,061)	\$ (40,549)	\$ (44,072)	\$ (2,885)
Business-type activities	(748)	129	11,353	8,456	751
Total primary government net (expense) revenue	<u>\$ (16,509)</u>	<u>\$ (30,932)</u>	<u>\$ (29,196)</u>	<u>\$ (35,616)</u>	<u>\$ (2,134)</u>

City of Tracy
Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2022	2021	2019	2018	2017
General revenues and other changes in net assets					
Governmental activities:					
Taxes:					
Property taxes	\$ 27,241	\$ 25,736	\$ 24,082	\$ 22,723	\$ 20,857
Sales and use taxes	75,112	56,649	37,039	37,083	30,761
Franchise taxes	4,265	4,258	3,864	3,545	3,558
Other taxes	5,615	4,802	3,692	3,703	3,756
Motor vehicle in lieu, unrestricted	114	70	73	44	48
Investment income (loss)	(8,949)	242	1,543	1,395	545
Miscellaneous	14,204	1,388	87	407	1,926
Transfers	(24,954)	(3,609)	(27,355)	(2,016)	(8,692)
Gain on Transfer of assets'	-	-	-	-	-
Special item - Transfer of assets	-	-	(2,098)	-	(3,347)
Total governmental activities	92,648	89,536	40,927	66,884	49,412
Business-type activities:					
Interest earnings	(1,819)	145	1,835	1,576	531
Miscellaneous	320	40	9	66	84
Transfers	24,954	3,609	27,355	2,016	8,692
Total business-type activities	23,455	3,794	29,199	3,658	9,307
Total primary government	\$ 116,103	\$ 93,330	\$ 70,126	\$ 70,542	\$ 58,719
Change in net position					
Governmental activities	\$ 76,887	\$ 58,475	\$ 380	\$ 22,812	\$ 46,527
Business-type activities	22,707	3,923	40,552	12,114	10,059
Total primary government	\$ 99,594	\$ 62,398	\$ 40,932	\$ 34,926	\$ 56,586

Note 1 - The City implemented GASB 68 in fiscal year 2014-2015. Prior amounts have not been restated.

Note 2 - The City implemented GASB 75 in fiscal year 2017-2018. Prior amounts have not been restated.

City of Tracy
Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2017	2016	2015	2014	2013
Expenses:					
Governmental activities:					
General Government	\$ 12,412	\$ 13,629	\$ 7,907	\$ 6,412	\$ 6,572
Public safety	41,326	37,858	37,562	37,974	37,248
Public works	26,330	31,874	27,572	32,358	25,954
Culture and leisure	2,830	3,134	3,288	4,668	4,709
Interest on long-term debt	1,304	1,345	1,337	1,342	1,399
Unallocated depreciation	-	-	-	586	520
Total Governmental Activities Expenses	<u>84,202</u>	<u>87,840</u>	<u>77,666</u>	<u>83,340</u>	<u>76,402</u>
Business-type Activities:					
Water	\$ 18,980	\$ 22,659	\$ 23,610	\$ 22,300	\$ 21,765
Wastewater	15,079	16,522	17,040	16,442	14,970
Solid waste	20,541	20,899	19,477	18,923	18,820
Drainage	3,027	3,485	3,436	3,404	3,232
Airport	901	775	703	629	590
Transit	3,953	3,169	2,968	2,556	2,404
Total Business-Type Activities	<u>62,481</u>	<u>67,509</u>	<u>67,234</u>	<u>64,254</u>	<u>61,781</u>
Total Primary Governmental Expenses	<u>\$ 146,683</u>	<u>\$ 155,349</u>	<u>\$ 144,900</u>	<u>\$ 147,594</u>	<u>\$ 138,183</u>

City of Tracy
Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2017	2016	2015	2014	2013
Program revenues:					
Governmental activities:					
Charges for Services:					
Development fees	\$ 8,769	\$ 6,816	\$ 6,124	\$ 3,039	\$ 2,460
Other public works	2,721	3,093	2,968	5,040	5,300
Parks and community services	701	1,047	940	838	878
Other activities	1,805	1,864	1,104	1,879	1,665
Operating grants and contributions	12,680	12,811	13,097	10,964	12,723
Capital grants and contributions	39,966	37,084	40,451	18,166	22,596
Total Governmental Activities Program Revenues	66,642	\$ 62,715	\$ 64,684	\$ 39,926	\$ 45,622
Business-type Activities:					
Charges for Services:					
Water	\$ 14,935	\$ 13,101	\$ 14,379	\$ 18,700	\$ 15,672
Wastewater	14,034	13,616	13,086	12,940	11,978
Solid waste	23,333	25,156	22,356	21,521	20,352
Drainage	644	609	603	546	564
Airport	478	403	504	395	272
Transit	116	96	109	1,631	818
Operating grants and contributions	1,516	2,041	1,608	-	-
Capital grants and contributions	4,268	3,302	8,652	6,337	2,528
Total Business-Types Activities Program Revenues	59,324	\$ 58,324	\$ 61,297	\$ 62,070	\$ 52,184
Total Primary Government Program Revenues	\$ 125,966	\$ 121,039	\$ 125,981	\$ 101,996	\$ 97,806
Net (expense)/revenue					
Governmental activities	\$ (17,560)	\$ (25,125)	\$ (12,982)	\$ (43,414)	\$ (30,780)
Business-type activities	(3,157)	(9,185)	(5,937)	(2,184)	(9,597)
Total primary government net (expense) revenue	\$ (20,717)	\$ (34,310)	\$ (18,919)	\$ (45,598)	\$ (40,377)

City of Tracy
Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2017	2016	2015	2014	2013
General revenues and other changes in net assets					
Governmental activities:					
Taxes:					
Property taxes	\$ 20,393	\$ 19,638	\$ 17,709	\$ 15,700	\$ 14,946
Sales and use taxes	23,291	24,371	24,280	22,722	20,553
Franchise taxes	2,829	2,776	2,728	2,593	2,500
Other taxes	2,719	2,562	2,304	1,952	1,839
Motor vehicle in lieu, unrestricted	40	34	35	36	43
Investment income (loss)	435	1,000	610	1,129	165
Miscellaneous	2,022	3,497	1,311	1,634	1,595
Transfers	(4,968)	(5,141)	-	-	(42)
Gain on Transfer of assets'	-	-	-	-	-
Special item - Transfer of assets	-	3,162	-	-	-
Total governmental activities	46,761	\$ 51,899	\$ 48,977	\$ 45,766	\$ 41,599
Business-type activities:					
Interest earnings	626	\$ 551	\$ 585	\$ 264	\$ 144
Miscellaneous	24	25	42	-	-
Transfers	4,968	5,141	-	-	42
Total business-type activities	5,618	\$ 5,717	\$ 627	\$ 264	\$ 186
Total primary government	\$ 52,379	\$ 57,616	\$ 49,604	\$ 46,030	\$ 41,785
Change in net position					
Governmental activities	\$ 29,201	\$ 26,774	\$ 35,995	\$ 2,352	\$ 10,819
Business-type activities	2,461	(3,468)	(5,310)	(1,920)	(9,411)
Total primary government	\$ 31,662	\$ 23,306	\$ 30,685	\$ 432	\$ 1,408

Note 1 - The City implemented GASB 68 in fiscal year 2014-2015. Prior amounts have not been restated.

Note 2 - The City implemented GASB 75 in fiscal year 2017-2018. Prior amounts have not been restated.

City of Tracy
Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)

Function/Program	Fiscal Year				
	2022	2021	2020	2019	2018
Governmental activities:					
General Government	\$ 13,565	\$ 9,898	\$ 9,126	\$ 8,988	\$ 11,204
Police	2,464	1,922	2,134	2,277	3,085
Fire	32	-	10,339	6,445	7,172
Development and engineering	17,279	11,171	7,751	10,585	9,363
Public works	72,546	60,072	43,031	43,510	70,310
Parks and community services	927	762	1,390	1,000	1,112
Subtotal governmental activities	106,813	83,825	73,771	72,805	102,246
Business-type activities:					
Water	\$ 29,403	\$ 25,029	\$ 31,134	\$ 20,307	\$ 21,397
Wastewater	20,282	16,905	22,584	29,337	16,610
Solid waste	26,386	24,329	23,134	21,553	20,973
Drainage operations	1,537	1,843	760	1,509	808
Municipal airport	704	989	2,382	1,725	2,906
Municipal transit	8,101	8,127	6,543	3,914	6,540
Subtotal business-type activities	86,413	77,222	86,537	78,345	69,234
Total primary government	\$ 193,226	\$ 161,047	\$ 160,308	\$ 151,150	\$ 171,480

City of Tracy
Program Revenues by Function/Program (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

Function/Program	Fiscal Year				
	2017	2016	2015	2014	2013
Governmental activities:					
General Government	\$ 2,700	\$ 3,099	\$ 3,850	\$ 2,892	\$ 1,908
Police	1,972	2,052	2,847	1,775	2,330
Fire	6,556	6,539	6,792	6,980	8,692
Development and engineering	9,213	7,209	6,505	3,410	2,871
Public works	45,234	42,437	43,198	23,621	28,367
Parks and community services	967	1,380	1,492	1,248	1,454
Subtotal governmental activities	66,642	62,716	64,684	39,926	45,622
Business-type activities:					
Water	\$ 15,220	\$ 13,801	\$ 17,659	\$ 16,877	\$ 15,672
Wastewater	14,805	13,849	14,533	13,438	12,131
Solid waste	23,354	25,156	22,356	20,352	20,352
Drainage operations	644	686	659	3,424	564
Municipal airport	1,514	2,622	4,060	731	607
Municipal transit	3,787	2,210	2,030	1,171	2,858
Subtotal business-type activities	59,324	58,324	61,297	55,993	52,184
Total primary government	\$ 125,966	\$ 121,040	\$ 125,981	\$ 95,919	\$ 97,806

City of Tracy
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(amounts in thousands)

	Fiscal Year				
	2022	2021	2020	2019	2018
General Fund:					
Nonspendable	\$ -	\$ 40	\$ 40	\$ 470	\$ 1,525
Restricted	3,175	2,348	-	-	-
Committed	16,401	16,401	14,479	14,883	14,961
Assigned	11,277	11,277	6,112	15,213	20,997
Unassigned	6,024	3,964	-	-	842
Total General Fund	<u>\$ 36,877</u>	<u>\$ 34,030</u>	<u>\$ 20,631</u>	<u>\$ 30,566</u>	<u>\$ 38,325</u>
All other governmental funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	234,392	195,384	155,058	164,057	153,595
Committed	-	-	-	-	-
Assigned	79,742	38,508	26,193	12,192	5,909
Unassigned	-	-	-	-	-
Special revenue funds	(147)	-	(3,131)	(6,609)	(8,192)
Capital projects funds	(102)	(2,176)	(2,174)	(2,382)	-
Debt service funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 313,885</u>	<u>\$ 231,716</u>	<u>\$ 175,946</u>	<u>\$ 167,258</u>	<u>\$ 151,312</u>

Source: City of Tracy, Finance Department

City of Tracy
Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years
(amounts in thousands)

	Fiscal Year				
	2017	2016	2015	2014	2013
General Fund:					
Nonspendable	\$ 5,117	\$ 5,873	\$ 6,640	\$ 782	\$ 781
Restricted	-	-	-	346	333
Committed	11,716	-	-	-	-
Assigned	11,455	358	1,152	523	277
Unassigned	12,483	34,425	29,861	33,420	27,503
Total General Fund	<u>\$ 40,771</u>	<u>\$ 40,656</u>	<u>\$ 37,653</u>	<u>\$ 35,071</u>	<u>\$ 28,894</u>
All other governmental funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	124,932	-	4	57	-
Committed	-	110,191	113,064	97,402	108,381
Assigned	4,438	-	-	-	-
Unassigned	-	5,588	13,360	-	-
Special revenue funds	(517)	-	-	-	-
Capital projects funds	-	(4,431)	(610)	(1,278)	(159)
Debt service funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 128,853</u>	<u>\$ 111,348</u>	<u>\$ 125,818</u>	<u>\$ 96,181</u>	<u>\$ 108,222</u>

Source: City of Tracy, Finance Department

City of Tracy
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accural basis of accounting)

	Fiscal Year				
	2022	2021	2020	2019	2018
Revenues:					
Taxes	\$ 110,165	\$ 88,626	\$ 65,927	\$ 65,931	\$ 59,838
Licenses, premits and fees	14,084	10,015	7,418	8,161	7,792
Fines and forfeits	255	1,098	630	880	1,559
Use of money and property	(8,081)	483	5,604	6,003	1,462
Intergovernmental	11,462	8,221	12,770	16,733	21,127
Charges of services	69,914	50,130	41,841	34,752	54,269
Special assesments	5,116	4,305	4,060	4,646	3,597
Contributions from assessment districts	-	156	3,434	1,697	5,121
Other	11,122	1,353	58	147	1,589
Total revenues	<u>214,037</u>	<u>164,387</u>	<u>141,742</u>	<u>138,950</u>	<u>156,354</u>
Expenditures:					
Current:					
General government	19,063	17,658	15,136	14,544	13,579
Police	40,094	35,935	33,708	30,575	27,078
Fire	16,448	15,933	21,909	21,404	22,251
Development and engineering	12,413	12,413	11,258	11,327	13,549
Public works	13,345	11,997	11,547	13,391	10,156
Parks and recreation	4,042	3,038	3,181	3,245	2,683
Capital outlay	15,937	9,108	29,699	28,802	38,631
Debt service:					
Principal	765	555	21,315	405	434
Interest and fiscal charges	1,040	720	1,565	1,276	1,292
Total expenditures	<u>123,147</u>	<u>107,357</u>	<u>149,318</u>	<u>124,969</u>	<u>129,653</u>
Excess of revenues over (under) expenditures	90,890	57,030	(7,576)	13,981	26,701
Other financing sources (uses):					
Issuance of debt (including premium)	20,327	-	21,737	-	-
Contributions	-	-	3,930	-	-
Transfers in	118,206	20,489	27,601	36,154	13,040
Transfers out	(144,408)	(24,562)	(46,971)	(40,004)	(16,731)
Proceeds from sale of property	-	-	33	8	350
Total other financing sources (uses):	<u>(5,875)</u>	<u>(4,073)</u>	<u>6,330</u>	<u>(3,842)</u>	<u>(3,341)</u>
Net change in fund balances	<u>\$ 85,015</u>	<u>\$ 52,957</u>	<u>\$ (1,246)</u>	<u>\$ 10,139</u>	<u>\$ 23,360</u>
Debt service as a percentage of non-capital expenditures	1.68%	1.31%	17.41%	1.56%	1.70%

City of Tracy
Changes in Fund Balances, Governmental Funds (Continued)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2017	2016	2015	2014	2013
Revenues:					
Taxes	\$ 47,540	\$ 49,118	\$ 46,915	\$ 43,804	\$ 40,503
Licenses, premits and fees	7,191	5,236	4,706	4,008	3,564
Fines and forfeits	510	673	972	863	568
Use of money and property	1,356	2,936	1,277	1,699	700
Intergovernmental	27,127	20,413	16,235	12,928	16,038
Charges of services	9,472	9,997	9,165	8,894	9,147
Special assesments	24,886	14,977	29,899	7,181	13,406
Contributions from assessment districts	3,372	3,574	3,444	4,346	1,887
Other	3,460	3,501	1,410	1,767	1,124
Total revenues	124,914	110,425	114,023	85,490	86,937
Expenditures:					
Current:					
General government	13,763	14,900	7,748	7,050	6,434
Police	24,690	23,717	22,012	21,592	21,488
Fire	18,483	16,692	16,033	15,869	15,305
Development and engineering	8,828	9,042	7,793	6,467	6,449
Public works	9,292	9,372	9,093	8,471	8,091
Parks and recreation	2,287	3,110	3,019	3,113	3,330
Capital outlay	28,645	41,456	20,582	27,179	23,465
Debt service:					
Principal	398	368	328	245	220
Interest and fiscal charges	1,308	1,322	1,334	1,345	1,352
Total expenditures	107,694	119,979	87,942	91,331	86,134
Excess of revenues over (under) expenditures	17,220	(9,554)	26,081	(5,841)	803
Other financing sources (uses):					
Issuance of debt (including premium)	-	-	248	-	-
Contributions	-	-	-	-	-
Transfers in	5,226	6,009	11,723	1,214	20,600
Transfers out	(5,226)	(8,750)	(11,745)	(1,236)	(20,642)
Proceeds from sale of property	5	829	420	-	-
Total other financing sources (uses):	5	(1,912)	646	(22)	(42)
Net change in fund balances	\$ 17,225	\$ (11,466)	\$ 26,727	\$ (5,863)	\$ 761
Debt service as a percentage of non-capital expenditures	1.97%	1.94%	2.34%	2.12%	2.33%

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City of Tracy
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Property Taxes	Franchise Taxes	Sales and Use Taxes	Transient Taxes	Business License Taxes	Transfer Taxes	Total
2022	\$ 26,728,529	\$ 3,866,095	\$ 75,112,096	\$ 2,130,821	\$ 1,038,011	\$ 2,249,015	\$ 111,124,567
2021	25,735,540	4,257,868	56,648,873	1,702,313	1,016,050	2,084,113	91,444,757
2020	24,082,470	3,864,335	37,038,773	1,447,897	850,991	1,392,908	68,677,373
2019	22,259,306	3,545,578	37,082,569	1,638,102	934,793	1,130,147	66,590,495
2018	20,848,493	3,508,816	30,760,699	1,597,341	847,027	1,311,406	58,873,782
2017	20,392,536	2,829,424	23,290,667	1,507,518	838,037	372,636	49,230,817
2016	19,638,061	2,775,984	24,371,002	1,378,802	814,210	368,922	49,346,981
2015	17,709,090	2,727,886	24,279,575	1,123,087	818,656	362,107	47,020,401
2014	15,699,554	2,593,225	22,721,973	974,314	706,573	271,761	42,967,400
2013	14,946,468	2,499,946	20,553,264	786,827	689,323	362,793	39,838,621

Source: Finance Department, City of Tracy

City of Tracy
Assessed Value of Taxable Property
Last Ten Fiscal Years

	Fiscal Years				
	2022	2021	2020	2019	2018
Category					
Residential	\$ 9,760,318,294	\$ 9,143,911,871	\$ 8,555,296,590	\$ 8,039,865,942	\$ 7,507,417,694
Commercial	1,063,194,692	1,030,981,316	955,735,852	947,333,003	929,006,663
Industrial	1,725,889,800	1,497,816,029	1,317,064,070	1,174,162,150	1,096,123,367
Agricultural	15,740,791	9,954,085	13,112,309	14,680,140	16,512,544
Govt. Owned	394,710	390,665	383,006	58,141	57,001
Institutional	13,241,969	17,778,493	14,022,064	13,108,380	14,530,172
Miscellaneous	1,181,722	1,059,690	1,040,944	1,020,538	1,000,531
Recreational	14,051,314	13,907,241	13,655,823	13,397,875	13,135,180
Vacant	542,638,869	450,516,491	390,395,541	224,337,103	237,333,513
SBE Nonuitary	13,423,381	13,423,381	11,939,960	11,939,960	11,939,960
Cross Reference	8,944,462	7,908,510	6,625,995	6,538,593	6,436,773
Unsecured	586,803,473	608,053,111	558,315,419	537,094,969	577,931,679
Exempt	-	-	-	-	(14,741,007)
Unknown	309,051	305,883	336,600	692,500	-
Totals	\$ 13,746,132,528	\$ 12,796,006,766	\$ 11,837,924,173	\$ 10,984,229,294	\$ 10,396,684,070
Total Direct Rate	13.34%	13.70%	13.87%	14.29%	14.39%

*Table updated as of FY21-22

Source: The HdL Company

City of Tracy
Assessed Value of Taxable Property (Continued)
Last Ten Fiscal Years

	Fiscal Years				
	2017	2016	2015	2014	2013
Category					
Residential	\$ 7,068,856,191	\$ 6,659,567,812	\$ 6,338,819,597	\$ 5,483,285,494	\$ 4,941,891,425
Commercial	885,051,665	813,724,348	809,032,343	780,671,922	759,270,908
Industrial	985,768,269	729,448,654	731,830,268	643,307,116	710,743,366
Agricultural	16,157,722	64,987,156	50,838,834	15,845,815	12,310,276
Govt. Owned	55,884	1,096,359	1,213,712	53,723	52,669
Institutional	5,720,691	9,515,260	9,692,380	8,872,850	8,457,785
Miscellaneous	904,446	32,517,596	31,703,360	31,765,357	34,534,323
Recreational	12,877,684	16,769,125	16,557,457	16,461,155	14,215,180
Vacant	245,602,494	298,360,191	130,690,678	132,775,224	114,511,579
SBE Nonuitary	11,939,960	12,164,031	12,164,031	12,164,031	11,041,870
Cross Reference	6,326,367	6,166,763	5,447,560	5,285,640	5,128,442
Unsecured	514,650,372	385,687,795	362,915,054	283,642,728	285,483,775
Exempt	(14,691,821)	(13,653,324)	(11,108,238)	(10,494,903)	(9,614,948)
Unknown	-	-	-	65,332,242	-
Totals	\$ 9,739,219,924	\$ 9,016,351,766	\$ 8,489,797,036	\$ 7,468,968,394	\$ 6,888,026,650
Total Direct Rate	14.56%	14.90%	15.03%	15.27%	25.02%

City of Tracy
Direct and Overlapping Property Tax Rates
(Rate Per \$100 of Taxable Value)
Last Ten Fiscal Years

Agency	Fiscal Year				
	2022	2021	2020	2019	2018
Basic Levy ¹	1.00000	1.00000	1.00000	1.00000	1.00000
Banta Elementary	0.00040	0.00150	0.00210	0.00270	0.00350
Jefferson Elementary	0.02500	0.02610	0.02590	0.02730	0.02640
Lammersville Joint Usd 2016A	0.03880	0.03950	0.04870	0.05500	0.05340
San Joaquin Delta College District	0.01630	0.01830	0.01990	0.02250	0.01800
Tracy Unified School District	0.06130	0.06320	0.06470	0.06420	0.03320
Tracy-Lammersville School District	0.00000	0.01390	0.01510	0.01620	0.01720
Tracy-Lammersville Usd	0.01370	0.00000	0.00000	0.00000	0.00000
Total Direct & Overlapping² Tax Rates	1.15550	1.16250	1.17640	1.18790	1.15170
City's Share of 1% Levy Per Prop 13 ³	0.16903	0.16903	0.16903	0.16903	0.16903
Voter Approved City Debt Rate					
Redevelopment Rate ⁴		1.00000			
Total Direct Rate ⁵	0.13342	0.13701	0.13869	0.14291	0.14394

*Table updated as of FY21-22

Notes:

¹In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed, amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

²Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all property owners.

³City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. The ERAF portion of the City's Levy has been subtracted where known.

⁴Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABXI 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

⁵Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposed of this report, residual revenue is aasumes to be distributed to the City/Agency in the same proportions as general fund revenue.

City of Tracy
Direct and Overlapping Property Tax Rates (Continued)
(Rate Per \$100 of Taxable Value)
Last Ten Fiscal Years

Agency	Fiscal Year				
	2017	2016	2015	2014	2013
Basic Levy ¹	1.00000	1.00000	1.00000	1.00000	1.00000
Banta Elementary	0.00510	0.00700	0.00870	0.00820	0.00890
Jefferson Elementary	0.02690	0.02710	0.02900	0.02850	0.02410
Lammersville Joint Usd 2016A	0.00000	0.00000	0.00000	0.00000	0.00000
San Joaquin Delta College District	0.01800	0.01980	0.02330	0.01940	0.02020
Tracy Unified School District	0.06690	0.07010	0.02120	0.03270	0.03450
Tracy-Lammersville School District	0.01850	0.02010	0.02130	0.01480	0.01570
Tracy-Lammersville School District	0.00000	0.00000	0.00000	0.00000	0.00000
Total Direct & Overlapping² Tax Rates	1.13540	1.14410	1.10350	1.10360	1.10340
City's Share of 1% Levy Per Prop 13 ³	0.16903	0.16903	0.16903	0.16903	0.16903
Voter Approved City Debt Rate					
Redevelopment Rate ⁴					
Total Direct Rate ⁵	0.14564	0.14895	0.15031	0.15266	0.25021

*Table updated as of FY21-22

Notes:

¹In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed, amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

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³City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. The ERAF portion of the City's Levy has been subtracted where known.

⁴Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABXI 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

⁵Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposed of this report, residual revenue is aasumes to be distributed to the City/Agency in the same proportions as general fund revenue.

City of Tracy
Principal Property Tax Payers
Current Fiscal Year and Nine Years Ago

Taxpayer Name	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Prologis	\$ 659,286,853	1	4.80%	\$ 67,685,293	3	1.19%
Amazon Com Services Inc	143,144,510	2	1.31%			
Fedex Ground Package System Inc	142,416,564	3	1.08%			
Medline Industries Inc	103,640,431	4	0.85%			
Leprino Foods Company Corporation	85,921,293	5	0.81%	96,191,638	2	1.69%
Tracy 300 LP	76,801,999	6	0.75%			
West Valley Holdings LLC	75,058,240	7	0.57%			
IPT Tracy DC LP	71,406,872	8	0.54%			
DCT Arbor Avenue LLC	66,986,867	9	0.54%			
DCT Tracy Logistics Center LLC	62,864,598	10	0.50%			
Tracy Mall Partners LP				100,439,941	1	1.76%
Catellus Corporate Center Tracy LLC				64,221,194	4	1.13%
Central Valley LLC				52,182,057	5	0.92%
Duke Realty LP				49,749,684	6	0.87%
Inland Container Corportation				36,143,282	7	0.63%
TCE Tracy LLC				32,071,197	8	0.56%
US Cold Storage of California				30,773,642	9	0.54%
Car Corral Hollow LLC				30,557,092	10	0.54%
Top Ten Total	<u>\$ 1,487,528,227</u>		<u>10.82%</u>	<u>\$ 560,015,020</u>		<u>9.82%</u>
Total Taxable Assessed Value	<u>\$ 13,746,132,528</u>		<u>100%</u>	<u>\$ 5,701,107,764</u>		<u>100%</u>

Source: The HdL Company

City of Tracy
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent of Levy Collected	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Value of City Property Subject to Local Tax Rate
2013	\$ 9,607,770	\$ 9,607,770	100.00%	0.00	\$ 9,607,770	100.00%	\$ 5,701,107,764
2014	10,175,469	10,175,469	100.00%	0.00	10,175,469	100.00%	6,243,627,285
2015	11,403,560	11,403,560	100.00%	0.00	11,403,560	100.00%	7,209,389,999
2016	12,406,318	12,406,318	100.00%	0.00	12,406,318	100.00%	7,717,337,513
2017	13,134,172	13,134,172	100.00%	0.00	13,134,172	100.00%	9,206,453,046
2018	13,862,573	13,862,573	100.00%	0.00	13,862,573	100.00%	10,411,425,223
2019	14,553,581	14,553,581	100.00%	0.00	14,553,581	100.00%	10,984,229,294
2020	15,247,629	15,247,629	100.00%	0.00	15,247,629	100.00%	11,837,934,173
2021	16,172,399	16,172,399	100.00%	0.00	16,172,399	100.00%	12,796,006,766
2022	18,475,370	18,475,370	100.00%	0.00	18,475,370	100.00%	13,746,132,528

Note: San Joaquin County is on the Teeter Plan. The County remits 100% of all taxes assessed and keeps all penalties and interest on all delinquent taxes.

Source:

1. San Joaquin County - Office of the Auditor-Controller
2. Finance Department, City of Tracy

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City of Tracy
Sales Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	City Direct Rate	Measure E Rate	Measure V Rate	Transportation Prop K Rate	Transportation Development Act Rate	County Rate	State Rate	Total Sales Tax Rate
2013	1%	0.50%		0.50%	0.25%	1%	5%	8.50%
2014	1%	0.50%		0.50%	0.25%	1%	5%	(a) 8.50%
2015	1%	0.50%		0.50%	0.25%	1%	5.25%	8.50%
2016	1%	0.50%		0.50%	0.25%	1%	5.25%	8.50%
2017	1%		0.50%	(b) 0.50%	0.25%	1%	5.00%	8.25%
2018	1%		0.50%	0.50%	0.25%	1%	5.00%	8.25%
2019	1%		0.50%	0.50%	0.25%	1%	5.00%	8.25%
2020	1%		0.50%	0.50%	0.25%	1%	5.00%	8.25%
2021	1%		0.50%	0.50%	0.25%	1%	5.00%	8.25%
2022	1%		0.50%	0.50%	0.25%	1%	5.00%	8.25%

(a) Voters approved Proposition 30, a state-wide quarter cent sales tax with a 4-year sunset effective January 1, 2013

(b) Tracy voters approved Measure V, a half cent sales tax with a 20-year sunset effective April 1, 2017

Source:

Finance Department, City of Tracy

City of Tracy
Taxable Sales by Category
Last Ten Calendar Years

	Calendar Year				
	2021	2020	2019	2018	2017
Apparel Stores	\$ 43,629	\$ 29,843	\$ 45,863	\$ 48,498	\$ 44,760
General Merchandise	241,019	211,080	215,649	212,792	210,820
Food Stores	53,722	52,921	44,890	41,342	39,602
Eating and Drinking Places	200,941	156,555	176,257	169,434	162,261
Building Materials	232,487	202,652	190,441	180,713	159,799
AutoDealers and Supplies	444,013	367,471	349,716	369,499	379,058
Service Stations	193,376	131,426	178,037	183,856	159,778
Other Retail Stores	181,266	150,368	156,467	163,611	155,252
All Other Outlets	5,171,863	2,063,972	1,807,673	1,344,089	1,091,917
Total	\$ 6,762,316	\$ 3,366,288	\$ 3,164,993	\$ 2,713,834	\$ 2,403,247
City Direct sales tax rate	1%	1%	1%	1%	1%
City Measure E sales tax rate (a)	-	-	-	-	-
City Measure V sales tax (b)	0.5%	0.5%	0.5%	0.5%	0.5%

Note:

(a) Tracy voters approved Measure E, a half cent sales tax with a 5-year sunset effective April 1, 2011

(b) Tracy voters approved Measure V, a half cent sales tax with a 20-year sunset effective April 1, 2017

Source: California State Board of Equalization, The HdL Companies

City of Tracy
Taxable Sales by Category (Continued)
Last Ten Calendar Years

	Calendar Year				
	2016	2015	2014	2013	2012
Apparel Stores	\$ 42,756	\$ 37,205	\$ 40,152	\$ 40,690	\$ 44,353
General Merchandise	203,460	194,528	192,657	187,434	181,099
Food Stores	39,953	42,526	56,254	53,794	56,881
Eating and Drinking Places	155,560	143,887	128,827	116,414	106,888
Building Materials	140,715	130,449	71,129	68,049	60,879
AutoDealers and Supplies	343,861	321,977	299,869	277,155	215,269
Service Stations	144,048	160,104	187,653	193,770	186,978
Other Retail Stores	160,573	154,697	75,167	75,202	65,452
All Other Outlets	601,684	524,513	198,209	200,048	168,710
Total	<u>\$ 1,832,610</u>	<u>\$ 1,709,886</u>	<u>\$ 1,387,153</u>	<u>\$ 1,339,394</u>	<u>\$ 1,199,306</u>
City Direct sales tax rate	1%	1%	1%	1%	1%
City Measure E sales tax rate (a)	0.5%	0.5%	0.5%	0.5%	0.5%
City Measure V sales tax (b)	-	-	-	-	-

Note:

(a) Tracy voters approved Measure E, a half cent sales tax with a 5-year sunset effective April 1, 2011

(b) Tracy voters approved Measure V, a half cent sales tax with a 20-year sunset effective April 1, 2017

Source: California State Board of Equalization, The HdL Companies

City of Tracy
Principal Sales Tax Producers
Current Fiscal Year and Ten Years Ago

2022		2013	
Taxpayer Name	Business Type	Taxpayer Name	Business Type
Amazon Fulfillment Center	Fulfillment Centers	American Truck & Trailer Body Co	Trailers/Auto Parts
Amazon MFA	Fulfillment Centers	Arco AM PM	Service Stations
Arco AM PM	Service Stations	Arco AM PM	Service Stations
Chevron	Service Stations	Arco AM PM	Service Stations
Consolidated Electrical Distributors	Plumbing/Electrical Supplies	Best Buy	Electronics/Appliance Stores
Costco	Discount Dept Stores	Chevron	Service Stations
Crate & Barrel	Fulfillment Centers	Costco	Discount Dept Stores
Fisher Scientific	Medical/Biotech	Country Nissan	New Motor Vehicle Dealers
Glassfab Tempering Services	Trailers/Auto Parts	Crate & Barrel	Fulfillment Centers
Home Depot	Building Materials	Herbalife	Drugs/Chemicals
Independent Electric Supply	Plumbing/Electrical Supplies	Home Depot	Building Materials
Johns Manville	Contractors	Independent Electric Supply	Plumbing/Electrical Supplies
Medline Industries	Medical/Biotech	Macys	Department Stores
Nixon Egli Equipment	Warehse/Farm/Const. Equip.	Nixon Egli Equipment	Warehse/Farm/Const. Equip.
Platinum Hyundai	New Motor Vehicle Dealers	Premier Hyundai of Tracy	New Motor Vehicle Dealers
Safeway Fuel	Service Stations	Safeway Fuel	Service Stations
Target	Discount Dept Stores	Save Mart	Grocery Stores
Tracy Chevrolet	New Motor Vehicle Dealers	Shell	Service Stations
Tracy Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers	Target	Discount Dept Stores
Tracy Ford	New Motor Vehicle Dealers	Tracy Chevrolet	New Motor Vehicle Dealers
Tracy Honda	New Motor Vehicle Dealers	Tracy Ford	New Motor Vehicle Dealers
Tracy Toyota	New Motor Vehicle Dealers	Tracy Honda	New Motor Vehicle Dealers
Tracy Truck & Auto Stop	Service Stations	Tracy Toyota	New Motor Vehicle Dealers
Tracy Volkswagon	New Motor Vehicle Dealers	Tracy Truck & Auto Stop	Service Stations
Walmart Supercenter	Discount Dept Stores	Walmart Supercenter	Discount Dept Stores

Sources: The HdL Companies

City of Tracy
Water and Wastewater Rates
Last Ten Fiscal Years

Fiscal Year	Water		Wastewater
	Monthly Base Rate	Per 100 cubic feet	Monthly Base Rate
2013	\$ 20.40	\$ 1.00	\$ 34.00
2014	20.40	1.00	34.00
2015	20.40	1.00	34.00
2016	20.40	1.00	34.00
2017	20.40	1.00	34.00
2018	24.72	1.00	34.00
2019	24.72	1.00	34.00
2020	30.90	1.00	34.00
2021	30.90	1.00	34.00
2022	30.90	1.00	34.00

Notes:

100 cubic feet = 748 gallons

Rates are based on 1 inch meter-the standard household meter size in Tracy.

Utility charges an excess use rate above normal demand.

Source: Finance Department - City of Tracy

City of Tracy
Ratios of Outstanding Debt by Type
Least Ten Fiscal Years

Governmental Activities						
Fiscal Year	Lease Revenue Bonds (a)	Capital Leases and Loans (a)	Water Revenue Bonds (a)	Water/Sewer Notes Payable (a)	Sewer Revenue Bonds (a)	
2013	\$ 23,245,000	\$ -	\$ -	\$ 18,392,152	\$ 27,645,000	
2014	23,000,000	908,546	-	14,489,157	26,630,000	
2015	22,726,000	1,021,108	-	13,564,909	25,935,000	
2016	22,420,000	131,831	-	12,618,907	25,215,000	
2017	22,085,000	68,552	-	11,650,638	24,470,000	
2018	21,720,000	-	-	10,659,579	23,695,000	
2019	21,315,000	-	-	9,645,194	22,890,000	
2020	20,875,000	-	-	8,606,933	22,050,000	
2021	20,390,000	-	-	8,078,675	21,175,000	
2022	19,860,000	-	-	7,003,543	20,260,000	

Note: Special Assessment Bonds have no City commitment.

Source: (a) Finance Department, City of Tracy
(b) The HdL Company

City of Tracy
Ratios of Outstanding Debt by Type (Continued)
Least Ten Fiscal Years

Business Activity					
Fiscal Year	Airport Notes Payable (a)	Total Primary Government	Per Capita (b)	Population (b)	
2013	\$ 53,478	\$ 69,335,630	\$ 825	84,060	
2014	33,149	65,060,852	764	85,146	
2015	11,955	63,258,972	742	85,296	
2016	-	60,385,738	694	86,985	
2017	-	58,274,190	665	87,613	
2018	-	56,074,579	617	90,832	
2019	-	53,850,194	580	92,800	
2020	-	51,531,933	537	95,931	
2021	-	49,643,675	503	98,601	
2022	-	47,123,543	498	94,538	

Note: Special Assessment Bonds have no City commitment.

Source: (a) Finance Department, City of Tracy

(b) The HdL Company

City of Tracy
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Outstanding General Bond Debt			Percent of Assessed Value	Per Capita
	Lease Revenue Bonds (a)	Tax Allocation Bonds	Total		
2013	\$ 23,245,000	\$ -	\$ 23,245,000	0.41%	\$ 277
2014	23,000,000	-	23,000,000	0.37%	270
2015	22,725,000	-	22,725,000	0.32%	266
2016	22,420,000	-	22,420,000	0.29%	258
2017	22,085,000	-	22,085,000	0.24%	252
2018	21,720,000	-	21,720,000	0.21%	239
2019	21,315,000	-	21,315,000	0.19%	230
2020	20,875,000	-	20,875,000	0.18%	218
2021	20,390,000	-	20,390,000	0.16%	207
2022	19,860,000	-	19,860,000	0.14%	210

Source: Finance Department, City of Tracy

City of Tracy
Direct and Overlapping Governmental Activities Debt
As of June 30, 2022

2021-2022 Assessed Valuation: \$ 13,746,132,528

	Total Debt 6/30/2022	% Applicable (a)	City's Share of Debt 06/30/2022
OVERLAPPING TAX AND ASSESSMENT DEBT:			
San Joaquin Delta Community College District	\$ 188,480,000	13.963%	\$ 26,317,462
Lammersville Joint Unified School District	56,000,000	12.848%	7,194,880
Tracy Unified School District	31,345,000	59.432%	18,628,960
Tracy Unified School District School Facilities Improvement District No. 3	102,195,900	91.199%	93,201,639
Banta School District	370,000	14.693%	54,364
Jefferson School District	44,638,633	74.843%	33,408,892
City of Tracy Community Facilities District No. 93-1	1,980,000	100%	1,980,000
City of Tracy Community Facilities District No. 98-1	27,120,000	100%	27,120,000
City of Tracy Community Facilities District No. 98-3	720,000	100%	720,000
City of Tracy Community Facilities District No. 99-1	1,800,000	100%	1,800,000
City of Tracy Community Facilities District No. 99-2	5,250,000	100%	5,250,000
City of Tracy Community Facilities District No. 2000-1	8,675,000	100%	8,675,000
City of Tracy Community Facilities District No. 2006-1	7,755,000	100%	7,755,000
City of Tracy Community Facilities District No. 2016-1 I.A No. 1	65,310,000	100%	65,310,000
City of Tracy Community Facilities District No. 2016-2 I.A No. 1	15,130,000	100%	15,130,000
City of Tracy Community Facilities District No. 2016-2 I.A No. 2	13,055,000	100%	13,055,000
City of Tracy Community Facilities District No. 2021-1	6,830,000	100%	6,830,000
City of Tracy 1915 Act Bonds	1,170,000	100%	1,170,000
California Statewide Community Development Authority 1915 Act Bonds	8,105,207	100%	8,105,207
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	\$ 585,929,740		\$ 341,706,404
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
San Joaquin County Certificates of Participation	60,400,000	15.132%	\$ 9,139,728
Lammersville Joint Unified School District General Fund Obligations	13,930,000	12.848%	1,789,726
City of Tracy General Fund Obligations	35,315,000	100%	35,315,000
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT:			\$ 46,244,454
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	\$ 26,070,000	100%	\$ 26,070,000
TOTAL DIRECT DEBT			\$ 35,315,000
TOTAL OVERLAPPING DEBT:			\$ 378,705,858
COMBINED TOTAL DEBT			\$ 414,020,858 (b)

(a) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total assessed value.

(b) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2021-22 Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....	2.49%
Total Direct Debt (\$35,315,000).....	0.26%
Combined Total Debt.....	3.01%

Ratios to Redevelopment Incremental Valuation (\$1,1,269,762,015)

Total Overlapping Tax Increment Debt.....	2.05%

Source: CalMuni - Avenu Insights & Analytics City of Tracy

City of Tracy
Legal Debt Margin information
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
Assessed Value	\$ 13,746	\$ 12,796	\$ 11,837	\$ 10,984	\$ 10,336
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	3,437	3,199	2,959	2,746	2,584
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	515	480	444	412	388
Total net debt applicable to limit	47	49	51	54	56
Legal debt margin	\$ 468	\$ 431	\$ 393	\$ 358	\$ 332

Note:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel.) The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Sources: Finance Department, City of Tracy San Joaquin County - Office of the Auditor Controller

City of Tracy
Legal Debt Margin information (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2017	2016	2015	2014	2013
Assessed Value	\$ 10,495	\$ 8,941	\$ 8,387	\$ 7,341	\$ 6,757
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	2,624	2,235	2,097	1,835	1,689
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	394	335	315	275	253
Total net debt applicable to limit	58	60	63	65	69
Legal debt margin	\$ 336	\$ 275	\$ 252	\$ 210	\$ 184

Note:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel.) The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Sources: Finance Department, City of Tracy San Joaquin County - Office of the Auditor Controller

City of Tracy
Pledged-Revenue Coverage
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
Water revenue bonds/State Loan					
Water revenue	\$ 29,403,252	\$ 23,910,369	\$ 20,475,348	\$ 16,702,467	\$ 16,352,909
Less: Operating Expenses	(18,752,844)	(16,388,854)	(16,711,869)	(15,110,318)	(14,246,407)
Net available revenue	10,650,408	7,521,515	3,763,479	1,592,149	2,106,502
Debt service:					
Principal	1,062,698	1,038,261	1,014,385	991,059	968,269
Interest	195,222	219,659	243,535	266,861	289,651
Total Debt Service	1,257,920	1,257,920	1,257,920	1,257,922	1,257,920
Coverage	8.47	5.98	2.99	1.27	1.67
Wastewater revenue bonds:					
Wastewater revenue	\$ 20,282,263	\$ 16,904,623	23,835,116	24,825,340	15,196,599
Less: Operating expenses	(15,337,137)	(14,485,122)	(12,605,193)	(12,340,258)	(12,467,159)
Net available revenue	4,945,126	2,419,501	11,229,923	12,485,082	2,729,440
Debt service:					
Principal	915,000	875,000	840,000	805,000	775,000
Interest	975,418	1,014,818	1,051,480	1,086,235	1,119,028
Total Debt Service	1,890,418	1,889,818	1,891,480	1,891,235	1,894,028
Coverage	2.62	1.28	5.94	6.60 b	1.44

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
Operating expenses do not include interest or depreciation expenses.

(a) In 2018, there was an increase of Capital Contributions and Grants due to a \$3.2M transfer from Tracy Hills Pump Stations JJTP & Capital Acq.

(b) The City received \$9.7M in grant funds for Proposition 84 Delta Water Quality

Source: City of Tracy. Finance Department

City of Tracy
Pledged-Revenue Coverage (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2017	2016	2015	2014	2013
Water revenue bonds/State Loan					
Water revenue	\$ 15,433,348	\$ 15,438,772	\$ 17,675,668	\$ 18,713,676	\$ 15,649,302
Less: Operating Expenses	(13,671,219)	(13,380,117)	(13,976,245)	(12,785,056)	(13,103,307)
Net available revenue	1,762,129	2,058,655	3,699,423	5,928,620	2,545,995
Debt service:					
Principal	946,003	924,249	902,995	882,230	861,943
Interest	311,917	33,671	354,925	375,690	395,977
Total Debt Service	1,257,920	1,132,923	1,390,419	1,257,919	1,347,920
Coverage	1.40	1.82	2.66	4.71	1.89
Wastewater revenue bonds:					
Wastewater revenue	14,434,402	14,092,302	14,558,438	13,030,930	12,025,189
Less: Operating expenses	(8,003,091)	(7,449,704)	(7,823,215)	(7,211,266)	(6,378,330)
Net available revenue	6,431,311	6,642,598	6,735,223	5,819,664	5,646,859
Debt service:					
Principal	745,000	720,000	695,000	1,015,000	985,000
Interest	1,153,480	1,182,670	1,208,468	1,236,956	1,285,258
Total Debt Service	1,898,480	1,902,670	1,903,468	2,251,956	2,270,258
Coverage	3.39	3.49	3.54	2.58	2.49

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
Operating expenses do not include interest or depreciation expenses.

(a) In 2018, there was an increase of Capital Contributions and Grants due to a \$3.2M transfer from Tracy Hills Pump Stations JJTP & Capital Acq.

(b) The City received \$9.7M in grant funds for Proposition 84 Delta Water Quality

Source: City of Tracy. Finance Department

City of Tracy
Demographics and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	City of Tracy					
	Population (2)	Labor Force (1)	Employment (1)	Unemployment		Census Ratios Employed (1)
				Rate (1)	Number (1)	
2013	84,060	32,700	29,600	9.5%	3,100	0.116975
2014	85,146	33,100	30,500	8.0%	2,600	0.134925
2015	84,937	41,200	38,100	7.4%	3,050	0.134182
2016	89,208	42,000	38,800	7.5%	3,000	N/A
2017	90,890	42,100	39,200	6.8%	2,900	N/A
2018	92,553	44,700	43,100	3.7%	1,700	N/A
2019	92,800	43,700	41,800	4.4%	1,900	N/A
2020	95,931	43,700	38,800	11.3%	4,900	N/A
2021	98,601	45,800	42,900	6.2%	2,800	N/A
2022	94,538	46,500	44,700	3.8%	1,800	N/A

Sources:

1. California Employment Development Department-Labor Market Information
2. Finance Department, City of Tracy
3. The HdL Companies
4. U.S. Census Bureau

City of Tracy
Demographics and Economic Statistics (Continued)
Last Ten Fiscal Years

Fiscal Year	San Joaquin County					
	Labor			Unemployment		
	Unemployed (1)	Population (2)	Force (1)	Employment (1)	Rate (1)	Number (1)
2013	0.068724	692,997	298,500	253,200	15.20%	45,300
2014	0.112106	701,745	298,800	260,400	12.80%	38,400
2015	0.112256	719,511	309,800	282,600	8.80%	27,200
2016	N/A	733,383	316,900	288,800	8.90%	28,100
2017	N/A	733,709	318,000	293,700	7.60%	24,168
2018	N/A	745,424	332,400	315,700	5.00%	16,700
2019	N/A	752,660	324,500	305,800	5.80%	18,800
2020	N/A	762,148	322,100	283,700	11.90%	38,400
2021	N/A	783,534	333,100	308,200	7.50%	24,900
2022	N/A	784,298	340,000	322,400	5.20%	17,600

Sources:

1. California Employment Development Department-Labor Market Information
2. Finance Department, City of Tracy
3. The HdL Companies
4. U.S. Census Bureau

City of Tracy
Principal Employers
Current Fiscal Year and Fourteen Years Ago

Taxpayer Name	2022			2009		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
AMAZON.COM SERVICES LLC	4,332	1	15.59%			-
FEDEX GROUND PACKAGE SYSTEM, INC	1,607	2	5.78%			-
AMAZON.COM SERVICES LLC	1,297	3	4.67%			0.00%
AMAZON.COM SERVICES LLC	1,043	4	3.75%			-
TAYLOR FARMS PACIFIC INC	748	5	2.69%	459	1	-
THE HOME DEPOT #5641	700	6	2.52%	250	9	-
MEDLINE INDUSTRIES LP	668	7	2.40%			0.00%
WALMART #2025	410	8	1.48%	226	10	1.10%
LEPRINO FOODS	341	9	1.23%	329	2	1.61%
DHL SUPPLY CHAIN	293	10	1.05%			-
COSTCO WHOLESALE #658	252	11	0.91%	123	25	-
DHL SUPPLY CHAIN	226	12	0.81%			0.00%
THE HOME DEPOT #1020	225	13	0.81%			0.00%
PACIFIC MEDICAL INC	208	14	0.75%	184	19	-
CRATE & BARREL	201	15	0.72%			-
INTERNATIONAL PAPER	192	16	0.69%			-
TEXAS ROADHOUSE	171	17	0.62%			-
TARGET STORES T738	163	18	0.59%	308	4	1.50%
ZINUS INC	155	19	0.56%			
GLASSFAB TEMPERING	145	20	0.52%			0.00%
THE PERMANENTE MEDICAL	145	21	0.52%			-
WINCO FOODS #103	140	22	0.50%			-
RESTORATION HARDWARE #903	134	23	0.48%	303	5	-
Y R C	131	24	0.47%	210	15	-
CRATE & BARREL	129	25	0.46%			-
SYCAMORE VILLAGE APTS	-	-	-	324	3	1.58%
CMC REBAR	-	-	-	281	6	1.37%
ORCHARD SUPPLY HARDWARE #3000	-	-	-	255	7	1.24%
BEST BUY	-	-	-	251	8	1.22%
BARBOSA CABINETS INC	-	-	-	218	11	1.06%
SNELLING STAFFING SERVICES	-	-	-	217	12	1.06%
CHESAPEAKE BAY APARTMENTS	-	-	-	216	13	1.05%
GREEN OAKS MOBILE HOME PARK	-	-	-	214	14	1.04%
BEST BUY STORES LP #391	-	-	-	196	16	0.96%
TEMPLE INLAND - TIN INC	-	-	-	190	17	0.93%
MI PUEBLO FOOD CENTER #21	-	-	-	186	18	0.91%
BROOKDALE TRACY	-	-	-	156	20	0.76%
WATERSTONE APARTMENTS	-	-	-	156	21	0.76%
TRACY PARK APARTMENTS	-	-	-	132	22	0.64%
MACY'S	-	-	-	127	23	0.62%
APL LOGISTICS	-	-	-	126	24	0.61%
Total Top 25 Employers	14,056		50.59%	5,637		20.04%
Total Citywide Employees	27,786		100.00%	20,498		100.00%

Source: The HdL Companies

City of Tracy
Full-Time and Part-Time City Employees
By Function
Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
City Attorney	4	4	4	3	4	4	4	4	4	4
City Council	5	5	5	5	5	5	5	5	5	5
City Manager's Office	15		31.5							
City Clerk Office	2	12								
Cultural Arts Division	16	13.5								
Economic Development Division	2	2		2	3	3	3	3	2	2
Community Engagement and Public Information Division	1									
Information Technology	9	8								
Development Services	63	35	55.5	66	61	61	39	37	40	38
Finance	22	22	25	30	34	32	26	27	24	23
City Treasurer	1	1	1	1	1	1	1	1	1	1
South County Fire Authority	100	97	83	89	82	81	80	79	78	80
Human Resources	12	10	10	9	10	9	6	6	5	5
Parks and Recreation		39.5	15	48	a 14	13	23	38	35	41
Administration	6									
Maintenance	22									
Recreation	60									
Community Facilities	19	10.5								
Transit	4	3		3	3	3	3	2	2	2
Airport	2	2		2	2	2	2	2	2	2
Police	160	151.5	157	144	143	139	133	136	135	135
Public Works			96	92	85	84	61	46	46	46
Administrative Services	14	14		9	8	8	7	7	7	7
Solid Waste and Recycling	4	4		4	1	1	1	1	1	1
Internal	11	12								
Aquatics										
Utilities Maintenance	21	19								
Water	8	18		31	31	30	35	39	39	39
Wastewater	11	7		43	25	25	26	26	27	26
Street, Community Preservation, Concrete and Traffic Maintenance	51	71		5	3	3	3	3	3	3
Total	645	561	483	586	515	504*	458	462	456	460

Note 1: Table updated as of FY20-21

Note 2: Amounts prior to 2017 do not include vacant positions.

(a) Figure includes all Part-time employees, non-PERS and PERS.

Source: Finance Department, City of Tracy

City of Tracy
Operating Indicators by Function / Program
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
General Government					
Building Permits Issued	3,930	3,552	3,184	3,050	2,988
Building Inspections requested	35,160	38,937	22,337	20,384	18,028
Police:					
Arrests	1,642	1,156	1,859	2,705	2,768
Parking citations issued	773	427	618	1,291	1,022
Traffic violations	3,094	1,968	2,524	4,063	3,320
Fire:					
Number of emergency calls	10,644	9,029	9,014	9,031	8,811
Inspections	2,868	2,187	2,005	3,002	3,374
Water:					
Water Mains (miles)	480	472	465	452	440
New connections	882	653	383	295	256
Maximum Daily Capacity (gallons) (millions of gallons)	57	57	57	57	57
Average daily consumptions (gallons) (millions of gallons)	17	18	18	15	17
Sewer:					
Sanitary Sewer (miles)	475	465	460	450	440
New connections	858	644	373	285	256
Average daily treatment (gallons) (millions of gallons)	10	10	10	9	8.88
Airport:					
Hangar rentals	94	79	69	68	76
Solid waste:					
Refuse collected (tons per day)	328	301	285	278	266
Recyclables collected (tons per day)	84	89	86	86	81
Transit:					
Average daily passengers	273	174	432	552	546
Total fixed route miles	264,472	265,926	272,622	344,724	341,126

Source: City of Tracy Departments

City of Tracy
Operating Indicators by Function / Program (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2017	2016	2015	2014	2013
General Government					
Building Permits Issued	2,904	2,736	2,852	1,924	1,435
Building Inspections requested	16,260	17,025	13,824	9,128	6,189
Police:					
Arrests	2,894	2,732	2,502	2,541	2,765
Parking citations issued	1,335	1,685	1,160	1,454	1,472
Traffic violations	4,630	6,341	5,450	3,798	3,519
Fire:					
Number of emergency calls	7,351	6,924	6,811	6,443	6,322
Inspections	3,785	5,164	4,071	3,333	3,114
Water:					
Water Mains (miles)	431	426	426	420	410
New connections	1,173	228	74	45	23
Maximum Daily Capacity (gallons) (millions of gallons)	57	57	57	57	57
Average daily consumptions (gallons) (millions of gallons)	16	13	14	15	15
Sewer:					
Sanitary Sewer (miles)	426	421	421	415	410
New connections	650	227	74	45	22
Average daily treatment (gallons) (millions of gallons)	10	10.0	9.5	9.5	10
Airport:					
Hangar rentals	76	62	76	76	76
Solid waste:					
Refuse collected (tons per day)	264	252	221	211	205
Recyclables collected (tons per day)	86	76	69	66	65
Transit:					
Average daily passengers	585	505	519	444	418
Total fixed route miles	302,039	358,405	313,380	228,817	237,089

Source: City of Tracy Departments

City of Tracy
Capital Asset Statistics by Function / Program
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
Police:					
Number of stations	1	1	1	1	1
Fire:					
Number of stations	7	6	6	6	6
Public works:					
Number of street lights	6,929	6,928	6,142	6,141	6,141
Number of traffic signals	77	77	76	75	75
Parks and recreation:					
Number of parks	77	77	77	77	77
Number of community centers	3	3	3	3	3
Water:					
Water mains (miles)	480	472	465	450	440
Wastewater					
Sanitary sewers (miles)	475	465	460	452	440
Airport:					
Number of hangars	94	79	69	68	76
Transit:					
Number of vehicles	17	15	15	15	15

Source: City of Tracy Departments

City of Tracy
Capital Asset Statistics by Function / Program (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2017	2016	2015	2014	2013
Police:					
Number of stations	1	1	1	1	1
Fire:					
Number of stations	6	6	7	7	7
Public works:					
Number of street lights	6,110	6,110	6,004	5,430	5,430
Number of traffic signals	85	85	84	84	78
Parks and recreation:					
Number of parks	77	77	76	76	76
Number of community centers	3	3	3	3	3
Water:					
Water mains (miles)	431	426	426	420	410
Wastewater					
Sanitary sewers (miles)	426	421	421	415	410
Airport:					
Number of hangars	76	62	76	76	76
Transit:					
Number of vehicles	15	15	15	15	15

Source: City of Tracy Departments

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APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

**ADOPT A RESOLUTION ACCEPTING THE ANNUAL COMPREHENSIVE FINANCIAL
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

WHEREAS, The financial statements of the City of Tracy for the fiscal year ended June 30, 2022, have been prepared by the City's Finance Department, and

WHEREAS, The annual financial statements were examined by the independent public accounting firm of The Pun Group, and

WHEREAS, The City prepared the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022 and the auditor's opinion is included therein, and

WHEREAS, It is the opinion of the auditors that the financial statements present fairly the financial position of the City as of June 30, 2022, and that the statements were prepared in accordance with accounting principles generally accepted in the United States of America; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy does hereby accept the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022.

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on March 7, 2023, 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

Agenda Item 3.A

RECOMMENDATION

Staff recommends that City Council conduct a public hearing to 1) consider the award of local priority funding allocations for Community Development Block Grant (CDBG) and HOME Investment Partnership program funds for Fiscal Year 2023-2024, and upon conclusion, 2) adopt a resolution authorizing the City Manager, or his designee, to execute the funding agreements and other implementing documents.

EXECUTIVE SUMMARY

Consider and approve the recommendation to award Community Development Block Grant funding in the amount of \$506,211 and Home Investment Partnerships Program funding in the amount of \$181,610 for Fiscal Year (FY) 2023-24. The list of priority-ranked funding allocations and award recommendations are due to the County of San Joaquin by March 10, 2023 for final funding determinations as part of the annual entitlement program process. This item also seeks Council's authorization for the City Manager to execute the Funding Agreements and all other relevant agreements for the implementation of these programs.

BACKGROUND AND LEGISLATIVE HISTORY

Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds are allocated to cities and counties by the United States Department of Housing and Urban Development (HUD) for use in projects that make for a viable community, with local programs and services that provide decent housing, a suitable living environment, and expand economic opportunities for low- and moderate-income individuals and families. The City of Tracy receives an annual pass-through allocation from the County of San Joaquin (County), which serves as the entitlement agency.

On November 15, 2016, the City Council adopted local funding priorities to be considered in the annual allocation process and to be used as a guide for the Parks and Community Services Commission (Commission) in formulating proposed award recommendations through Fiscal Year 2023-2024. These priorities are listed below by category and in priority order:

CDBG

Public Services Category:

- (1) Food Distribution Services
- (2) Homelessness Prevention, Intervention and Transitional Housing Services
- (3) Senior and Special Needs Services
- (4) Domestic Violence Services
- (5) Youth Education and Enrichment Services

Public Facilities/Improvements Category:

- (1) Public Parks and Facilities

(2) Removal of Architectural Barriers (ADA)

HOME

- (1) Address issues of public safety, health, and welfare
- (2) Rehabilitate residential properties occupied by low-income persons
- (3) Partner to construct income restricted family and senior housing facilities

Funding Availability

On February 28, 2023, the County provided the final allocation amounts of CDBG and HOME funds, approved by HUD and allocated to the City of Tracy in the FY 2023-2024 program year:

CDBG

Public Services Allocation (15%)	\$ 75,932
Public Improvements/Public Facilities	\$ 430,279
Total	\$ 506,211

HOME

Home Eligible Activities	Total \$ 181,610

These allocation amounts are based on a final funding determination by HUD. HUD regulations, codified in the Code of Federal Regulations (CFR) Title 24, Part 570, require CDBG Public Services allocations to be limited to 15% of the total annual CDBG allocation. Up to 20% of the funding may be allocated for grant administration, and the remaining CDBG funding is dedicated to Public Improvements/Public Facilities projects.

Parks and Community Services Commission Recommendation:

In order to encourage meaningful citizen involvement, public examination, and appraisal of the process, as well as enhance program accountability, a subcommittee of the Parks and Community Services Commission evaluates, scores and makes funding allocation recommendations on the CDBG and HOME fund applications. The subcommittee is comprised of two members of the Commission, appointed annually by the Commission Chair, and a City staff member. The role of the subcommittee is to review applications for consistency with adopted local funding priorities, score and prioritize the funding of applications, and make a funding allocation recommendation to the full Commission. The Parks and Community Services Commission then makes a formal recommendation to the City Council. The Tracy City Council is then asked to review and accept the CDBG funding recommendations from the Commission, which will later go before the San Joaquin Board of Supervisors for final approval.

CDBG and HOME grant applications for FY 2023-2024 were available beginning December 27, 2022, with a submittal deadline of January 30, 2023. A hybrid informational meeting on the CDBG and HOME grant program was held both in-person at City Hall, with the option to join virtually via Microsoft Teams, on January 18, 2023.

The subcommittee individually scored each application, applied the funding allocation formula adopted by the Parks and Community Services Commission on December 6, 2018 (Attachment A) to the applications, and made a funding allocation recommendation to be presented by City staff to the full Parks and Community Services Commission on February 13, 2023. The scoring process took into consideration City Council's local funding priorities, as well as HUD's national requirements for each grantee application. Individual scores for each application were averaged to determine a final score.

In addition to the six (6) eligible applications received by local non-profit agencies in the public services category, the City received one (1) direct allocation request for the San Joaquin Fair Housing Association to support affordable housing and one (1) direct allocation request for the San Joaquin County Food Services Pool. The San Joaquin County Food Services Pool is managed by the County on a competitive application basis. This year, the County received two (2) applications for countywide CDBG funded programs for food distribution services. These San Joaquin County Food Services Pool applicants are also eligible to receive funding from other cities and the County as part of the entitlement consortium because they serve multiple communities in addition to Tracy.

The City also requested one (1) direct allocation for grant administration and received two (2) eligible applications for the CDBG Public Improvements/Public Facilities category. One (1) eligible application was received for the HOME program.

The County requires CDBG Public Service awards be allocated at a minimum of \$5,000, with no maximum funding amount per applicant, and a minimum award of \$150,000, and a maximum of \$2 million for CDBG Public Improvements/Public Facilities awards. There are no established funding award limits for HOME projects or programs. All contracts between the City and its grantees are for two (2) year terms allowing increased flexibility in the delivery of services and projects to the community.

On February 13, 2023, the Parks and Community Services Commission conducted a special public meeting to consider the CDBG/HOME funding recommendations of the Commission's appointed subcommittee. During the discussion, staff presented each applicant's funding request and the subcommittee's funding recommendation. The recommendation for the Public Services category was to award the maximum amounts based on the limits set within the funding allocation formula. All public services applicants were awarded the maximum amount based on their rank and tier maximum as established in the funding allocation formula. After all Public Service project recommendations were determined, there was a remaining balance of \$1,293. The subcommittee recommended funding one of the two Public Facilities/Improvement project applications and further recommended to reallocate all remaining funds from the public services category to the recommended Public Facilities project. The Parks and Community Services Commission's final recommendation was to move forward with the recommendations provided by the Parks Commission sub-committee (Attachment B).

On February 28, 2023, following the Commission meeting, HUD approved and provided to the County their final budget in which the County notified the City of Tracy of the final program funding allocations. The approved allocation amounts reflected an increase of \$10,627 in CDBG funds and an increase of \$1,437 in HOME funds from the previous year. Staff recommends allocating the additional \$10,627 in CDBG funds to the recommended Public

Facilities/Improvement project. Additionally, staff recommends allocating the additional \$1,437 in HOME funds to the sole applicant of HOME funding.

Public Services Allocation:

- Direct Allocation to San Joaquin County Fair Housing to be \$5,500
- Direct Allocation to the County food services pool (Mobile Farmer's Market and Meals on Wheels) to be \$13,544
- Application ranked 1 will be funded the requested amount up to a max of \$12,000
- Application ranked 2 will be funded at \$10,000 (full request)
- Applications ranked 3 and 4 will be funded the requested amount up to a maximum allocation of \$8,000 each
- Application ranked 5 will be funded at \$8,000
- Application ranked 6 will be funded at \$8,000

Public Facilities/Improvements Allocation:

- Direct Allocation to City of Tracy for Grant Administration \$84,000
- Application ranked 1 will be funded at \$349,167
- Application ranked 2 will not be funded

HOME Investment Partnership Allocation:

- Application ranked 1 will be funded at \$181,610

The County is expected to review and consider final approval of all locally recommended projects by May 2, 2023. Staff further requests that Council authorize the City Manager to execute the funding agreements and all other relevant agreements with the recipients, on behalf of the City (Attachment C).

PUBLIC OUTREACH / INTEREST

Economic Development staff held a hybrid informational meeting on the CDBG and HOME programs in-person at City Hall with the option to join virtually via Microsoft Teams on January 18, 2023. This informational meeting was intended to provide applicants guidance through the application process and answer program questions.

CEQA DETERMINATION

CEQA determination is not required of this item.

FISCAL IMPACT

The City of Tracy, as a subrecipient of the County, will be allocated \$506,211 in CDBG funds for FY 2023-2024 for use by its selected grantees. The City will also be allocated \$181,610 in FY 2023-2024 in HOME funds.

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.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that City Council conduct a public hearing to 1) consider the award of local priority funding allocations for Community Development Block Grant (CDBG) and HOME Investment Partnership program funds for Fiscal Year 2023-2024, and upon conclusion, 2) adopt a resolution authorizing the City Manager, or his designee, to execute the funding agreements and other implementing documents.

Prepared by: Joseph Viorge-Koide, Economic Development Administrative Technician

Reviewed by: Sara Cowell, Finance Director
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

ATTACHMENTS

Attachment A – City Council approved funding formula

Attachment B – Parks and Community Services Commission Priority Ranking & Funding List

Attachment C – City of Tracy, CDBG Subrecipient Agreement

Attachment D - Powerpoint Presentation

FUNDING ALLOCATION FORMULA – PUBLIC SERVICE

Adopted by PCSC on Dec 6, 2018

1) The top 2 scoring applications will be funded the requested amount up to \$12,000

2) Applications ranked 3 & 4 will be funded the requested amount up to \$8,000

3) Applications ranked 5 and below will receive \$5,000 in order of ranking until funds are exhausted

4) Any remaining funds less than \$5,000 will be distributed to applicants 5 and below until exhausted (cannot exceed Tier 2 amounts)

Should the City receive more funding than estimated, additional programs may be funded in ranking order.

Attachment B

2023-2024 CDBG/HOME Funding Recommendations

		Adj. (+/-)
<u>Estimated</u> Total CDBG allocation	\$ 495,584	(+\$10,627)
Total Public Services Allocation (15% cap)	\$ 74,338	(+1,594)
Total Public Facs / Econ Development Allocation (85%)	\$ 421,246	(+9,033)
Total HOME Fund Allocation	\$ 180,173	(+1,437)

Final /Actual CDBG Allocation	\$506,211
Final PS Allocation (15% Cap)	\$75,932
Final PF/Impr. Allocation	\$430,279
Final/Actual HOME Allocation	\$181,610

Estimated Public Services		Estimated Public Facilities & Improvements	
Funding Available:	\$74,338	Funding Available:	\$421,246
Public Service Funded	\$73,044	Public Facilities & Improvements	\$422,539
Amt. +/- Avail. Funds	\$1,293	Amt. +/- Avail. Funds	\$0

FINAL Public Services	FINAL Public Facilities & Imp.
PS Funding Available: \$75,932	PF Funding Available: \$430,279
PS Allocated: \$73,044	PF Allocated: \$433,167

Applicant Summaries

CDBG/Public Service Projects							
Applicant	Project Title	Funding Request	Local Priority	Subcommittee Recommended Funding	Commission Recommended Funding	Recomm. to City Council	City Council Approved Funding
San Joaquin Fair Housing	Affordable Housing and Counseling Services	\$ 5,500.00	Direct Allocation	\$5,500	\$5,500	\$ 5,500.00	
SJ County Food Services Pool	Food Distribution Services (Mobile Farmers Market & Meals on Wheels)	\$ 13,544.00	Direct Allocation	\$13,544	\$13,544	\$ 13,544.00	
Tracy Interfaith Ministries	Hunger Relief and Food Distribution	\$ 12,000.00	(1) Food Distribution	\$12,000	\$12,000	\$ 12,000.00	
Boys & Girls Clubs of Tracy	North Enrichment Program	\$ 10,000.00	(5) Youth Education and Enrichment Services	\$10,000	\$10,000	\$ 10,000.00	
Coalition of Tracy Citizens to Assist the Homeless (CTCAH)	Emerson House Operations - New Program Director Salary Supplement	\$ 12,000.00	(2) Homelessness, Prevention, Intervention and Transitional Housing Services	\$8,000	\$8,000	\$ 8,000.00	

McHenry House Tracy Family Shelter	Night Supervisor Salary / Family Crisis Intervention Program	\$ 12,000.00		(2) Homelessness, Prevention, Intervention and Transitional Housing Services	\$8,000	\$8,000	\$ 8,000.00		
Roya Foundation	Youth Technology Center	\$ 52,540.00		(5) Youth Education and Enrichment Services	\$8,000	\$8,000	\$ 8,000.00		
Tracy Earth Project, Inc.	Tracy Bike Life Youth Program	\$ 8,530.00		(5) Youth Education and Enrichment Services	\$8,000	\$8,000	\$ 8,000.00		
Total Public Service					Total PS Funded	\$73,044	\$73,044	73,044	\$0

CDBG/Public Facilities & Improvement Projects								
Applicant	Project Title	Funding Request	Eligible Activity	Subcommittee Recommended Funding	Commission Recommended Funding	Recomm. To City Council	City Council Approved Funding	
City of Tracy	Grant Administration	\$ 84,000.00	Direct Allocation	\$84,000	\$84,000	\$84,000		
City of Tracy	Temporary Emergency Housing Shelter (Arbor Road) Project	\$ 450,000.00	(1) Public Parks and Facilities	\$338,540	\$338,540	\$349,167		
Mc Henry House Tracy Family Shelter	Painting of Shelter Exterior & Chimney Repair	\$ 165,558.00	(1) Public Parks and Facilities	\$0	\$0	\$0		
Total Public Facilities & Improvements				Total PF Funded	\$422,540	\$422,540	\$433,167	
				Total CDBG Funding Recommended	\$495,584	\$495,584	\$506,211	

HOME Investment Partnership Projects								
Applicant	Project Title	Funding Request	Eligible Activity	Subcommittee Recommended Funding	Commission Recommended Funding	Recomm. To City Council	City Council Approved Funding	
Housing Authority of the County of San Joaquin	Tracy Homes Phase I	\$180,173.00	(2) Rehabilitate residential properties occupied by low income persons	\$180,173	\$180,173	\$181,610		
Total HOME				Total Funded	\$180,173	\$180,173	\$181,610	\$0
				Total HOME Funding Recommended	\$180,173	\$180,173	\$181,610	\$0

ATTACHMENT C

AGREEMENT BETWEEN THE CITY OF TRACY AND _____ FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING FOR FISCAL YEAR 2023-2024

THIS AGREEMENT entered into this ____ day of _____ 2023 by and between the City of Tracy (herein called the "Grantee") and _____ (herein called the "Subrecipient"). Grantee and Subrecipient are collectively referred to as the "Parties" or individually as "Party."

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383 (the "Act"); and,

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds to the benefit of low-income residents;

NOW, THEREFORE, it is agreed between the parties hereto that;

I. SCOPE OF SERVICE

A. Activities

The Subrecipient will be responsible for administering a CDBG fiscal year 2023 - 2024 program in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Subrecipient hereby agrees to use the CDBG funds provided to Subrecipient solely for the project. Such program will include the following activities eligible under the Community Development Block Grant Program:

(PROJECT DESCRIPTION)

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Agreement will meet one or more of the CDBG program's National Objectives: 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums of blight, or 3) meet community development needs having a particular urgency, as defined in 24 CFR Part 570.208. Subrecipient shall be required to repay the Grantee for any CDBG funds expended by Subrecipient on any project, or portion thereof, that does not meet a national objective as defined above.

C. Levels of Accomplishment

In addition to the normal administrative services required as part of this Agreement, the Subrecipient agrees to provide the following levels of program services:

(DESCRIPTION OF SERVICES)

D. Staffing

Staffing is the responsibility of the Subrecipient. The Subrecipient will provide staff assistance in preparing and submitting invoices to the Grantee for payment of CDBG funds.

E. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards required herein. Substandard performance as determined by the

ATTACHMENT C

Grantee will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

F. Subrecipient Representations

Subrecipient hereby represents and warrants that: 1) it has read and is familiar with all of the terms and provisions of the Act and the regulations applicable to Subrecipient; 2) is a nonprofit organization permitted to receive CDBG funds under the Act and related regulations; and 3) the use of the facility, the project, and/or the expenses to be reimbursed by the CDBG funds, as described in the budget below are permitted uses of CDBG funds under the Act and the related regulations.

G. Federal Award Identification.

Federal award identification information regarding the funding provided to Subrecipient by this Agreement, as required by 24 CFR 200.331, is included in **Exhibit A**, attached hereto and incorporated herein.

II. TIME OF PERFORMANCE

Unless earlier terminated as provided for herein, the term of this Agreement shall start on the first day of July, 2023 and end on the 30th day of June 2024 (the "Term"). The Term shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other assets, including program income.

III. BUDGET

Line Item:	Amount:
Salaries	
Fringe	
Office Space (Program Only)	
Utilities	
Communications	
Reproduction/Printing	
Supplies and Materials	
Mileage	
Audit	
Other (program implementation)	
<u>Indirect costs (specify)</u>	
TOTAL	\$

Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. The Grantee and the Subrecipient must approve any amendments to this budget in writing.

IV. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this contract shall not exceed \$ **AMOUNT** **For Public Services/Public Facilities/Improvements**. CDBG funds shall be used solely to reimburse the actual expenses incurred by Subrecipient for the project as set forth in the Budget in Paragraph III above. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

ATTACHMENT C

Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in OMB Circular A-87, Section 85.20. Subrecipient shall be required to repay the Grantee for any CDBG funds expended by Subrecipient on any project, or portion thereof, that does not meet a national objective as defined above

Not more frequently than monthly and at least quarterly, Subrecipient shall submit an invoice to Grantee, in a form acceptable to the Grantee, setting forth the amounts actually expended by Subrecipient for the project. Said invoice shall, at a minimum, set forth each budget category for which reimbursement is sought, a description of the expense, the total budgeted amount for the category, the amount requested to be reimbursed for each budget category, and the total amount expended for each budget category to date. Said invoice shall be accompanied with such additional supporting information as requested by the Grantee, including, but not limited to, paid receipts for each expense.

V. NOTICES

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid first-class mail to the following contract representatives:

	<u>Grantee</u>	<u>Subrecipient</u>
Name & Title:	Michael Rogers City Manager City of Tracy	Name Title Organization
Address:	333 Civic Center Drive	Address
City, State, Zip:	Tracy, CA 95376	City, State, Zip Code
Telephone:	209-831-6115	XXX-XXX-XXXX
Fax Number:	209-830-6837	XXX-XXX-XXXX

Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Paragraph.

VI. SPECIAL CONDITIONS

Not Applicable.

VII. GENERAL CONDITIONS

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)), including but not limited to Subpart K of 24 CFR Part 570. The Subrecipient also agrees to comply with all other applicable federal, state and local laws, regulations, and policies governing the funds provided under this contract, including but not limited to 24 CFR Part 84. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available. Subrecipient shall obtain, at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the project.

B. "Independent Contractor"

ATTACHMENT C

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance as the Subrecipient is an independent subrecipient. Subrecipient shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Grantee.

C. Indemnification and Hold Harmless

The Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges, liabilities, costs and expenses (including attorneys' fees) and judgments whatsoever that arise out of or in connection with, either directly or indirectly, the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. 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.

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.

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.

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

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

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

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.

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.

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.

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.

ATTACHMENT C

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.

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.

E. Grantor Recognition

The Subrecipient shall insure recognition of the role of the grantor agency in providing services through this contract. All activities, facilities and items utilized pursuant to this contract shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this contract.

F. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the Grantee's governing body, if necessary. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

G. Suspension or Termination

Either party may terminate this contract at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial terminations of the Scope of Service in Paragraph I.A above may only be undertaken with the prior approval of the Grantee. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by the Subrecipient under this Agreement shall, at the option of the Grantee, become the property of the Grantee, and the Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

The Grantee may also suspend or terminate this Agreement, in whole or in part, if the Subrecipient materially fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein after Grantee provides notice and a reasonable opportunity to cure; and the Grantee may declare the Subrecipient ineligible for any further participation in the Grantee's contracts, in addition to other remedies as provided by law.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

ATTACHMENT C

The Subrecipient agrees to comply with 24 CFR Part 84 and agrees to adhere to the accounting principles required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record-Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the federal regulations specified in 24 CFR Part 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meet one of the National Objectives of the CDBG program;
- c. Records required determining the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR Part 570.502, and 24 CFR Part 84; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

2. Retention

The Subrecipient shall retain all records pertinent to expenditures incurred under this contract for a period of four (4) years after the termination of all activities funded under this Agreement. The retention period starts from the date of submission of the consolidated annual performance and evaluation report (CAPER), in which the specific activity is reported on for the final time. Records for non-expendable property acquired with funds under this contract shall be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

ATTACHMENT C

4. Disclosure

The Subrecipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of minor, that of a responsible parent/guardian.

5. Property Records\Reversion of Assets

The Subrecipient shall maintain real property inventory records that clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 24 CFR Parts 570.503(b)(8), as applicable.

- a. Reversion of assets. Any real property acquired or improved in whole or in part using CDBG funds in excess of \$25,000 shall be used as indicated in this agreement (including the beneficiaries of such use) for a period of at least five years after the closeout of the County's grant from which the assistance was provided.

Any changes in the use or planned use of assisted real property shall be bound by the requirements of 24 CFR 570.505.

6. Close-Outs

The Subrecipient's obligation to the Grantee shall not end until all closeout requirements are completed. Activities during this closeout period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records.

7. Audits and Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, their designees or the federal government, at any time during normal business hours, as often as the Grantee or grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning Subrecipient audits and, as applicable, OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report monthly, on a monthly basis, all program income as defined at 24 CFR 570.500(a) generate by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for

ATTACHMENT C

activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balance on hand. All unused program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this contract based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Reports

The Subrecipient shall submit regular Progress Reports to the Grantee in a form, similar to Appendix "A" on a calendar quarterly basis.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this contract.

2. Procurement Standards

The Subrecipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR Part 84, Procurement Standards, and shall subsequently follow, Property Management Standards as modified by 24 CFR 570.502(b)(6), covering utilization and disposal of property.

3. Travel

The Subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this contract.

IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Antidisplacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in § 570.606(d) governing optional relocation policies. The Subrecipient shall provide relocation assistance to persons

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(families, individuals, businesses, nonprofit organizations and farms) that are displaced as a direct result of acquisition demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

X. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with local and state civil right ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375 and 12086.

2. Nondiscrimination

The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. The Subrecipient will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706), which prohibits discrimination against the handicapped in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this contract.

B. Affirmative Action

1. Approved Plan

ATTACHMENT C

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. W/MBE

The Subrecipient will use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term "minority and female business enterprise" mean a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. EEO/AA Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors. Subrecipient may not subcontract any portion of this agreement or the project without the prior written consent of Grantee.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities; lobbying, political patronage, and nepotism activities.

2. Labor Standards

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The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276a-276a-5; 40 USC 327 and 40 USC 276c) and all other applicable Federal, State and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with federal requirements adopted by the Grantee pertaining to such 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

In accordance with Article 2 (commencing at section 1770), Chapter 1, Part 7, Division 2 of the Labor Code of California, the Director of the Department of Industrial Relations has determined the general prevailing rate of wages applicable to the work to be done. These rates are set forth in a schedule located at the State Department of Industrial Relations, Director of Industrial Relations. This schedule is on file with the District and available to any interested party on request. Attention is further directed to the provisions Section 1773.8 of the Labor Code of the State of California concerning payment of travel and subsistence payments as defined in the applicable collective bargaining agreements on file with the Department of Industrial Relations affecting each worker needed to execute the work. Attention is further directed to the provisions of Sections 1777.5 and 1777.6 of the Labor Code of the State of California concerning employment of apprentices by the Contractor or a subcontractor. Each prime contractor and all subcontractors are responsible for compliance with all requirements of the California Labor Code, including, but not limited to, sections 1777.5 and 1777.6.

3. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements.

ATTACHMENT C

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this contract is a project assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given to low- and very low-income residents of the project area and contracts for work in connection with the project awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

This project will be monitored by the Department of Industrial Relations, Compliance Monitoring Unit (CMU) pursuant to the California Labor Code Section 1771.3 and the California Code of Regulations Sections 16450-16464. No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1[a]]. No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to the Labor Code section 1725.5. All contractors and subcontractor must furnish electronic certified payroll records directly to Labor Commissioner once monthly. In addition, the contractor and subcontractors must submit the certified payroll records to the District's Labor Compliance Consultant for review.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

ATTACHMENT C

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign, subcontract or transfer any interest in this contract without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

ATTACHMENT C

The Subrecipient agrees that no funds provided, nor personnel employed under this contract, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Subrecipient further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the Subrecipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies or subrecipients that are receiving funds under the CDBG Entitlement program.

5. Lobbying

The Subrecipient hereby certifies that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;

b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly; and

d. Lobbying Certification - Paragraph d

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-

ATTACHMENT C

exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for government purposes.

7. Religious Organization

The Subrecipient agrees that funds provided under this contract will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR 570.200(j).

XI. ENVIRONMENTAL CONDITIONS

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this contract:

- Clean Air Act, 42 U.S.C., 7401, et seq.
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), the Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this contract shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures might be undertaken.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this contract.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a federal, state, or local historic property list.

ATTACHMENT C

XII. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XII. MISCELLANEOUS

A. Waiver.

No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

B. Applicable Law.

This Agreement shall be construed and interpreted in accordance with the laws of the State of California. Venue for any dispute arising out of this Agreement shall be the state and federal courts located in San Joaquin County, California.

C. Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees. Attorney fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

D. Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply

E. Integration

It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement.

ATTACHMENT C

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

GRANTEE

SUBRECIPIENT

Michael Rogers
City Manager
City of Tracy

Name
Title (CEO)
Organization

Name
Title (CFO)
Organization

APPROVED AS TO FORM

Bijal Patel
City Attorney

ATTACHMENT C

EXHIBIT A

FEDERAL AWARD IDENTIFICATION INFORMATION

- i) Subrecipient's name:
- ii) Subrecipient's Unique Entity Identifier (UEI):
- iii) Federal Award Identification Number (FAIN):
- iv) Federal Award Date:
- v) Subaward Period of Performance Start and End Date:
- vi) Amount of Federal Funds Obligated by this action by the CITY entity to the Participant:
- vii) Total Amount of Federal Funds Obligated to the Participant by the CITY including the current obligation:
- viii) Total Amount of the Federal Award committed to the Participant by the CITY:
- ix) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA):
- x) Name of Federal awarding agency:
- xi) Contact information for CITY official responsible for awarding funding:
- xii) CFDA Number and Name:
- xiii) Identification of whether the award is R&D:
- xiv) Indirect cost rate for the Federal award (including if the de minimis rate is charged per 24 CFR 200.414 Indirect (F&A) costs):

3460151.1



PUBLIC HEARING TO 1) CONSIDER THE AWARD OF LOCAL PRIORITY FUNDING ALLOCATIONS FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIP PROGRAM FUNDS FOR FISCAL YEAR 2023-2024, AND UPON CONCLUSION, 2) ADOPT A RESOLUTION AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE FUNDING AGREEMENTS AND OTHER IMPLEMENTING DOCUMENTS.

March 7, 2023

Background

- CDBG and HOME Investment Partnerships Program funds are allocated to cities and counties by the United States Department of Housing and Urban Development
- Objective is to fund a viable community, local programs and services that provide decent housing, a suitable living environment, and expand economic opportunities for low- and moderate-income individuals and families
- Tracy receives an annual pass-through allocation from the County of San Joaquin



Adopted Local Funding Priorities

Tracy City Council adopted local priority areas that had been identified as Community Need for 2016 through 2024:

Public Services Category:

- (1) Food Distribution Services
- (2) Homelessness Prevention, Intervention and Transitional Housing Services
- (3) Senior and Special Needs Services
- (4) Domestic Violence Services
- (5) Youth Education and Enrichment Services

Public Facilities/Improvements Category:

- (1) Public Parks and Facilities
- (2) Removal of Architectural Barriers (ADA)

HOME

- (1) Address issues of public safety, health and welfare;
- (2) Rehabilitate residential properties occupied by low-income persons; and,
- (3) Partner to construct income restricted family and senior housing facilities.

All applications should meet the mandated Federal program areas in order to be eligible.



Funding Availability

CDBG

Public Services Allocation (15%)	\$75,932
Public Improvements/Public Facilities	\$430,279
Total CDBG Allocation	\$506,211

HOME

Home Eligible Activities	\$181,610

Funding Allocation Formula for Public Service

Adopted by PCSC on Dec 6, 2018

1) The top 2 scoring applications will be funded the requested amount up to \$12,000

2) Applications ranked 3 & 4 will be funded the requested amount up to \$8,000

3) Applications ranked 5 and below will receive \$5,000 in order of ranking until funds are exhausted

4) Any remaining funds less than \$5,000 will be distributed to applicants 5 and below until exhausted (cannot exceed Tier 2 amounts)

Should the City receive more funding than estimated, additional programs may be funded in ranking order.

Eligible Applications

- 6 non-profit applications for public services
- 1 direct allocation request for the San Joaquin Fair Housing Association
- 1 direct allocation request for the San Joaquin County Food Services Pool
- 1 direct allocation for grant administration
- 2 applicants for public improvements/public facilities
- 1 application for the HOME program

Parks and Community Services Commission Recommendations

Public Service Applicant(s)	Scoring Rank	Sub-Cmte SCORE	Allocation Tier	Request	PCSC Recommendation
San Joaquin Fair Housing	Required	Direct	Direct	\$5,500	\$5,500
SJ County Food Svc. Pool (Mobile Farmer's Market & Meals on Wheels)	Required	Direct	Direct	\$13,544	\$13,544
Tracy Interfaith Ministries	(1)	98.33	1	\$12,000	\$12,000
Boys & Girls Club of Tracy	(2)	82.33	1	\$10,000	\$10,000
Coalition of Tracy Citizens to Assist the Homeless	(3)	82	2	\$12,000	\$8,000
McHenry House Tracy Family Shelter	(4)	79.667	2	\$12,000	\$8,000
Roya Foundation	(5)	75.33	3	\$52,540	\$8,000
Tracy Earth Project, Inc.	(6)	74	3	\$8,530	\$8,000
Total				\$126,114	\$73,044



PARKS COMMISSION ALLOCATION RECOMMENDATIONS

Public Facilities Applicant(s)	Council Priority	Sub-Cmte SCORE	Request	PCSC Recommendation	Staff Recommended Adjustments
City of Tracy – Grant Administration	Direct Allocation	N/A	\$84,000	\$84,000	
City of Tracy – Temporary Emergency Housing Shelter (Arbor Road)	(1)	81	\$450,000	\$338,540	\$349,167 (Inc. \$10,627)
McHenry House	(1)	57	\$165,558	Not Recommended for Funding	
HOME PROGRAM Applicant(s)	Council Priority	Sub-Cmte SCORE	Request	PCSC Recommendation	Staff Recommended Adjustments
Housing Authority SJC	(1)	81.67	\$180,173	\$ 180,173	\$181,610 (Inc. \$1,437)
Estimated Allocation				\$180,173	

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2023-_____

APPROVING THE AWARD OF \$506,211 IN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS AND \$181,610 IN HOME INVESTMENT PARTNERSHIP (HOME) FUNDS FOR FISCAL YEAR 2023-2024 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO SIGN FUNDING AGREEMENTS AND OTHER IMPLEMENT DOCUMENTS

WHEREAS, Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) funds are allocated to cities and counties by the United States Department of Housing and Urban Development (HUD) for use in projects, programs, and services that demonstrate a benefit to low and moderate income persons; and

WHEREAS, the City of Tracy, as a subrecipient of the County of San Joaquin, will receive an estimated \$506,211 in CDBG funds and \$181,610 in HOME funds for Fiscal Year (FY) 2023-2024; and

WHEREAS, on February 13, 2023, the Parks and Community Services Commission conducted a public meeting to consider the received applications and make priority ranking and funding allocation recommendations for consideration by City Council based on adopted local priority funding criteria; and

WHEREAS, the City Council conducted a public hearing on March 7, 2023, to consider the applications for allocation of CDBG and HOME funds for FY 2023-2024; and

WHEREAS, the entities (the "Awardees") receiving CDBG and HOME funding are required to enter into an agreement with the City and/or the County of San Joaquin to ensure funds are spent in accordance with the applications that were evaluated to determine funding eligibility and amounts. A standard funding agreement (the "Funding Agreement") is attached to the staff report accompanying this resolution; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy does hereby recommend the priority ranking and award of CDBG and HOME funds to the following awardees:

CDBG Public Services

<u>Rank</u>	<u>Applicant/Awardee</u>	<u>Funding Amount</u>
Direct	San Joaquin Fair Housing Agency	\$ 5,500
Direct	San Joaquin County Food Services Pool	<u>\$ 13,544</u>
	<i>Mobile Farmers Market</i>	\$ 8,544
	<i>Meals on Wheels</i>	\$ 5,000

<u>Rank</u>	<u>Applicant/Awardee</u>	<u>Funding Amount</u>
1	Tracy Interfaith Ministries	\$ 12,000
2	Boys & Girls Club of Tracy	\$ 10,000
3	Coalition of Tracy Citizens to Assist the Homeless	\$ 8,000
4	McHenry House Family Shelter	\$ 8,000
5	Roya Foundation	\$ 8,000
6	Tracy Earth Project, Inc.	\$ 8,000
Total		\$73,044

CDBG Public Facilities/Public Improvements

<u>Rank</u>	<u>Applicant/Awardee</u>	<u>Funding Amount</u>
Direct	Grant Administration <i>City of Tracy</i>	\$84,000
1	City of Tracy (Arbor Road Project)	\$349,167
Total		\$433,167

HOME INVESTMENT PARTNERSHIP

<u>Rank</u>	<u>Applicant/Awardee</u>	<u>Funding Amount</u>
1	Housing Authority County of San Joaquin	\$181,610
Total		\$181,610

; and be it

FURTHER RESOLVED: That the City Manager, or his designee, is authorized to sign funding agreements and other implementing documents of these programs on behalf of the City.

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on the 7th day of March 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

Agenda Item 3.B

RECOMMENDATION

Staff recommends that the City Council 1) conduct a public hearing to receive comments regarding a temporary closure of the City-controlled portion of Hansen Road, at the north City limits, south of Interstate 205, for a period of eighteen (18) months to coincide with the County's closure of its portion of Hansen Road and, upon conclusion, 2) to adopt a resolution approving such temporary closure to mitigate traffic safety concerns.

EXECUTIVE SUMMARY

On November 8, 2022, the San Joaquin County Board of Supervisors approved the closure of Hansen Road within County limits, north of the Cordes Ranch project for a period of eighteen (18) months with the installation of a fully automated gate for emergency responder access. County Public Works evaluated the impacts of the temporary closure. The County's approval was to accommodate the request from the Lammersville Community within the County to address their concerns of increased traffic volume, illegal truck usage and speeding through their neighborhood to and from the City limits. City staff recommends implementing a closure of Hansen Road south of Interstate 205 (I-205) to address potential traffic safety concerns generated by the County closure and to prevent any northbound vehicles with origin from the City, getting stuck at the County closure location. Since the Board approval, County has not implemented the closure until such time that the City approves and implements a closure. This agenda item, with City Council approval, would approve a temporary road closure for Hansen Road south of I-205 for a period of eighteen (18) months to mitigate the traffic safety concerns. City engineering staff in the Development Services Department will track the timeline of the temporary, 18-month closure, which would begin upon approval by the Council. Staff will further coordinate with the County and will monitor traffic operations resulting from the closure to assess its effectiveness. Prior to the expiration of the 18-month closure, which, if approved, would end in September 2024, Development Services staff will bring an item before the Tracy City Council with recommendations for future action.

BACKGROUND AND LEGISLATIVE HISTORY

Hansen Road is an arterial roadway on the west side of the City in the Cordes Ranch Specific Plan Area. This arterial roadway transitions to a County road on the north side of I-205, going through a residential neighborhood. The roadway is restricted for truck movement on the County side. The City has posted appropriate signage to indicate this truck restriction for the northbound traffic.

The Lammersville Community, which includes the Santos Ranch and Los Ranchos Estates developments in the County has seen an increase in traffic to and from the City through their neighborhood on Hansen Road. The increase of traffic volume, illegal truck usage, and speeding in the area over the last few years have caused safety concerns for the residents in this community. The residents approached the County Public Works Department for a solution to their concerns.

Since January 2022, a one-way street configuration has been implemented on the County portion of Hansen Road as a pilot project to reduce cut through traffic and discourage illegal truck traffic south of Von Sosten Road. The County also initiated a traffic study to document the

existing traffic patterns in the general Lammersville and Cordes Ranch development areas and to evaluate anticipated traffic impacts associated with the closure of the roadway. The study supported the closure of Hansen Road.

The findings of the study were presented to the Board during the July 26, 2022 Board Meeting. Streets and Highways Code §21101(e) provides authority for the governing body to temporarily close roadways when necessary for events and other purposes associated with public safety for road users. County Counsel determined that this code is applicable in this situation and at this location, and the Board authorized the temporary closure. Pursuant to that Board Meeting, County Public Works brought to the Board on November 8, 2022, the recommendation for the complete closure of Hansen Road, temporarily for up to 18 months to perform further evaluations and develop permanent solutions for the segment of Hansen Road. South San Joaquin County Fire Authority (SSJCFA) representatives participated at the meeting and requested that provision must be made for Fire Trucks to pass through as north Hansen Road in the County is served by the Fire Station on the south side of Hansen Road within City limits. They were not in agreement with any manual gates or physical barriers for closures that would affect their response times. The Board then proceeded to approve this closure provided that a fully automated gate for emergency responder access is installed.

ANALYSIS

If the County implements the Hansen Road closure as approved, and the roadway is open within City limits, traffic from northbound Hansen Road could become stuck at the County closure point with no way to turn around which could cause traffic safety concerns. To eliminate this concern, it is recommended that Hansen Road is temporarily closed within City limits and that the necessary improvements are provided to prevent vehicles from becoming stuck at a closed road and to avoid traffic safety concerns. To date, the County has not implemented the closure on their side and is awaiting the support from City Council to successfully implement the Board's direction in coordination with the City.

City has been in contact with the County, Prologis and SSJCFA to determine the nature of improvements that can be implemented to accommodate the Board's decision. Prologis has been a partner in identifying a solution to mitigate the truck traffic generated from the Cordes Ranch Development. They are developing plans for a truck turnaround and an automated fire-access gate within City limits, north of Cordes Ranch, and a vehicle turnaround and an automated fire-access gate within County limits. City is proposing to enter into an Offsite Improvement Agreement (OIA) with Prologis after Council approval of this temporary closure for building the necessary improvements within City limits. The access to all properties within City jurisdiction will be maintained during the closure implementation.

City engineering staff in the Development Services Department will track the timeline of the temporary, 18-month closure, which would begin upon approval by the Council. Staff will further coordinate with the County and will monitor traffic operations resulting from the closure to assess its effectiveness. Prior to the expiration of the 18-month closure, which, if approved, would end in September 2024, Development Services staff will bring an item before the Tracy City Council with recommendations for future action.

FISCAL IMPACT

There is no fiscal impact associated with approval of this item. The improvements associated

with this closure are paid for by the Cost Recovery Agreement with Prologis, Inc. Prologis is not requesting any fee credits for this installation.

COORDINATION

City Engineering Division has been in coordination with the San Joaquin County Public Works, Lammersville Community, Prologis Inc., and the South San Joaquin County Fire Authority (SSJCFA) throughout this process and will be in coordination during all phases of closure implementation.

CEQA DETERMINATION

The proposed temporary road closure is exempt from CEQA pursuant to California Code of Regulations (CCR) Section 15301(c) because it results in a temporary traffic pattern alteration with a negligible increase in use of the adjacent roadways will occur.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, and specifically implements the following goal:

Goal 1. Advance green and roadway infrastructure projects that improve connectivity, including bike lanes.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council 1) conduct a public hearing to receive comments regarding a temporary closure of the City-controlled portion of Hansen Road, at the north City limits, south of Interstate 205, for a period of eighteen (18) months to coincide with the County's closure of its portion of Hansen Road and, upon conclusion, 2) to adopt a resolution approving such temporary closure to mitigate traffic safety concerns.

Prepared by: Anju Pillai, PE, Senior Civil Engineer

Reviewed by: Koosun Kim, PE, City Engineer / Assistant Director of Development Services
Jaylen French, Development Services Director
Sara Cowell, Finance Director
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2023-_____

**APPROVING THE TEMPORARY CLOSURE OF CITY-CONTROLLED
PORTION OF HANSEN ROAD, AT THE NORTH CITY LIMITS, SOUTH OF
INTERSTATE 205 FOR A PERIOD OF EIGHTEEN (18) MONTHS TO COINCIDE
WITH THE COUNTY'S CLOSURE OF ITS PORTION OF HANSEN ROAD TO
MITIGATE TRAFFIC SAFETY CONCERNS**

WHEREAS, Hansen Road is an arterial roadway on the west side of the City in the Cordes Ranch Specific Plan Area, and it transitions to a County road on the north side of I-205, going through residential neighborhood; and

WHEREAS, the roadway is restricted for truck movement on the County side and the City has posted appropriate signage to indicate this truck restriction for the northbound traffic; and

WHEREAS, the Lammersville Community, which includes the Santos Ranch and Los Ranchos Estates in the County have seen an increase in traffic to and from the City through their neighborhood on Hansen Road; and

WHEREAS, the residents approached the County Public Works Department for a solution to address their concerns; and

WHEREAS, since January 2022, a one-way street configuration has been implemented on the County portion of Hansen Road as a pilot project to reduce cut through traffic and discourage illegal truck traffic south of Von Sosten Road; and

WHEREAS, the County also initiated a traffic study to document the existing traffic patterns in the general Lammersville and Cordes Ranch development areas and to evaluate anticipated traffic impacts associated with the closure of the roadway and the study supported the closure of Hansen Road; and

WHEREAS, the findings of the study were presented to the Board during the July 26, 2022, Board Meeting and the County Counsel determined that Streets and Highways Code §21101(e) is applicable and the Board can authorize a temporary closure of Hansen Road; and

WHEREAS, pursuant to that Board Meeting, County Public Works brought to the Board on November 8, 2022, the recommendation for the complete closure of Hansen Road, temporarily for up to 18 months to perform further evaluations and develop permanent solutions for the segment of Hansen Road; and

WHEREAS, South San Joaquin Fire Authority (SSJCFD) representatives participated at the meeting and requested that provision must be made for Fire Trucks to pass through as north Hansen Road in the County is served by the Fire Station on the south side of Hansen within City limits, and they were not in agreement with any manual gates or physical barriers for closures that would affect their response times; and

WHEREAS, the Board then proceeded to approve this closure provided that a fully automated gate for emergency responder access is installed; and

WHEREAS, if the County closes Hansen Road, and there is no closure within City limits, traffic from northbound Hansen Road will be stuck at the County closure point with no way to turn around which causes traffic safety concerns; and

WHEREAS, to eliminate this concern, it is required to close Hansen Road within City limits and provide the necessary improvements to prevent any vehicles from getting stuck at a closed road and potentially avoid any traffic safety concerns; and

WHEREAS, County has not implemented the closure on their side yet and is awaiting the support from City Council to successfully implement the Board's direction in coordination with the City; and

WHEREAS, Prologis has been a partner in identifying a solution to mitigate the truck traffic generated from the Cordes Ranch Development and they are developing plans for a truck turnaround and an automated fire-access gate within City limits, north of Cordes Ranch, and a vehicle turnaround and an automated fire-access gate within County limits; and

WHEREAS, City is proposing to enter into an Offsite Improvement Agreement (OIA) with Prologis after Council approval of this temporary closure for building the necessary improvements within City limits; and

WHEREAS, this closure will be in effect only during the time County implements its closure, which is anticipated at eighteen (18) months and staff will return to Council within eighteen (18) months to provide a status on this closure and request further action; and

WHEREAS, the improvements associated with this closure is paid for by the Cost Recovery Agreement with Prologis, Inc., and Prologis is not requesting any fee credits for this installation; and

RESOLVED: That the City Council of the City of Tracy, by resolution, approves the temporary closure of City-controlled portion of Hansen Road, at the north City limits, south of Interstate 205 for a period of eighteen (18) months to coincide with the County's closure of its portion of Hansen Road to mitigate traffic safety concerns.

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on the 7th day of March 2023 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

Agenda Item 3.C

RECOMMENDATION

Staff recommends that the City Council (1) conduct a Public Hearing to receive and consider comments on the proposed Citywide Master Fee Schedule, and upon conclusion, (2) adopt a resolution (A) approving and adopting, effective as of July 1, 2023, the proposed Citywide Master Fee Schedule, reflecting a cost recovery target of 72% and (B) rescinding, effective as of July 1, 2023, Resolution 2020-110 that approved the current Citywide Master Fee Schedule.

EXECUTIVE SUMMARY

Staff is recommending that the City of Tracy (City) adopt the Citywide Master Fee Schedule (Schedule), which reflects fee increases that will result in an aggregate 72% cost recovery rate for the City's cost of relevant services. The proposed Schedule with new fee rates is attached as **Attachment A**. The proposed fee increases are based on a Citywide User Fee Study dated December 2022 (**Study - Attachment B**), which was prepared by the NBS Government Group (NBS). The comprehensive Study was performed to ensure that the City's fees do not exceed its costs of services as well as to provide an opportunity for the City to re-align fee amounts with cost recovery efforts. The City is currently recovering approximately 58% of the total costs associated with providing fee-related services.

BACKGROUND AND LEGISLATIVE HISTORY

The State Constitution, Article XIII C, section 1(e) permits California cities to impose user and regulatory fees for City-provided services and activities with the condition that a fee may not exceed the reasonable cost of providing the service or performing the activity.

In May 2011, the City Council consolidated various Citywide fees into a Master Fee Schedule (Resolution 2011-101). The intent of this action was to (1) improve public and customer information dissemination and (2) establish consistency and clarity regarding the fee amendment process, which includes an inflationary adjustment based on the Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward Metropolitan Area from December-December (exceptions to this adjustment are those fees that are legislatively set for certain Parks and Recreation programs). The Council last adopted a revised Master Fee Schedule on June 16, 2020 (Resolution No. 2020-110—see **Attachment C**).

On January 17, 2023, the City Council conducted a workshop to review the Study and provide feedback to staff (Workshop). The fees examined in the Study and the fees presented on the Schedule exclude development impact fees, enterprise fund charges (i.e.,

water, sewer, storm water, airport and transit), special tax assessments, and rates established by separate agreements (e.g., Tracy Joint Unified School District and performance artists), all of which fall under different procedural requirements from the body of user/regulatory fees analyzed in the Study. Additionally, the Study excludes facility and equipment rental rates, as well as most fines and penalties imposed by the City for violations of municipal code requirements.

ANALYSIS

As reflected in the Study and further discussed at the Workshop, NBS completed three phases of analysis for each City department or program:

1. Cost-of-service analysis
2. Fee establishment
3. Cost recovery evaluation

The Study examined user and regulatory fees charged by City divisions and departments. The NBS fee model compares the existing fee for each service or activity to the average total cost of service quantified through the analysis. A cost recovery rate of 0% identifies no current recovery of costs from fee revenues. A rate of 100% means that the fee currently recovers the full cost of service. A rate greater than 100% means that the fee exceeded the full cost of service.

The following table provides a summary of the annual cost of service analysis results for each department/division fee program studied.

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Finance Department	<i>data not available*</i>					
City Clerk's Office	<i>data not available*</i>					
City Managers Office - Cable TV	1,095	2,576	(1,481)	43%	2,576	100%
Grand Theatre Center for the Arts/Cultural Arts Division	398,200	2,396,210	(1,998,010)	17%	398,200	17%
Development Services Department - Building Safety Division	5,249,857	4,735,249	514,608	111%	4,700,507	99%
Development Services Department - Engineering Division	3,498,312	5,624,366	(2,126,054)	62%	5,624,366	100%
Development Services Department - Planning Division	466,183	886,140	(419,957)	53%	886,140	100%
General Plan Maintenance Surcharge	-	449,000	(449,000)	0%	381,650	85%
Parks & Recreation Department - Community Facilities Division	282,819	1,399,305	(1,116,486)	20%	282,819	20%
Parks & Recreation Department - Recreation Division	451,404	2,614,954	(2,163,550)	17%	451,404	17%
Police Department	188,588	198,084	(9,496)	95%	197,041	99%
Police Department - Animal Services	79,800	201,338	(121,538)	40%	149,461	74%
Operations and Utilities Department - Operations Division	<i>data not available*</i>					
Municipal Airport	756,052	795,347	(39,295)	95%	795,347	100%
Operations and Utilities Department - Utilities Division	-	354,442	(354,442)	0%	354,442	100%
Total	\$ 11,372,310	\$ 19,657,011	\$ (8,284,701)	58%	\$ 14,223,953	72%

As shown, the Study identified that the City is collecting approximately \$11.4 million in annual revenue at the current fee amounts. However, if the City were to establish a 100% cost recovery rate, the Study estimates that the City would be collecting \$19.7 million. The City's current collection level indicates that the City is recovering only approximately 58% of the total costs associated with providing fee related services. Should the Council adopt fee levels recover 100% of the anticipated cost of services, an additional \$8.3 million in costs could be recovered.

However, when considering the City's goals pertaining to ensuring short and long-term fiscal health and providing affordable City programming that bolsters quality of life, City staff recommends that Council consider an increase in the overall fee levels to reflect only an additional \$2.9 million in aggregate fee revenue. This amount would result in a cost recovery rate of 72%, which is much higher than the current 58% cost recovery rate and allows the City to offer programs and services at more affordable costs to the community.

A detailed itemization of the proposed fee increases as well as supporting analysis can be found in the Study. The fees as shown in the Schedule, if approved, will go into effect on July 1, 2023.

FISCAL IMPACT

The City is currently recovering approximately 58% of the total costs associated with providing fee-related services. Should the Council adopt the proposed Master Fee Schedule, the City could recover an additional \$2.9 million in costs, bringing the cost recovery rate to 72% and lessening the amount of General Fund subsidies.

PUBLIC OUTREACH/ INTEREST

The City has given notice of the proposed fee increases, as reflected in the Schedule, as required by Government Code Section 66016. This noticing includes sending written notice of the anticipated fee increases to interested parties who filed a written request for such notice with the City as well as publication of the relevant data on the City's website [Public Notices | City of Tracy, CA](#), ten days prior to the upcoming Council meeting. Notice has also been given by publication, pursuant to Government Code Sections 66018 and 6062a.

COORDINATION

All City Department Heads provided input and feedback to NBS as part of the Study. On January 17, 2023, the City Council conducted a Workshop to review the Study and provide feedback. On February 13, 2023, the City of Tracy Parks Commission reviewed and considered the proposed Parks and Recreation Department's proposed fees.

STRATEGIC PLAN

This agenda item supports the Governance Strategic Priority, Goal No. 2: "Ensure short and Long-term Fiscal Health"; and Quality of Life, Goal No. 3 "Provide City Programming that Bolster Quality of Life" by balancing recovery cost levels with affordable public programs.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council (1) conduct a Public Hearing to receive and consider comments on the proposed Citywide Master Fee Schedule, and upon conclusion, (2) adopt a resolution (A) approving and adopting, effective as of July 1, 2023, the proposed Citywide Master Fee Schedule, reflecting a cost recovery target of 72% and (B) rescinding, effective as of July 1, 2023, Resolution 2020-110 that approved the current Citywide Master Fee Schedule.

Prepared by: Sara Cowell, Finance Director

Reviewed by: Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

ATTACHMENTS:

Attachment A - Citywide Master Fee Schedule, Fiscal Year 2023-2024

Attachment B - Citywide User Fee Study Report

Attachment C - Resolution No. 2020-110 – Adopting Master Fee Schedule for Fiscal Year 2020-2021

Attachment D - Powerpoint Presentation

EXHIBIT 1

CITY OF TRACY CITYWIDE MASTER FEE SCHEDULE

Proposed: March 7, 2023

Adopted:

Resolution No.:

Fee Implementation Date: July 1, 2023



Introduction

The City of Tracy Citywide Master Fee Schedule ("Schedule") is a compilation of most fees charged by the City for services.

It is organized by Department and does not include the following types of fees:

- Development impact fees adopted under the Mitigation Fee Act
- Mitigation fees (i.e. habitat mitigation, agricultural mitigation fees)
- Enterprise fund charges (water, sewer, storm water, airport, transit)
- Fees adopted under franchise agreements (cable franchise under TMC Chapter 8.10; franchise contractor for collection of solid waste, yard waste and recycling under TMC Chapter 5.20)
- Special District assessments
- Fines (imposed as penalties)
- Leases of City property and equipment
- Rates established by separate agreements (e.g., Tracy Joint Unified School District)

The Schedule data was reviewed and analyzed by NBS Government Group in FY 2021-2022 to confirm the appropriateness of fees and identify cost recovery levels. The Schedule will be updated annually, and most fees will be adjusted to reflect inflation. The rate will be based upon the San Francisco-Oakland-Hayward Metropolitan Area Consumer Price Index (December - December) rounded to the nearest dollar except where cents are already used. For Fiscal Year 2023-2024 the inflationary rate is 4.9%. The fees which are updated by some other method are indicated as such.

Public services may be classified as community-supported public services, such as police services. These are typically provided to the community as a whole and are supported by general tax dollars from the City's general fund.

Personal choice services are optional, such as taking a class, and are requested by the customer.

Property development services (requiring a building permit or land use entitlement) is done at the request, and for the benefit, of the owner. Fees are usually charged for these types of services, though some may be subsidized with general tax dollars when they have some social, safety, or welfare benefit.

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Finance Department

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount	Proposed Fee Amount with CPI
1	Business Licenses				
	Transfer, assignment or duplication fee	duplication	[1]	\$14 per account/ per year	\$14 per account/ per year
	State disability access fee	application or renewal	[2]	\$ 4	\$ 4
2	Transient Occupancy Tax (TOT)	annual	[1]	\$650 per property/ per year	\$650 per property/ per year
3	Credit Card Processing Charges	actual cost		actual cost	actual cost

Notes

- [1] City outsources this service; rates are subject to increase by CPI at beginning of each calendar year per City agreement with Vendor
 [2] Fee Set by State



City Manager's Office - City Clerk Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
1	Annual Subscriptions (City Council, Planning Commission)		[4]	
	Agendas (per month)	per month		Available Online
	Disc/ Agenda	per disc/agenda		
	Minutes	per page		
2	Appeals			
	to City Council	per appeal	[1]	\$ 204
	to City Manager	per appeal	[2]	\$ 204
	by Impartial Hearing Officer	per appeal	[3]	\$ 204
3	Document Certification (per document)	document		\$ 31
4	Photocopies			
	Paper Copy*	per page	[4]	\$ 0.10
	Oversized Copy	per page		At cost
	Maps*	per page		At cost
5	Duplicating Recording of Public Meeting			
	Video or Audio	each		At cost
	DVD of Council Meeting	each		At cost
6	Lobbyist			
	Registration	each	[5]	\$ 123
	Annual Renewal	each	[6]	\$ 61
7	Notary Fee		[7]	\$ 15
8	Project Requiring Municipal Code Update	each		\$ 4,090
9	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	per hour		\$ 123

Notes

- [1] TMS §1.12.020(B)(2)
- [2] TMS §1.12.010(D)(2)
- [3] TMS §1.12.030. May be shared equally by parties.
- [4] GOV §6253
- [5] TMC 6.32.030
- [6] Reso. 2016-25
- [7] GOV §8211



City Manager's Office - Community Engagement & Public Information - CCTV Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
1	Project Application Review Fee	per project	[1]	\$ 164
2	Video Production Fee			
	Single HD Camera with Operator (up to 8 hours)	per day		\$ 602
	Single HD Camera with Operator (half day)	per 1/2 day		\$ 342
3	Flypack with 4 Crew (Includes a portable switcher, 3 HD Cameras, graphics & audio feed)			
	Full Day	per day		\$ 2,161
4	City Council Chamber Recording with 2 Crew (Includes 4 SD Cameras)			
	Full Day	per day		\$ 1,122
	Half Day	per day		\$ 602
5	Post Production Services			
	Editing Suite with Editor	per hour		\$ 65
	Motion Graphics Editor	per hour		\$ 65
6	Advance Lighting / TV Studio Rental	per hour (2 hr min)	[2]	\$ 65
7	General Crew Services including, but not limited to: Producer, Teleprompter Operator, Audio Tech, Extra, Studio Crew, Grip, etc...			
	FT City Staff - During business hours	per person / per hour		\$ 164
	FT City Staff - After business hours	per person / per hour		\$ 193
	PT City Staff - During business hours	per person / per hour		\$ 65
	PT City Staff - After business hours	per person / per hour		\$ 77
8	Miscellaneous Services			
	Green Screen	per use		\$ 130
	Camera Crane and Operator	per person / per hour		\$ 65
	Additional HD Cameras - Fixed	per use		\$ 130
	Additional HD Cameras - Manned	per person / per hour		\$ 65
	Graphics	each	[3]	actual cost
	Audio Files	each	[3]	actual cost
9	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			
	Full Time	per hour		\$ 164
	Part Time	per hour		\$ 65

Notes

- [1] Project Scoping services are provided free of charge; application applies once project is formally initiated
- [2] Equipment and Camera not included in hourly fee
- [3] City will pass through vendor expense to applicant directly



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
1	Deposits			
	EK Theatre	per use	[1]	\$ 550
	Studio Theatre	per use	[2]	\$ 275
	Dance Studio	per use		\$ 110
	Visual Arts I & II	per use		\$ 110
	Children's Studio	per use		\$ 110
	Ceramic & Fused Glass Studio	per use		\$ 110
	Music Studio I	per use		\$ 100
	Music Studio II	per use		\$ 75
	Music Studio III	per use		\$ 50
	Music Studio IV	per use		\$ 100
	Grand Galleries	per use		\$ 150
	Lobby Areas	per use		\$ 250
	Loggia	per use		\$ 50
2	EK Theatre Rentals			
	Non-Profit			Minimum 10% of ticket sales, or fees listed below, whichever is greater.
	Prime Time Rental: Performance (Non-profit)			
	First 8 Hours	First 8 Hours	[3]	\$ 631
	Each Additional Hour	each add'l hr		\$ 110
	Prime Time Rental: Rehearsal (Non-profit)			
	First 8 Hours	First 8 Hours	[3]	\$ 631
	Each Additional Hour	each add'l hr		\$ 110
	Non-Prime Time Rental: Performance (Non-Profit)			
	First 8 Hours	First 8 Hours	[3]	\$ 315
	Each Additional Hour	each add'l hr		\$ 110
	Non-Prime Time Rental: Rehearsal (Non-Profit)			
	First 8 Hours	First 8 Hours	[3]	\$ 157
	Each Additional Hour	each add'l hr		\$ 110
	Prime Time Co-Present or Resident Company: Performance or Rehearsal (Non-Profit)			
	Per 8 Hours	Per 8 Hours	[3]	\$ 506
	Non-Prime Time Co-Present or Rental Resident Company: Rental Performance (Non-Profit)			
	Per 8 Hours	Per 8 Hours	[3]	\$ 253
	Non-Prime Time Co-Present or Resident Company Rental: Rental Rehearsal (Non-Profit)			
	Per 8 Hours	Per 8 Hours	[3]	\$ 126



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Commercial			Minimum 15% of ticket sales, or fees listed below, whichever is greater.
	Prime Time Rental: Performance (Commercial)			
	First 8 Hours	First 8 Hours	[3]	\$ 1,892
	Each Additional Hour	each add'l hr		\$ 330
	Prime Time Rental: Rehearsal (Commercial)			
	First 8 Hours	First 8 Hours	[3]	\$ 1,892
	Each Additional Hour	each add'l hr		\$ 330
	Non-Prime Time Rental: Performance (Commercial)			
	First 8 Hours	First 8 Hours	[3]	\$ 824
	Each Additional Hour	each add'l hr		\$ 330
	Non-Prime Time Rental: Rehearsal (Commercial)			
	First 8 Hours	First 8 Hours	[3]	\$ 330
	Each Additional Hour	each add'l hr		\$ 330
	Prime Time Co-Present or Resident Company: Performance or Rehearsal (Non-Profit)			
	Per 8 Hours	Per 8 Hours	[3]	n/a
	Non-Prime Time Co-Present or Rental Resident Company: Rental Performance (Non-Profit)			
	Per 8 Hours	Per 8 Hours	[3]	n/a
	Non-Prime Time Co-Present or Resident Company Rental: Rental Rehearsal (Non-Profit)			
	Per 8 Hours	Per 8 Hours	[3]	n/a
3	Studio Theatre Rentals			
	Non-Profit			Minimum 10% of ticket sales, or fees listed below, whichever is greater.
	Prime Time Rental: Performance			
	First 5 Hours	First 5 Hours	[3]	\$ 121
	Each Additional Hour	each add'l hr		\$ 66
	Prime Time Rental: Rehearsal			
	First 5 Hours	First 5 Hours	[3]	\$ 121
	Each Additional Hour	each add'l hr		\$ 66
	Non-Prime Time Rental: Performance			
	First 5 Hours	First 5 Hours	[3]	\$ 88
	Each Additional Hour	each add'l hr		\$ 66
	Non-Prime Time Rental: Rehearsal			
	First 5 Hours	First 5 Hours	[3]	\$ 88



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Each Additional Hour	each add'l hr		\$ 66
	Prime Time Co-Present or Resident Company: Performance or Rehearsal			
	Per 5 Hours	Per 5 Hours	[3]	\$ 97
	Non-Prime Time Co-Present or Resident Resident Company: Performance or Rehearsal			
	Per 5 Hours	Per 5 Hours	[3]	\$ 70
	Commercial			Minimum 15% of ticket sales, or fees listed below, whichever is greater.
	Prime Time Rental: Performance			
	First 5 Hours	First 5 Hours	[3]	\$ 330
	Each Additional Hour	each add'l hr		\$ 198
	Prime Time Rental: Rehearsal			
	First 5 Hours	First 5 Hours	[3]	\$ 363
	Each Additional Hour	each add'l hr		\$ 198
	Non-Prime Time Rental: Performance			
	First 5 Hours	First 5 Hours	[3]	\$ 363
	Each Additional Hour	each add'l hr		\$ 198
	Non-Prime Time Rental: Rehearsal			
	First 5 Hours	First 5 Hours	[3]	\$ 264
	Each Additional Hour	each add'l hr		\$ 198
	Prime Time Co-Present or Resident Company: Performance or Rehearsal			
	Per 5 Hours	Per 5 Hours	[3]	n/a
	Non-Prime Time Co-Present or Resident Resident Company: Performance or Rehearsal			
	Per 5 Hours	Per 5 Hours	[3]	n/a
4	Dance Studio			
	Private & Group Instruction Educational Events Rehearsal & Facility Event Use >Includes Basic Furniture Set & Studio Amenities >Includes Sound System & one (1) Wired Microphone with Stand >Non-Dance/Movement Use Requires Floor Covering			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 110
	Each Additional Hour	each add'l hr		\$ 55
	Commercial			
	First 2 Hours	First 2 Hours		\$ 220
	Each Additional Hour	each add'l hr		\$ 110
5	Studio Theatre			



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	<i>Private & Group Instruction</i> <i>Group Recital, Educational Events</i> <i>Meetings and Facility Event Use</i> <i>Rehearsal (Non-event Use)</i> <i>>Does Not Include Furniture Set or A/V Amenities</i> <i>>Does Not Include Tech Support (See Labor Fees)</i> <i>>Non-Educational/Performance Use (See Theatre Rental Options)</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 110
	Each Additional Hour	each add'l hr		\$ 55
	Commercial			
	First 2 Hours	First 2 Hours		\$ 220
	Each Additional Hour	each add'l hr		\$ 110
6	Visual Arts I & II / Children's Studio			
	<i>Private & Group Instruction</i> <i>Group Recital, Educational Events</i> <i>Visual Arts Labs</i> <i>Meetings and Facility Event Use</i> <i>>Includes Basic Furniture Set & Studio Amenities</i> <i>>Does not include use of Printmaking Lab in VAll</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 82
	Each Additional Hour	each add'l hr		\$ 44
	Commercial			
	First 2 Hours	First 2 Hours		\$ 165
	Each Additional Hour	each add'l hr		\$ 82
7	Ceramic & Fused Glass Studio			
	<i>Private & Group Instruction</i> <i>>Includes Basic Furniture Set & Studio Amenities</i> <i>>Requires Staff Supervision (See Labor Fees)</i> <i>>Not available for Non-Educational/Studio Use</i> <i>>Does not include Firing & Materials (See Ceramic & Fused Glass Fees)</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 82
	Each Additional Hour	each add'l hr		\$ 44
	Commercial			
	First 2 Hours	First 2 Hours		\$ 165
	Each Additional Hour	each add'l hr		\$ 82
8	Private Art Making Event			



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	<i>Private & Group Instruction with Staff Assigned Room Rental in the Studio Theatre, Visual Arts 01 & 02, Children's Studio, Ceramics & Fused Glass Studio</i> <i>>Includes Basic Furniture Set & Studio Amenities</i> <i>>Requires Staff Supervision (See Labor Fees)</i> <i>>Activity Dependent Materials Fee</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 40
	Each Additional Hour	each add'l hr		\$ 20
	Activity Dependent Materials	per participant		\$5 - 35
	Commercial			
	First 2 Hours	First 2 Hours		\$ 80
	Each Additional Hour	each add'l hr		\$ 40
	Activity Dependent Materials	per participant		\$5 - 35
9	Music Studio I			
	<i>Private & Group Instruction</i> <i>Instrument & Voice Lab</i> <i>Group Recital, Educational Events</i> <i>Rehearsal</i> <i>Up to 20 users</i> <i>>Includes Basic Furniture Set & Studio Amenities</i> <i>>Includes Use of Spinet Piano, Baby Grand Piano, and/or Electric Piano</i> <i>>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 75
	Each Additional Hour	each add'l hr		\$ 35
	Commercial			
	First 2 Hours	First 2 Hours		\$ 150
	Each Additional Hour	each add'l hr		\$ 75
10	Music Studio II			
	<i>Private & Group Instruction</i> <i>Instrument & Voice Lab</i> <i>Rehearsal</i> <i>Up to 6 users</i> <i>>Includes Basic Furniture Set & Studio Amenities</i> <i>>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 60
	Each Additional Hour	each add'l hr		\$ 30
	Commercial			
	First 2 Hours	First 2 Hours		\$ 120
	Each Additional Hour	each add'l hr		\$ 60



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
11	Music Studio III			
	<i>Private Instruction</i> <i>Instrument & Voice Lab</i> <i>Rehearsal</i> <i>Up to 3 users</i> <i>>Includes Basic Furniture Set & Studio Amenities</i> <i>>Includes Use of Spinet Piano, Baby Grand Piano, and/or Electric Piano</i> <i>>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 40
	Each Additional Hour	each add'l hr		\$ 20
	Commercial			
	First 2 Hours	First 2 Hours		\$ 80
	Each Additional Hour	each add'l hr		\$ 40
12	Music Studio IV			
	<i>Private Instruction</i> <i>Digital Recording Lab</i> <i>Rehearsal</i> <i>Up to 3 users</i> <i>>Includes Basic Furniture Set & Studio Amenities</i> <i>>Does not include Studio Engineer</i> <i>>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 75
	Each Additional Hour	each add'l hr		\$ 35
	Commercial			
	First 2 Hours	First 2 Hours		\$ 150
	Each Additional Hour	each add'l hr		\$ 75
13	Grand Galleries			
	<i>Events, Meetings, Presentations, Receptions</i> <i>>Exhibitions Program Schedule Dependent</i> <i>>Requires Staff Supervision (See Labor Fees)</i> <i>>Not Available for Exhibits/Displays/Retail Use</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 150
	Each Additional Hour	each add'l hr		\$ 75
	Commercial			
	First 2 Hours	First 2 Hours		\$ 300
	Each Additional Hour	each add'l hr		\$ 150
14	Lobby Areas			
	<i>>Public Spaces during Facility Hours & Programming</i>			



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Non-Profit			
	Upstairs	Per 4 Hours		\$ 275
	Downstairs	Per 4 Hours		\$ 275
	Commercial			
	Upstairs	Per 4 Hours		\$ 550
	Downstairs	Per 4 Hours		\$ 440
15	Loggia			
	<i>Events, Meetings, Receptions</i>			
	Non-Profit			
	First 2 Hours	First 2 Hours		\$ 55
	Each Additional Hour	each add'l hr		\$ 25
	Commercial			
	First 2 Hours	First 2 Hours		\$ 165
	Each Additional Hour	each add'l hr		\$ 75
16	Box Office Services			
	Non-Profit			
	Per Performance	Per Performance		\$ 110
	Per Ticket Charge to Patron	Per Ticket		\$ 3
	General Admission Per Ticket to Patron	Per Ticket		\$ 3
	Commercial			
	Per Performance	Per Performance		\$ 310
	Per Ticket Charge to Patron	Per Ticket		\$ 3
	General Admission Per Ticket to Patron	Per Ticket		\$ 3
17	Miscellaneous Rentals			
	Non-Profit			
	Installation/Removal of Floor for Orchestra Pit	Per Use		\$ 550
	Wired Microphone			
	1 Mic & Stand	Each		\$ 15
	10 or more	Each		\$ 10
	Wireless Microphone			
	1 Mic & Stand	Each		\$ 27
	10 or more	Each		\$ 22
	Drum Mic Package - 8 Microphones	Per Use		\$ 100
	Direct Box	Per Use		\$ 25
	Ramtech Split Snake	Per Use		\$ 100
	Monitor Console	Per Use		\$ 100
	Mobile PA	Per Use		\$ 100
	Lectern Stand with Mic	Per Use		\$ 20
	Conductor Podium	Per Use		\$ 20
	Follow Spot(s) with One In-house Tech, Two (2) Max.	Each per 4 Hrs.		\$ 385
	Video Projector (EK Theatre)			
	Per 8 Hour Rental	Per 8 Hour Rental		\$ 150
	Each Additional Hour	each add'l hr		\$ 15
	Video Projector (Studio Theatre)			
	Per 5 Hour Rental	Per 5 Hour Rental		\$ 75
	Each Additional Hour	each add'l hr		\$ 10



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Haze Machine	Per Use		\$ 50
	Marquee Sign Listing	Per Side/Installation		\$ 55
	Installation & Removal of Marley Mat Dance Floor	Per Use		\$ 220
	6' Folding Tables	Each		\$ 5
	48" Round Folding Tables	Each		\$ 11
	36" Round Tables	Each		\$ 11
	Cocktail Tables	Each		\$ 11
	Cocktail Table Stools	Each		\$ 5
	Wood Classroom Chairs			
	1 Chair	Each		\$ 5
	10 or more	Each		\$ 3
	Music Stands			
	1 Stand	Each		\$ 5
	10 or more	Each		\$ 3
	Black Wenger Orchestra Chairs			
	1 Chair	Each		\$ 11
	25 or more	Each		\$ 5
	Black Pipe and Drape	Per Installation		\$ 110
	Black Resin Chairs			
	1 Chair	Each		\$ 5
	25 or more	Each		\$ 3
	Spinnet Piano & Tuning	Per Use		\$ 295
	Piano Tuning	Per Use		\$ 195
	Electric Piano (Roland RD-700NX)	Per Use		\$ 75
	Easels	Each		\$ 5
	Stage Riser (4' x 4')	Each		\$ 25
	Pedestals/Stage Boxes (10 max.)	Each		\$ 16
	TV Monitor	Per Use		\$ 55
	CD/DVD Player	Per Use		\$ 10
	Commercial			
	Installation/Removal of Floor for Orchestra Pit	Per Use		\$ 550
	Wired Microphone			
	1 Mic & Stand	Each		\$ 15
	10 or more	Each		\$ 10
	Wireless Microphone			
	1 Mic & Stand	Each		\$ 27
	10 or more	Each		\$ 22
	Drum Mic Package - 8 Microphones	Per Use		\$ 100
	Direct Box	Per Use		\$ 25
	Ramtech Split Snake	Per Use		\$ 100
	Monitor Console	Per Use		\$ 100
	Mobile PA	Per Use		\$ 100
	Lectern Stand with Mic	Per Use		\$ 20
	Conductor Podium	Per Use		\$ 20
	Follow Spot(s) with One In-house Tech, Two (2) Max.	Each per 4 Hrs.		\$ 385
	Video Projector (EK Theatre)			
	Per 8 Hour Rental	Per 8 Hour Rental		\$ 150
	Each Additional Hour	each add'l hr		\$ 15



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Video Projector (Studio Theatre)			
	Per 5 Hour Rental	Per 5 Hour Rental		\$ 75
	Each Additional Hour	each add'l hr		\$ 10
	Haze Machine	Per Use		\$ 50
	Marquee Sign Listing	Per Side/Installation		\$ 110
	Installation & Removal of Marley Mat Dance Floor	Per Use		\$ 220
	6' Folding Tables	Each		\$ 5
	48" Round Folding Tables	Each		\$ 11
	36" Round Tables	Each		\$ 11
	Cocktail Tables	Each		\$ 11
	Cocktail Table Stools	Each		\$ 5
	Wood Classroom Chairs			
	1 Chair	Each		\$ 5
	10 or more	Each		\$ 3
	Music Stands			
	1 Stand	Each		\$ 5
	10 or more	Each		\$ 3
	Black Wenger Orchestra Chairs			
	1 Chair	Each		\$ 11
	25 or more	Each		\$ 5
	Black Pipe and Drape	Per Installation		\$ 110
	Black Resin Chairs			
	1 Chair	Each		\$ 5
	25 or more	Each		\$ 3
	Spinnet Piano & Tuning	Per Use		\$ 295
	Piano Tuning	Per Use		\$ 195
	Electric Piano (Roland RD-700NX)	Per Use		\$ 75
	Easels	Each		\$ 5
	Stage Riser (4' x 4')	Each		\$ 25
	Pedestals/Stage Boxes (10 max.)	Each		\$ 16
	TV Monitor	Per Use		\$ 55
	CD/DVD Player	Per Use		\$ 10
18	Labor Fees			
	Non-Profit/Commercial			
	Technical Theatre Supervisor	Per Hour		\$ 62
	Theatre Technicians	Per Hour		\$ 44
	Hospitality Staff	Per Hour		\$ 26
	Merchandise Seller	Per Hour		\$ 16
	Usher	Per Hour		\$ 16
	Cultural Arts Supervisor	Per Hour		\$ 62
	Arts Education Program Coordinator	Per Hour		\$ 50
	Arts Education Instructor	Per Hour		\$ 27
	Arts Education Recreation Leader III	Per Hour		\$ 16
19	Additional Fees			
	Non-Profit/Commercial			
	Janitorial Fees			



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Per 8 Hours	Per 8 Hours		\$ 250
	Per 4 Hours	Per 4 Hours		\$ 125
	Porter			
	Per 8 Hours	Per 8 Hours		\$ 240
	Per 4 Hours	Per 4 Hours		\$ 120
	Agreement Processing Fee	Per Contract		\$ 38
20	Rental Client Marketing Services			
	<i>Limited availability, as space allows, must use Grand Theatre Center for the Arts contracted graphic designer.</i>			
	Non-Profit			
	Exterior Posterbox	Per Event		\$ 50
	Email Promotion	Per Email		\$ 200
	Atrium & Pre-Show Video	Per Event		\$ 75
	Press Release	Per Release		\$ 75
	Local Postcard Distribution	Per Event		\$ 75
	Social Media Promotion		[4]	
	Facebook Post to Grand Page	Per Post		\$ 75
	Instagram Post to Grand Page	Per Post		\$ 75
	Static Ad Build	Per Ad		\$ 125
	Video Ad Build	Per Ad		\$ 250
	Commercial			
	Exterior Posterbox	Per Event		\$ 100
	Email Promotion	Per Email		\$ 400
	Atrium & Pre-Show Video	Per Event		\$ 150
	Press Release	Per Release		\$ 150
	Local Postcard Distribution	Per Event		\$ 150
	Social Media Promotion		[4]	
	Facebook Post to Grand Page	Per Post		\$ 150
	Instagram Post to Grand Page	Per Post		\$ 150
	Static Ad Build	Per Ad		\$ 250
	Video Ad Build	Per Ad		\$ 500
21	Arts Education Program Fees			
	Non-Profit/Commercial			
	Ceramics & Fused Glass	Per Person		\$5 - \$400
	- Assembly, Firing, Glazes, Finishing - Classes, Camps, Presentations, Private Lessons, Workshops			
	Dance	Per Person		\$5 - \$400
	- Ballroom, Classical, Cultural, Fitness, Modern, Movement, Tai Chi, Tehcnical - Classes, Camps, Presentations, Private Lessons, Workshops			
	Drama	Per Person		\$5 - \$400
	- Acting, Audition, Costume, Writing, Technical, Performance, Props - Classes, Camps, Presentations, Private Lessons, Workshops			
	Literary Arts	Per Person		\$5 - \$400



City Manager's Office - Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	- Writing, Journaling, Letterform, Literature, Poetry, Spoken Word - Classes, Camps, Presentations, Private Lessons, Workshops			
	Music	Per Person		\$5 - \$400
	- Electronic, Horns, Keyboard, Methodologies, Percussion, Strings, Woodwind, Voice - Classes, Camps, Presentations, Private Lessons, Workshops			
	Visual Arts	Per Person		\$5 - \$400
	- Art History, Design, Digital, Drawing, Fiber, Painting, Photography, Printmaking, Sculpture, Theory - Classes, Camps, Presentations, Private Lessons, Workshops			
	Senior Tuesdays	Per Person		\$6 / \$15
	- 3 Days in Designated Months - 2 Activities per Day & Hospitality			
22	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			
	Full-Time			
	During Business Hours	per hour		\$ 159
	After Business Hours	per hour		\$ 175
	Part-Time			
	During Business Hours	per hour		\$ 48
	After Business Hours	per hour		\$ 53
	Blended			
	During Business Hours	per hour		\$ 124
	After Business Hours	per hour		\$ 136

Notes

- [1] ETK Theatre base rental is 8 Hrs and includes: House sound system, House lighting system, one (1) wired microphone with stand, two (2) floor monitor wedges, and two (2) dressing rooms/spaces. (1) Theatre tech is provided for non-performance/rehearsal use(s). One (1) Theatre Tech, one (1) House Manager, and Ushers are provided for performance period/public event(s).
- [2] Studio Theatre base rental is 5 Hrs. and includes: House sound system, House lighting system, one (1) wired microphone with stand, two (2) floor monitor wedges, and two (2) dressing rooms/spaces. (1) Theatre Tech is provided for non-performance/rehearsal use(s). One (1) Theatre Tech, one (1) House Manager, and Users are provided for performance period/public event(s).
- [3] Prime time is Friday through Sunday. Percentage payment is based on gross receipts. Fee is either minimum of 10% of ticket sales, whichever is greater.
- [4] Additional costs apply for social media ad campaigns (minimum campaign spend of \$250/maximum spend of \$1,500).



Development Services - Planning Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
I	PLANNING APPLICATION REVIEW AND APPROVALS			
1	Adult Business Use Permit	per cost recovery agreement		\$ 3,776
2	Annexation	per project		\$ 41,932
3	Appeals			
	Appeal to City Council	per appeal		\$ 5,368
	Appeal to Planning Commission	per appeal		\$ 4,739
4	Conditional Use Permit	per permit		\$ 5,817
5	Conditional Use Permit (Non-Profit Organizations)	per permit		\$ 5,817
6	Development Review			
	Class A	per application	[1]	\$ 10,409
	Class B	per application	[2]	\$ 8,629
7	Ellis Specific Plan Pattern Book Certification	per request	[5]	\$ 4,670
8	ENVIRONMENTAL			
	Environmental Assessment	per request	[3]	\$ 619
	Environmental Initial Study	per study		per cost recovery agrmt.
	Negative Declaration	per neg. declaration		per cost recovery agrmt.
	Environment Impact Report	per cost recovery agreement		\$ 31,942
	Environmental Consistency Analysis	per cost recovery agreement		\$ 4,051
9	General Plan Amendment	per cost recovery agreement		\$ 5,450
10	Lot Line Adjustment	per LLA		\$ 4,015
11	MICRO-IMAGING FEES		[4]	
	11" X 17" and smaller (B&W or Grayscale with 2" field index)	each		\$ 0.08
	Larger than 11" X 17" (B&W or Grayscale with a two-field index)	each		\$ 0.88



Development Services - Planning Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	11" X 17" and smaller (Color with two-field index)	each		\$ 0.15
	18" X 24" Color document with a two-field index	each		\$ 0.53
	24" X 36" Color document with a two-field index	each		\$ 2.00
12	Noise Ordinance Variation	per project		\$ 7,675
13	Planned Unit Development	per PUD		\$ 8,718
14	Planned Unit Development Amendment	per amend.		\$ 6,237
15	Planning Commission Determination	per determ.		\$ 5,280
	PLANNING DIVISION APPLICATION FEES			
16	Residential Growth Allotment	per RGA	[3]	\$ 3,919
17	Sign Permit		[3]	
	Master Sign Program	per program		\$ 1,495
	Sign Permit			
	Single Sign	per permit		\$ 472
	Multiple Signs	per permit		\$ 629
18	Specific Plan Amendment			
	Minor	per project		\$ 4,780
	Major	per cost recovery agreement		\$ 19,134
19	Temporary Use Permit	per permit	[3]	\$ 1,255
20	TENTATIVE MAP / TENTATIVE MAP AMENDMENT			
	Parcel Map	map		\$ 8,640
	5 - 100 Lots	lot number		\$ 15,605
	Over 100 Lots	lot number		\$ 28,666
21	Time Extension	per request	[3]	\$ 2,969
22	Variance	per variance		\$ 2,596
23	Reasonable Accommodation (Accessibility)	per variance		\$ 2,091
24	ZONING			
	Zone Change	per change		\$ 3,618
	Zone Text Amendment	per amendment		\$ 4,090
	Zoning Research Letter	per letter	[3]	\$ 393



Development Services - Planning Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
25	Copies - City Documents and Maps			See City Clerk
26	4th and subsequent review	per submittal	[6]	Set by City Policy
27	General Plan Maintenance and Update			.05% of Building Valuation
II	BUILDING PLAN CHECK BY PLANNING			
28	Single Family			
	Miscellaneous Minor Improvements	per project		\$ 79
	Plot Plan / Production Plan Review	per project		\$ 79
	New Model Home	per project		\$ 315
29	Multi-family/ Commercial/ Industrial			
	New Building / Shell project	per project		\$ 629
	Tenant improvement	per project		\$ 315
30	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	per hour		\$ 157

Notes

- [1] Class A: New Single Family Residential 4 + units, New Multifamily Residential/ Office/ Commercial/Industrial
- [2] Class B: Single Family Residential 1-3 units (unless exempt pursuant to TMC Section 10.08.3930), Changes to existing Multifamily/ Office/ Commercial/ Industrial
- [3] Environmental Assessment fee not applicable
- [4] Plus 2% of invoice total for pick-up and delivery
- [5] Ellis Specific Plan, Section 6.3
- [6] Set by City Policy. Fee for each additional review 15% of original project budget or 2 hour minimum, whichever is greater.

Note: The City may require the applicant to sign a cost recovery agreement to pay actual costs instead of the fixed processing fee when (1) the anticipated costs of the project's environmental review or CEQA Documentation is likely to exceed the project's fixed fee or (2) the DS Director and the applicant mutually agree that a cost recovery agreement will be appropriate for the project in order to hire City consultants to work on the project.



Development Services - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
1	Agreement Processing			
	Inspection Improvement Agreement	Per agreement		\$ 6,949
	Subdivision Improvement Agreement	Per agreement		\$ 7,401
	Deferred Improvement Agreement	Per agreement		\$ 7,175
	Off-site Improvement Agreement	Per agreement		\$ 7,853
	Park Improvement and Reimbursement Agreement	Per agreement		\$ 6,620
2	Grading Plan Check			
	10,000	base fee		\$ 12,718
	each additional 10,000 CY	each add'l		\$ 573.41
	100,000	base fee		\$ 17,878
	each additional 10,000 CY	each add'l		\$ 542.83
	200,000	base fee		\$ 23,307
	each additional 10,000 CY	each add'l		\$ 1,165.34
3	Grading Permit and Inspection			
	Residential or Commercial Lots (Up to 5)	per project		\$ 5,919
	Subdivisions (5 lots or more)	per project		\$ 11,723
	Re-inspection fee	per inspection		\$ 656
4	4th & subsequent plan check	per submittal		\$ 1,283
	SUBDIVISIONS		[5]	
5	Final Parcel Map Review	per project		\$ 4,947
6	Final Subdivision Map Review			
	5 - 49 lots	per project		\$ 7,415
	50 - 100 lots	per project		\$ 15,645
	>100 lots, each additional 100 lots	per 100 lots		\$ 15,960
7	Final Map Amendment Review	per project		\$ 6,474
8	Certification of Correction	per project		\$ 4,976
9	Non-Technical Correction (i.e. misspellings)	per project		\$ 226
10	Certificate of Compliance	per application		\$ 3,481
11	Legal description and plat review (lot merger)	per application		\$ 3,166
	PUBLIC IMPROVEMENTS			
12	SIA, DIA, OIA, PIRA, Any Amendment	per amendment		\$ 5,921



Development Services - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
13	Plan Check	per project up to \$5M, deposit/actual cost >\$5M		
	\$ 2,000	base fee		\$ 8,562
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 288.68
	\$ 25,000	base fee		\$ 15,202
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 396.77
	\$ 50,000	base fee		\$ 25,121
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 121.28
	\$ 100,000	base fee		\$ 31,185
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 9.27
	\$ 500,000	base fee		\$ 34,893
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 28.00
	\$ 1,000,000	base fee		\$ 48,893
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 10.98
	\$ 5,000,000	base fee		\$ 92,795
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 18.56
14	Inspection	per project up to \$5M, deposit/actual cost >\$5M		
	\$ 2,000	base fee		\$ 1,116
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 57.85
	\$ 25,000	base fee		\$ 2,447
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 87.32
	\$ 50,000	base fee		\$ 4,630
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 44.25
	\$ 100,000	base fee		\$ 6,842
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 61.42
	\$ 500,000	base fee		\$ 31,409
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 47.30
	\$ 1,000,000	base fee		\$ 55,058



Development Services - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 57.88
	\$ 5,000,000	base fee		\$ 286,572
	each additional \$1,000 or fraction thereof	each add'l \$1,000		\$ 57.31
15	As builts, review after construction	per lot		\$ 3,549
16	Water treatment plan check/ NPDES Compliance	per project		\$ 2,262
17	MWELO	per project		\$ 113
18	MICRO IMAGING FEES		[1,2]	
	11" X 17" and smaller (B&W or Grayscale with 2" field index)	each		\$ 0.08
	Larger than 11" X 17" (B&W or Grayscale with a two-field index)	each		\$ 0.88
	11" X 17" and smaller (Color with two-field index)	each		\$ 0.15
	18" X 24" Color document with a two-field index	each		\$ 0.53
	24" X 36" Color document with a two-field index	each		\$ 2.00
19	Segregation Of Assessment	per lot		\$ 1,448
20	Record of Survey	per lot		\$ 4,275
21	Street Easement Abandonment	per lot		\$ 9,703
22	ENCROACHMENT PERMITS		[4]	
	Minor: includes curb, gutter, sidewalk, driveway work, small business sidewalk sales	flat	[6]	\$ 851
	Moderate: includes new service laterals, existing lateral repair or replacement, street pothole	flat	[6,7,8]	\$ 2,267
	Major: includes any construction requiring more than 3 days on site, over 265 linear feet of work, road closures, phasing and/or multiple excavation locations, weekend work		[6,7,8]	
	\$ 10,000	flat		\$ 2,352
	each additional \$1,000 or fraction thereof	flat		\$ 19.67
	\$ 50,000	flat		\$ 3,139
	each additional \$1,000 or fraction thereof	flat		\$ 60.71
	\$ 100,000	flat		\$ 6,174
	each additional \$1,000 or fraction thereof	flat		\$ 10.47
	\$ 500,000	flat		\$ 10,361
	each additional \$1,000 or fraction thereof	flat		\$ 12.89
	\$ 1,000,000	flat		\$ 16,807
	each additional \$1,000 or fraction thereof	flat		\$ 16.81
	Swimming Pool	per project		\$ 992

City of Tracy

Master Fee Schedule

Adopted:



Development Services - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
23	OVERSIZE LOAD PERMIT		[3]	
	Single Permit	per permit		\$ 16
	Annual or Blanket Permit (fixed route)	annual		\$ 90
24	REPRODUCTION, MAP AND DOCUMENT SALES		[1,2]	
	Standard Plans, Standard Specs, and Design Standards	per doc		\$ 18
	Parks Manual	per doc		\$ 88
	Storm Drainage Master Plans	per doc		\$ 24
	Subdivision Maps	per doc		\$ 6
	Reproduction Fees	per sheet		\$ 2
	NEW ADDRESS MAPPING FEES			
25	Single-family/Single Building or Single Address	per lot		\$ 452
26	Multi-Family Projects/Subdivisions			
	2-10 units	flat		\$ 679
	11-100 units	flat		\$ 905
	101+ units	flat		\$ 1,131
27	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			
	During Business Hours	per hour		\$ 137
	After Business Hours	per hour		\$ 149

Notes

- [1] Plus 2% of Invoice total for Pick-up and delivery.
- [2] Set by City policy.
- [3] Fee amount set by State.
- [4] Encroachment Permits include 2 inspections, each inspection in excess of 2 are charge the base fee (Plus hourly rate for Inspection and Engineering Review)
- [5] If technical studies are required, City to bill at actual costs
- [6] Additional 2 hrs plan check if traffic control plan review is needed
- [7] Additional inspections to be billed [hourly] per inspection
- [8] Bond required



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
I	BUILDING PERMIT FEES			
1	Building Permit/Inspection - Residential			
	\$ 500	base fee @ \$500		\$ 106
	each additional \$100 or fraction thereof	each add'l \$100		\$ 16.43
	\$ 2,000	base fee @ \$2,000		\$ 352
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 35.20
	\$ 10,000	base fee @ 10,000		\$ 634
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 21.12
	\$ 25,000	base fee @ 25,000		\$ 950
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 31.58
	\$ 50,000	base fee @ \$50,000		\$ 1,740
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 11.62
	\$ 150,000	base fee @ \$150,000		\$ 2,902
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 3.89
	\$ 350,000	base fee @ \$350,000		\$ 3,680
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 3.70
	\$ 550,000	base fee @ 550,000		\$ 4,420
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 8.04
2	Building Plan Check - Residential			
	\$ 500	base fee @ \$500		\$ 70
	each additional \$1000 or fraction thereof	each add'l \$100		\$ 4.69
	\$ 2,000	base fee @ \$2,000		\$ 141
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 17.60
	\$ 10,000	base fee @ \$10,000		\$ 282
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 9.39



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	\$ 25,000	base fee @ 25,000		\$ 422
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 11.27
	\$ 50,000	base fee @ \$50,000		\$ 704
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 4.22
	\$ 150,000	base fee @ \$150,000		\$ 1,127
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 5.63
	\$ 350,000	base fee @ \$350,000		\$ 2,253
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 4.22
	\$ 550,000	base fee @ 550,000		\$ 3,098
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 5.63
3	Building Plan Check for Identical Building / Repeat Tract House / Plot Plans	flat		\$ 704
4	Building Permit/Inspection - Commercial/Multi-family/Industrial			
	\$ 10,000	base fee up \$10,000		\$ 1,636
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 93.88
	\$ 25,000	base fee @ 25,000		\$ 3,044
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 75.29
	\$ 50,000	base fee @ \$50,000		\$ 4,926
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 140.41
	\$ 100,000	base fee @ \$100,000		\$ 11,947
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 7.52
	\$ 500,000	base fee @ 500,000		\$ 14,956
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 14.15
	\$ 1,000,000	base fee @ 1,000,000		\$ 22,031



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 1.77
	\$ 5,000,000	base fee @ 5,000,000		\$ 29,107
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 2.82
	\$ 10,000,000	base fee @ 10,000,000	[1]	\$ 43,224
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 3.03
5	Building Plan Check - Commercial/Multi-family/Industrial			
	\$ 10,000	base fee up \$10,000		\$ 282
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 18.78
	\$ 25,000	base fee @ 25,000		\$ 563
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 11.27
	\$ 50,000	base fee @ \$50,000		\$ 845
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 16.90
	\$ 100,000	base fee @ \$100,000		\$ 1,690
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 4.22
	\$ 500,000	base fee @ 500,000		\$ 3,380
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 3.38
	\$ 1,000,000	base fee @ 1,000,000		\$ 5,069
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 0.63
	\$ 5,000,000	base fee @ 5,000,000		\$ 7,604
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 0.68
	\$ 10,000,000	base fee @ 10,000,000	[1]	\$ 10,984
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 0.77
6	Building Permit/Inspection - TI			
	\$ 10,000	base fee up \$10,000		\$ 1,839



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 75.10
\$	25,000	base fee @ 25,000		\$ 2,965
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 57.73
\$	50,000	base fee @ \$50,000		\$ 4,409
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 57.03
\$	100,000	base fee @ \$100,000		\$ 7,260
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 17.69
\$	500,000	base fee @ 500,000		\$ 14,336
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 5.70
\$	1,000,000	base fee @ 1,000,000		\$ 17,188
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 1.06
\$	5,000,000	base fee @ 5,000,000		\$ 21,447
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 4.29
7	Building Plan Check - TI			
\$	10,000	base fee up \$10,000		\$ 282
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 18.78
\$	25,000	base fee @ 25,000		\$ 563
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 11.27
\$	50,000	base fee @ \$50,000		\$ 845
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 16.90
\$	100,000	base fee @ \$100,000		\$ 1,690
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 4.22
\$	500,000	base fee @ 500,000		\$ 3,380
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 3.38



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	\$ 1,000,000	base fee @ 1,000,000		\$ 5,069
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 0.63
	\$ 5,000,000	base fee @ 5,000,000		\$ 7,604
	each additional \$1000 or fraction thereof	each add'l \$1,000		\$ 1.52
II	MISCELLANEOUS MINOR PERMITS			
8	Demolition			
	Residential	each		\$ 176
	Commercial	each		\$ 282
9	Fire Sprinkler - Residential			
	Plan Check	each		\$ 282
	Permit/Inspection	each		\$ 246
10	Patio Covers			
	Residential	each		\$ 422
11	Residential Pools			
	Fiberglass/Above Ground	each		\$ 387
	Gunitite (incl. mstr. Plan str. Review average fee)	each		\$ 1,127
	Remodel/Repair	each		\$ 317
12	Post Fire Pre-permit Inspection			
	Residential	each		\$ 317
	Commercial	each		\$ 458
13	Residential Remodel (includes MEP fees)			
	Kitchen/Bath < \$10,000	each		\$ 774
	Kitchen/Bath \$10,000 - \$20,000	each		\$ 986
	Kitchen/Bath \$21,000 - \$30,000	each		\$ 1,056
14	Non-Structural Re-roof			
	Residential	each		\$ 246
	Commercial	each		See building valuation (Fee #6 & #7)
15	Illuminated & Non-illuminated Wall Signs ONLY	each		\$ 317
16	Residential Stucco Siding	each		\$ 176



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
17	Res. Non-Habitable Accessory / Storage Structures	each		\$ 458
18	Temporary Office Trailers	each		\$ 422
19	Residential Windows/Doors - Retrofit/Like-for-like ONLY (size, operation and location)			
	5 or less	each		\$ 141
	6-10	each		\$ 176
	11-15	each		\$ 211
	16+	each		See building valuation (Fee #1 & #2)
III	ELECTRICAL PERMIT FEES			
20	Base Permit	per project		\$ 35
	PER UNIT FEE SCHEDULE:			
21	Receptacles, switches, lighting outlets and circuits			
	Residential			
	First 5 or portion thereof	flat		\$ 106
	Each additional 5 or portion thereof	flat		\$ 70
	Added Circuits	each		\$ 35
	Commercial			
	First 5 or portion thereof	flat		\$ 211
	Each additional 5 or portion thereof	flat		\$ 141
	Added Circuits	each		\$ 141
22	Installation, Alteration, or Relocation of Each Electrical Service:			
	Residential			
	Up to 200 Amps	each		\$ 141
	Over 200 Amps	each		\$ 176
	Commercial			
	Up to 200 Amps	each		\$ 211
	Over 200 Amps and up to 800 AMPS	each		\$ 246
	Over 800 Amps	each		\$ 317
23	Commercial/Residential Portable Electrical Generator - Temporary Use ONLY			
	1 Generator	flat		\$ 176
	2-5 Generators	flat		\$ 246
	6+ Generators	flat		\$ 317



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
24	TEMPORARY POWER SERVICE:			
	1 Temporary power pole	flat		\$ 141
	2-5 Temporary power poles	flat		\$ 211
	6+ Temporary power poles	flat		\$ 352
25	Solar (PV) Systems (State mandated fees)		[2]	
	Solar - Residential (Up to 15 kW)	flat		\$ 450
	Per kW above 15kW	per kW		\$ 15
	Solar - Commercial (Up to 50 kW)	flat		\$ 1,000
	Per kW between 51kW - 250kW	per kW		\$ 7
	Per kW above 250kW	per kW		\$ 5
IV	MECHANICAL PERMIT AND PLAN CHECK FEES			
26	For the issuance of each permit	each		\$ 35
27	HVAC, Evaporative coil systems; new, or change out or relocation (not including duct; see Fee #31 for new residential ducts)			
	Residential	each		\$ 123
	Commercial	each		\$ 387
28	Repair to existing mechanical system - Residential Only	each		\$ 176
29	For the installation or relocation of each wall heater, floor furnace, suspended, or floor mounted unit heater			
	Residential	each		\$ 176
	Commercial	each		\$ 246
30	For each new (or change out) Residential duct system	each		\$ 211
31	For the installation, alteration, or addition to each commercial range hood(s), including ducts, blower(s), or fans attached thereto for type I, or II hoods.	each		\$ 704
32	For the installation of each domestic type vent fan or range hood, including attached duct (Residential Only)	each		\$ 53
33	For the installation or relocation of each boiler or compressor to and including three horse power or each absorption system to and including 100,000 B.T.U.			
	Residential	each		\$ 282
	Commercial	each		\$ 352
34	For the installation or relocation of each boiler or compressor over 3 HP or each absorption system over 100,000 B.T.U.			
	Residential	each		\$ 352



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Commercial	each		\$ 458
35	New Swimming Pool Heating Systems - heater/boiler (see fee #52 and fee #53 for plumbing elements)			
	Residential	each		\$ 282
	Commercial	each		\$ 387
36	Replacement Swimming Pool Heating System - heater/boiler (see fee #52 and fee #53 for plumbing elements). Residential Only	each		\$ 211
37	For the installation of each fire/smoke/ceiling radiation damper	each		See building valuation (Fee #6 & #7)
38	For the installation or alteration of one residential metal chimney serving a fireplace or similar appliances	each		\$ 282
V	PLUMBING PERMIT AND PLAN CHECK FEES			
39	For the issuance of each permit	each		\$ 35
40	For 10 or less plumbing fixtures or traps, including water, waste, and vent piping			
	Residential	flat		\$ 70
	Commercial	flat		\$ 422
41	Each additional plumbing fixture; Residential Only	each		\$ 35
42	10 gas outlets or less, includes repairs, new work and line replacements			
	Residential	flat		\$ 106
	Commercial	flat		\$ 352
43	Repairs, replacements or relocation of each building sewer or building drain and backwater valve.			
	Residential	each		\$ 106
	Commercial	each		\$ 176
44	For each interceptor (sand/grease) and each industrial waste pre-treatment interceptor	each		\$ 246
45	Commercial roof rain water system	each		\$ 211



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
46	For each water supply system installation, alteration, replacement of water piping and Residential water treatment equipment			
	Residential	each		\$ 141
	Commercial	each		\$ 317
47	Drain and vent piping. Includes new systems, repairs, replacement lines, pool drains and separation tanks.			
	Residential	each		\$ 106
	Commercial	each		\$ 211
48	Repair/replacement of backflow prevention devices e.g. vacuum breakers.			
	Residential	each		\$ 106
	Commercial	each		\$ 211
49	Storage tank (or tankless) water heater repair or replacement, like-for-like			
	Residential	each		\$ 53
	Commercial	each		\$ 211
50	New water heater installation (tankless or storage)			
	Residential	each		\$ 282
	Commercial	each		\$ 431
51	New or Replacement of rooftop solar thermal water heating systems (NOT PV) (State mandated fees)		[2]	
	Residential (up to 10 kWth)	flat		\$ 450
	Per kWth above 10 kWth	per kWth		\$ 15
	Commercial (up to 30 kWth)	flat		\$ 1,000
	Per kWth between 31 kWth - 260 kWth)	per kWth		\$ 7
	Per kWth above 260 kWth	per kWth		\$ 5
52	New non-solar thermal pool appliance heating systems - plumbing elements only (see fee #36 for mechanical components)			
	Residential	each		\$ 141
	Commercial	each		\$ 141
53	Repair or replacement of non-solar thermal pool heating systems - plumbing elements only like for like			
	Residential	each		\$ 53
	Commercial	each		\$ 141
VI	ADDITIONAL PLAN REVIEW / INSPECTION SERVICES			
54	Accessibility Hardship Review	each		\$ 669



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
55	Inspections outside of normal business hours (min 2 hours)			
	First 2 Hours	per project		\$ 387
	Each additional hour (1/4 hour increments)	hourly		\$ 155
56	Reinspection fee (min 1/2 hour)			
	First 1/2 Hour	hourly		\$ 106
	Each additional hour (1/4 hour increments)	hourly		\$ 141
57	Plan review for which no fee is specifically indicated (min 1/2 hour)			
	First 1/2 Hour	per project		\$ 116
	Each additional hour (1/4 hour increments)	hourly		\$ 155
58	Inspections for which no fee is specifically indicated (min 1 hour)			
	First 1 Hour	per project		\$ 141
	Each additional hour (1/4 hour increments)	hourly		\$ 141
59	Strong Motion Instrumentation Program (SMIP)	State Fee	[2]	Determined by the State
60	Reissuance of Inspection Card	each		\$ 35
61	Special Inspection (SOQ Review & Approval - New and each 3 yr renewal period)	hourly		\$ 211
62	Temporary Certificates of Occupancy/Certificate of Occupancy			
	TCO/CO Issuance (Required)	each		\$ 308
	TCO/CO Issuance (Non-Required)	each		\$ 106
63	Partial TCO	each		\$ 317
64	Plan review for any submittals subsequent to 3rd submittal and for revisions (min 1/2 hour)			
	First 1/2 Hour	per project		\$ 70
	Each additional hour (1/4 hour increments)	hourly		\$ 141
65	Expedited Plan Check (Outside normal business hours)	each 1/2 hr		\$ 77
66	Record Retention (Digitizing Fee)			
	Up to 11x17	per page		\$ 0.17
	Over 11x17	per page		\$ 2
	Pick-up & Delivery	flat		\$ 0.29
67	Affidavit Process to Release/Provide Plans	each		\$ 141
68	AMMR Review (minimum 2 hours)			
	First 2 Hours	per project		\$ 317



Development Services - Building Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Each additional hour (1/4 hour increments)	hourly		\$ 141
69	Investigation Fee	each		3 times permit fee
70	Partial Permit Issuance and Non-standard Deferred Submittals			
	Partial Permit Issuance	each		\$ 184
	Non-standard Deferred Submittals	each		\$ 106
71	FEMA Community Acknowledgement Form Processing (minimum 1 hour)			
	First 1 Hour	per project		\$ 141
	Each additional hour (1/4 hour increments)	hourly		\$ 141
72	Special Projects (minimum 1/4 hour) Special Events and Code Enforcement Activities			
	First 1/4 Hour	per project		\$ 35
	Each additional hour (1/4 hour increments)	hourly		\$ 141
73	Building Moving			
	Permit Fee	per permit		\$ 890
	Other	per hour		\$ 141
74	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			
	During Business Hours	per hour		\$ 141
	After Business Hours	per hour		\$ 155

Notes

- [1] Fees for projects over \$10,000 in valuation are initial deposits. Time and cost required for regulatory errors will be billed on an actual cost basis.
- [2] Fee set by State.



Police Department

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
1	Alarm Permit; False Alarms			
	Alarm User permit	per permit		\$ 24
2	False alarm costs, (plus penalties):		[5]	
	4th response	each		\$ 475
	5th response	each		\$ 475
	6th response	each		\$ 475
	7th response	each		\$ 475
3	Bicycles			
	License and registration	per 3 years		\$ 12
	Renewal	per 3 years		\$ 12
4	Bingo			
	License	each		\$ 207
	Renewal	each		\$ 207
5	Cardrooms			
	License and renewal	each		\$ 53
	Dealer/work permit	each		\$ 53
	Department of Justice Fee	per permit	[1]	\$ 32
	(City fingerprint fee)	each		See Fingerprint Fee #11
6	Citation Sign-off for Agencies outside the City	per citation		\$ 42
7	Clearance Letter (for immigration or other clearance letter, Plus fingerprint fees)	per letter		\$ 24
8	Crime Report/Traffic Report Copy			
	Per page, Bulletin Entry	per page	[8]	\$ 0.15
	Certified Copy of Reports	per letter		\$ 12
	Crime Analysis Reports	per report		\$ 118
	Traffic collision report (for other than victim)	per report	[8]	\$ 0.15
9	DUI		[2]	
	Accident response and investigation	actual cost		\$ 12,588
	Arrest and report	actual cost		\$ 1,049
10	Concealed Weapons		[4]	
	Permit	per permit	[3]	\$ 325
	Department of Justice Live Scan Fee	per permit		\$ 95
	Renewal	per permit renewal	[9]	\$ 25
	Department of Justice Fee - Payable to DOJ	per permit	[1]	\$ 52
	Amended License	per amendment	[10]	\$ 10



Police Department

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	(City fingerprint fee)	each		See Fingerprint Fee #11
11	DOJ, FBI and Fingerprint		[4]	
	DOJ and FBI fee	per print	[1]	Per DOJ Fee Schedule
	Fingerprint (City's rolling fee)	per request		\$ 28
12	Firearms Sales Permit	per permit	[4]	\$ 28
	Department of Justice fee	per permit	[1]	\$ 32
	(City fingerprint fee)	each		See Fingerprint Fee #11
13	Palmistry License Fee			
	New	per license		\$ 118
	Renewal	per renewal		\$ 118
14	Police Photo (reproduction)	per photo		\$ 59
	Plus traffic photo processing fee to insurance company	per photo		\$ 59
	Photo CD's	per CD		\$ 59
	Tape of Radio/Video Transmission, Digital or Hard copy Photographs	per tape		\$ 118
15	Police Special Services (for school and other semi-public special events)	actual Costs		Actual Personnel Costs
16	Repossession Release	per vehicle		\$ 15
17	Second-hand Dealer/Pawn Broker		[4]	
	New or Renewal (Check payable to DOJ)	each	[7]	
	City Processing Fee	each		\$ 85
	DOJ Fee	each		\$ 300
	Class B	each	[1]	\$ 32
18	Taxi Driver			
	Permit	per permit		\$ 118
	Renewal	per renewal		\$ 53
	Background investigation	each		\$ 118
	(City fingerprint fee)	each		See Fingerprint Fee #11
19	Tow Truck Driver/Attendant			
	Permit	per permit		\$ 53
	Renewal	Per renewal		\$ 36



Police Department

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
20	Vehicle Release	per vehicle		\$ 154
21	VIN Verification	per request		\$ 297
22	Storage of Firearms		[6]	
	Intake/Processing Fee	per firearm		\$ 178
	Storage of Firearm (per domestic violence protective order)	per day		\$ 2
23	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			
	Patrol	per hour		\$ 178
	Records	per hour		\$ 118

Notes

- [1] Fee set by Department of Justice
- [2] Actual cost of personnel, up to maximum of \$12,000 for Accident Response and Investigation and up to \$1,000 for Arrest and Report
- [3] 20% of fee due at application; 80% at renewal
- [4] Not subject to CPI Adjustment
- [5] Per TMC 3.40.150
- [6] Per TMC 3.52.30
- [7] Applicable DOJ fee applies
- [8] Fee set by California Public Records Act 6253(B) and 20012 California Vehicle Code
- [9] Set by State Law 26190 (c)
- [10] Set by State Law 26190 (e)



Police - Animal Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
1	Animal Services		[5]	
	Animal adoption, Plus veterinary services	per animal		\$ 6
2	Animal bite	per call	[1]	\$ 71
3	Board and care (daily)			
	For impounded dogs	per dog		\$ 59
	For impounded cats	per cat		\$ 59
3	Cat carrier	per carrier	[4]	Actual Cost of Carrier
4	Cat neuter	per cat	[2]	Actual Cost of vet services
5	Cat spay	per cat	[2]	Actual Cost of vet services
6	Collar identification	per animal	[2]	Actual cost of collar
7	Dog neuter	per dog	[2]	Actual Cost of vet services
8	Dog spay	per dog	[2]	Actual Cost of vet services
9	Impound			
	First	per animal		\$ 31
	Second	per animal		\$ 47
	Third and above	per animal		\$ 63
10	Impound, additional State fee for unaltered, at large, animals:		[3]	
	First	per animal		As set by State
	Second	per animal		
	Third	per animal		
11	License Fee			
	Unaltered dogs	per dog, per year		\$ 35
	Altered dogs	per dog, per year		\$ 35
	Replacement for lost	per license		\$ 35
	Late Fee	each	[6]	\$ 22



Police - Animal Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
12	Low cost spay/neuter voucher	per animal		\$ 47
13	Multiple pet permit application			
	Application	each		\$ 425
	Permit	each		\$ 31
14	Owner surrender		[1]	
	Live animal	per animal		\$ 35
	Deceased animal (not at shelter)	per animal		\$ 71
15	Rabies vaccination voucher	per animal	[2]	\$ 22
16	Vaccination	per animal		Actual cost of vaccination
17	Veterinary costs	Actual Cost		Actual Cost
18	SNR Trap Rental	each	[7]	\$ 63
19	SNR Fee	each		\$ 21
20	Breeder Certificate	each		\$ 105
21	Dangerous Dog Permit	each		\$ 105
22	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	per hour		\$ 142

Notes

- [1] Board and Care fees apply in addition to this fee.
- [2] Veterinary costs charged separately.
- [3] Fee set by State per F&A 30804.7
- [4] Cost of carrier charged separately.
- [5] Additional State/other fees may apply
- [6] Fee set by Reso # 2009-178 and TMC 5.08.130(d).
- [7] Refundable as long as trap is returned to City on the agreed upon date.



Operations & Utilities - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	NPDES MS4 PERMIT AND WATER EFFICIENCY REVIEW			
1	Tentative Subdivision Map/Vesting Tentative/Specific Plan			
	Plan Review	each		\$ 175
2	Single Family			
	Plan Review	per building		\$ 40
	Permit	per building		\$ 40
3	Multiple Family Dwellings, Trailer Courts, Guest Dwellings, or Condominiums			
	Plan Review	per building		\$ 40
	Permit	per building		\$ 40
4	School Buildings or Churches			
	Plan Review	per building		\$ 40
	Permit	per building		\$ 40
5	Commercial Installations			
	Plan Review	per building		\$ 61
	Permit	per building		\$ 61
6	Industrial Installations			
	Plan Review	per building		\$ 61
	Permit	per building		\$ 61
7	Post-Construction Standards Maintenance Agreement			
	Plan Review, Submittal and Recording	per agreement		\$ 269
8	Project Stormwater Plan and Operations Maintenance Plan			
	Plan Review	per plan		\$ 40
9	Erosion and Sediment Control Plan (Small Projects)			
	Plan Review	per plan		\$ 40
10	WELO Landscape Document Package Review			
	Prescriptive Approach (aggregate under 2,500 sq.ft.)	per package		\$ 40
	Performance Approach (>2,500 sq. ft.)	per package		\$ 135
11	Trash Enclosure			
	Plan Review	per building		\$ 20
	Permit	per building		\$ 20
12	Business License Fee			
	Application Review	per application		\$ 34



Operations & Utilities - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Compliance Inspection	per application		\$ 67
	STORMWATER POST-CONSTRUCTION STANDARDS REVIEW			
13	CONSTRUCTION AND/OR BUILDING INSPECTION AND FINAL			
	Inspection of Const. sites with grading permits that disturb 2,500 - 5,000 Sq. ft.	per inspection		\$ 135
	Inspection of Const. sites with grading permits that disturb 5,000 Sq.ft or more	per inspection		\$ 175
	WATER EFFICIENT LANDSCAPE ORDINANCE (WELO) REVIEW			
14	WELO INSTALLATION INSPECTION AND FINAL			
	Inspection of New and Redevelopment Projects with 250 Sq. ft to 2,499 Sq. ft. of new or rehabilitated landscape	per inspection		\$ 40
	Inspection of New and Redevelopment Projects with more than 2500 Sq. ft. or more of new or rehabilitated landscape	per inspection		\$ 135
	STORMWATER POST-CONSTRUCTION TREATMENT ANNUAL MAINTENANCE INSPECTION			
15	Residential	per inspection		\$ 175
16	Commercial / Industrial	per inspection		\$ 175
	CONSTRUCTION GENERAL PERMIT - SWPPP or ESCP			
17	Plan Review	per plan		\$ 135
18	Compliance Inspection (2x per month)			
	< 1 acre	per inspection		\$ 135
	> 1 acre	per inspection		\$ 175
19	Notice of Termination			
	< 1 acre	per inspection		\$ 135
	> 1 acre	per inspection		\$ 175
20	Dewatering Report Review	per sampling		\$ 61
	CONSTRUCTION WATER - METERING			
21	Application Review	per application		\$ 40



Operations & Utilities - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
22	Meter Deposit	per meter		actual replacement cost
23	Permit			
	Metered	per project		\$ 67
	Load Count	per project		\$ 101
24	Meter Rental - daily	per meter		\$ 26
25	Unpermitted use of fire hydrant for construction water			
	1st violation	per violation		\$ 52
	2nd violation	per violation		\$ 105
	3rd and more	per violation		\$ 525
	PRE-TREATMENT PROGRAM			
26	Industrial Installation			
	Those Industries that discharge wastewater greater than 25,000 gallons per day or fall under 40 CFR			
	Plan Review	per building		\$ 61
27	Miscellaneous Installations such food service establishments and dental offices			
	Plan Review	per building		\$ 40
	DISCHARGE PERMIT			
28	Discharge Permit—Initial Permit Fee			
	Class I Permit (SIU)	first year		\$ 2,525
	Class II Permit (NSIU/NSCIU/Zero-discharge categorical)--Three (3) year permit	first year		\$ 805
	Class III Permit (Temporary Discharge Permit)	first permit cycle		\$ 1,212
	Class IV Permit (Hauled Liquid Waste)--Five (5) year permit	first year		\$ 808
29	Discharge Permit—Annual Permit Fee			
	Class I Permit (SIU)	annually		\$ 1,919
	Class II Permit (NSIU/NSCIU/Zero-discharge categorical)	annually		\$ 421
	Class III Permit (Temporary Discharge Permit)	annually		\$ 673
	Class IV Permit (Hauled Liquid Waste)	annually		\$ 556
30	Re-inspection/sampling/non-compliance inspection	per inspection		\$ 303
31	Laboratory analysis cost and rental equipment charges	per analysis		Actual Cost
	ENVIRONMENTAL COMPLIANCE			



Operations & Utilities - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
32	Food Service Establishment/FOG Annual Inspection/ Annual Permit Fee			
	Small Generator	annually		\$ 168
	Medium Generator	annually		\$ 215
	Large Generator	annually		\$ 303
33	Re-inspection/sampling/non-compliance inspection	per inspection		\$ 202
34	Dental Facility One-Time Compliance Report Fee	per report		\$ 67
	NEW WATER MAIN TESTING			
35	Sampling by City Staff - per site (Charges begin following initial sampling and one(1) resampling event)	per sample		\$ 135
36	Laboratory analysis cost and rental equipment charges	per sample		\$ 135
37	Backflow Device Testing	per device		\$ 404
38	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	per hour		\$ 135



Operations & Utilities - Operations Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
1	Banner Installation and Removal			
	New Location	per bracket		\$ 227
	Existing Banner Site	each		\$ 182
2	Tree Removal Permits	actual cost		actual cost
3	Tree Pruning/Maintenance Permit	per permit		\$ 595
4	Tree Maintenance Inspection	per inspection		\$ 446
5	Special Events (support to Parks)	per event		\$ 836
6	Utilities Turn on/off	per trip		See Utilities Fee Schedule
7	Shopping Cart Retrieval	per retrieval		\$ 272
8	Sidewalk Maintenance	actual cost		actual cost
9	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	per hour		\$ 123



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
1	Administration			
	Advertising Fee for Activity Guide	Per Advertisement	[1]	
	Full Page, Back Cover			\$ 1,153
	Full Page, Inside Back Cover			\$ 577
	½ Page, Inside			\$ 404
	¼ Page, Inside			\$ 231
	Program Transaction Fee (Applied to withdrawal, refund, credit, or transfer)	Per Transaction		\$ 5
	Early Registration Discount	Per Registration	[3]	\$ (10)
	Online Registration Discount	Per Registration	[3]	\$ (10)
	Sibling Registration Discount	Per Registration	[3]	10%
	Range of Fee Increase for Contract Classes	Per Registration	[4]	21%
	Volunteer Incentive Discount (volunteers for youth league programs i.e. Jr. Giants, Jr. Warriors)	Per Registration	[4]	15%
2	Special Interest			
	Academic Tutoring/Homework Help	Per 4-Week Session		\$ 149
	App Design	Per 1-Week Session		\$ 209
	NEW! App Design on Android	Per 1-Week Session		\$ 160
	Athletic Perfection Rolls, Handstands & Cartwheels	Per 4-Week Session		\$ 93
	Beginners Tennis Summer Camp	Per 1-Week Session		\$ 84
	Creative Writing, 2D Animation, Coding, Sketching	Per 1-Week Session		\$ 229
	Design A Robotic Car	Per 1-Week Session		\$ 244
	Design Your Own Website	Per 1-Week Session		\$ 199
	Digital Art with Python	Per 1-Week Session		\$ 199
	Exploring Robots with Sphero RVR	Per 1-Week Session		\$ 199
	Game Design	Per 4-Week Session		\$ 119
	Game Design Level 1	Per 1-Week Session		\$ 189
	Game Design Level 2	Per 4-Week Session		\$ 189
	Game Design with Scratch	Per 4-Week Session		\$ 275



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Introduction to App Design for Android	Per 1-Week Session		\$ 325
	Introduction to Python	Per 12-Week Session		\$ 275
	LEGO Camp (Half Day)	Per Week		\$ 252
	Python Programming	Per 1-Week Session		\$ 199
	Roblox Game Design	Per 11-12-Week Session		\$ 275
	Robotics - Design your Rover with Sphero's RVR & Little Bits	Per 1-Week Session		\$ 225
	Robotics - Design your Rover with Sphero's RVR & MicroBit	Per 1-Week Session		\$ 180
	Robotics - Design your Rover with Sphero's RVR & RaspberryPi	Per 1-Week Session		\$ 225
	Robotics – Design & Program your Car with Arduino	Per 1-Week Session		\$ 485
	Story Writing & Animation Coding with Scratch	Per 1-Week Session		\$ 214
	Tennis			
	Adult Beginning Tennis	Per 4-Week Session		\$ 83
	Tiny Tots Tennis Lesson	Per 4-Week Session		\$ 42
	Junior Beginner Tennis Lesson	Per 4-Week Session		\$ 42
	Unraveling Computers & Coding	Per 1-Week Session		\$ 199
	Unraveling Computers & Coding Level 1	Per 1-Week Session		\$ 199
	Website Designing with HTML/CSS/JavaScript	Per 12-Week Session		\$ 275
	Winter Camp - Game Design	Per 1-Week Session		\$ 109
	Winter Camp - Young Engineers	Per 1-Week Session		\$ 99
	Young Engineers	Per 4-Week Session		\$ 119
	12 & Under Tennis	Per 4-Week Session		\$ 72
	Adult Beginning Tennis	Per 4-Week Session		\$ 72
	High School Tennis Prep	Per 4-Week Session		\$ 72
	Middle School/High School Team Tennis Prep	Per 4-Week Session		\$ 72



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Building Confidence in Public Speaking	Per 1-Week Session		\$ 199
	Speaking with Confidence	Per 1-Week Session		\$ 199
	Debates and Public Speaking Combo Series	Per 1-Week Session		\$ 199
	Debates and Public Speaking Level 1	Per 1-Week Session		\$ 199
	Debates and Public Speaking Level 2	Per 1-Week Session		\$ 199
	Essentials of Debating	Per 1-Week Session		\$ 160
	Gurus Building Public Speaking Confidence	Per 1-Week Session		\$ 199
	Gurus Medi Kids: Health Matters	Per 1-Week Session		\$ 149
	Introduction to Speech Writing	Per 1-Week Session		\$ 160
	Little Masters of Public Speaking Level 2	Per 1-Week Session		\$ 199
	Personal Finance	Per 1-Week Session		\$ 149
	Pre-Public Speaking- Advanced Speech Writing	Per 1-Week Session		\$ 160
	Pre-Public Speaking- Building Confidence	Per 1-Week Session		\$ 160
	Pre-Public Speaking- Building Confidence	Per 1-Week Session		\$ 199
	Public Speaking & Debate Skills - Sports & Teams	Per 1-Week Session		\$ 149
	Public Speaking and Debates Spring Break Camp	Per 1-Week Session		\$ 199
	Public Speaking and Debating Skills: TED Talk Style	Per 1-Week Session		\$ 149
	Public Speaking and Debating Skills: Theme Around the World	Per 1-Week Session		\$ 249
	Public Speaking and Debating Skills: Theme: Super Powers	Per 1-Week Session		\$ 249
	SMART Camp	Per 1-Week Session		\$ 299
	Writing & Creativity Skills - Nature is Beautiful	Per 1-Week Session		\$ 149
	Baseball Tots	Per 6-Week Session		\$ 49
	Beach Volleyball Camp	Per 1-Week Session		\$ 159



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Beginning Golf Camp	Per 1-Week Session		\$ 165
	Mini-Hawk Camp	Per 1-Week Session		\$ 165
	MiniHawk Multi Sport	Per 3 week Session		\$ 89
	PhysEd Fun	Per 6-Week Session		\$ 49
	Skyhawks 1st Down Tots	Per 5-Week Session		\$ 89
	Skyhawks Baseball Skills	Per 1-5-Week Session		\$ 99
	Skyhawks Baseball Tots	Per 5-Week Session		\$ 89
	Skyhawks Basketball Skills	Per 5-Week Session		\$ 125
	Skyhawks Basketball Tots	Per 5-Week Session		\$ 89
	Skyhawks Elite Basketball Skills	Per 5-Week Session		\$ 125
	Skyhawks Flag Football Camp	Per 5-Week Session		\$ 220
	Skyhawks Flag Football Skills	Per 5-Week Session		\$ 111
	Skyhawks Golf Camp	Per 1-Week Session		\$ 220
	Skyhawks MiniHawk Camp	Per 5-Week Session		\$ 220
	Skyhawks Multi Sport	Per 1-Week Session		\$ 99
	Skyhawks Soccer Camp	Per 5-Week Session		\$ 220
	Skyhawks Soccer Skills (1/2 Day)	Per 5-Week Session		\$ 99
	Skyhawks Soccer Skills (Full Day)	Per 5-Week Session		\$ 111
	Skyhawks Soccer Tots	Per 5-Week Session		\$ 89
	Skyhawks Track and Field	Per 5-Week Session		\$ 109
	All Sorts of Sports	Per 1-Week Session		\$ 225
	Tiny Tigers Taekwondo	Per 5-Week Session		\$ 209
	White Belt Beginner Taekwondo	Per 5-Week Session		\$ 209



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Teen & Adult Taekwondo	Per 5-Week Session		\$ 209
	Pinnacle Kids Taekwondo	Per 5-Week Session		\$ 209
	13 & Under Tennis Camp	Per 1-Week Session		\$ 68
	High School Team Tennis Prep	Per 4-Week Session		\$ 78
	Middle School Team Tennis Prep	Per 4-Week Session		\$ 72
	Foundations of Dog Training 101	Per 7-Week Session		\$ 100
	Foundations of Dog Training 102	Per 7-Week Session		\$ 100
3	Youth & Teens			
	Teen Events			
	Minimum	Per Person		\$ 5
	Maximum	Per Person		\$ 22
	Teen Camps			
	Minimum	Per Week		\$ 80
	Maximum	Per Week		\$ 100
	Leaders in Training: Jr. Rec Leaders			
	Minimum	Per Week		\$ 100
	Maximum	Per Week		\$ 150
	Teen Trip (Transportation)		[8]	
	Minimum	Per Trip		\$ 40
	Maximum	Per Trip		\$ 50
4	S.A.F.E. (Teen After School Program)			
	Minimum	Per Membership Per School Year		\$ 58
	Maximum	Per Membership Per School Year		\$ 115
	Other:			
	Per Scrapbooking Class	Per Class		\$ 5
	Per Cooking Class	Per Class		\$ 5
5	Mobile Recreation (Roll'n Rec)	Per Person		\$ -
6	Youth Development			
	Monthly ROC (Recreation on Campus After School)			
	Minimum	Per Regular, Per Month		\$ 208



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Maximum	Per Regular, Per Month		\$ 277
	ROC (Recreation on Campus After School)			
	Late Pick-Up			
	Minimum	Per Minute		\$ 1
	Maximum	Per Half Hour		\$ 35
	Daily ROC (Recreation on Campus After School)			
	Minimum	Per Day		\$ 17
	Maximum	Per Day		\$ 27
	Hourly ROC (Recreation on Campus After School)			
	Minimum	Per Hour, Per Month		\$ 121
	Maximum	Per Hour, Per Month		\$ 166
	Summer Camp (Full Day) 7am-6pm			
	Minimum	Per Week		\$ 162
	Maximum	Per Week		\$ 221
	Summer Camp Extended Care Fees (7am-9am, 3pm-6pm)	Per Week		\$ 40
	Summer Camp 9am-3pm ONLY	Per Week		\$ 173
	Summer Camp (Half Day) 9am-12pm or 1pm-4pm*			
	Minimum	Per Week		\$ 74
	Maximum	Per Week		\$ 104
7	Seniors			
	Senior Health and Wellness			
	Power Walk	Per Class		\$ -
	Senior Fitness			
	Daily Drop-In	Per Class		\$ 1
	25 - Visit Pass	Per Pass		\$ 23
	Senior Self Defense	Per Class		\$ 1
	Senior Tai Chi	Per 4-Week Session		\$ 22
	Senior Chair Yoga	Per Class		\$ 1
	Senior Yoga	Per Class		\$ 1
	Senior Zumba Gold	Per Class		\$ 1
	Senior Indoor Tennis	Per Class		\$ 1
	5 Visit - Ballroom Dance Pass	Per Pass		\$ 23
	Senior Arts & Music			
	14 Visit Drop-In Activities Card	Per Card		\$ 23
	Arts & Craft Class	Per Class		\$ -
	Arts & Craft Project			
	Minimum	Per Project		\$ 5
	Maximum	Per Project		\$ 12
	Painting	Per Class		\$ -
	Scrapbooking	Per Class		\$ -



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Needle Art	Per Class		\$ -
	Jewelry Making	Per Class		\$ 12
	Card Making	Per Class		\$ 2
	Line Dancing	Per Class		\$ 2
	Country Jams	Per Class		\$ 2
	Senior Recreation			
	Tea Social	Per Class		\$ -
	Bingo	Per Class		\$ -
	Social Recreation Programs	Per Class		\$ -
	Table Games	Per Class		\$ -
	Ping Pong	Per Class		\$ 1
	Ping Pong Card	24-Visit Pass		\$ 22
	Senior Special Events (Includes Dances)			
	Minimum	Per Event		\$ 5
	Maximum	Per Event		\$ 23
	Booth for Special Events			
	Non-Profit	Per Event		\$ 28
	For-Profit	Per Event		\$ 58
	Senior Trips			
	Bus Trips (Resident/Non-Resident)			
	Resident	Per Person		\$ 37
	Non-Resident	Per Person		\$ 40
	Senior Social Services			
	Lunch Program	Per Month		\$ -
	AARP Programs	Per Month		\$ -
	Other Services	Per Month		\$ -
	Clubs	Per Month		\$ -
8	Athletics			
	Adult Sports			
	Adult Slow Pitch Leagues			
	Minimum	Per Team	[5]	\$ 323
	Maximum	Per Team	[5]	\$ 599
	Adult/Youth Fast Pitch Leagues			
	Minimum	Per Team	[5]	\$ 519
	Maximum	Per Team	[5]	\$ 691
	Adult/Youth Softball Tournament			
	Minimum	Per Team	[6]	\$ 288
	Maximum	Per Team	[6]	\$ 577
	Adult Softball Protest Fee	Per Protest		\$ 28
	Adult Flag Football League			
	Minimum	Per Team	[5]	\$ 462
	Maximum	Per Team	[5]	\$ 691
	Adult Kickball League			
	Minimum	Per Team	[5]	\$ 317
	Maximum	Per Team	[5]	\$ 462



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Youth Sports			
	Resident			
	Youth Basketball League (Youth Hoops)			
	Minimum	Per Player		\$ 86
	Maximum	Per Player		\$ 92
	Jr. Giants Youth Baseball (Free Program)	Per Player		\$ -
	49er Prep Flag Football (Free Program)	Per Player		\$ -
	Youth Sports Camps			
	Minimum	Per Player		\$ 86
	Maximum	Per Player		\$ 92
	Flag Football League			
	Minimum	Per Player		\$ 86
	Maximum	Per Player		\$ 104
	Friday Night Lights Flag Football League			
	Minimum	Per Player		\$ 150
	Maximum	Per Player		\$ 175
	Non-Resident			
	Youth Basketball League (Youth Hoops)			
	Minimum	Per Player		\$ 95
	Maximum	Per Player		\$ 102
	Youth Sports Camps			
	Minimum	Per Player		\$ 95
	Maximum	Per Player		\$ 102
	Flag Football League			
	Minimum	Per Player		\$ 95
	Maximum	Per Player		\$ 114
	Friday Night Lights Flag Football League			
	Minimum	Per Player		\$ 165
	Maximum	Per Player		\$ 193
9	Aquatics			
	World's Largest Swim Lesson Event (Free Event)	Per Person		\$ -
	Aquatics Special Events (Dive-in Movie, Teen Events, Pumpkin Drive)			
	Minimum	Per Person		\$ 5
	Maximum	Per Person		\$ 25
	General Recreation Swim			
	Individual Entrance Fee			
	Minimum	Per Person		\$ 2
	Maximum	Per Person		\$ 5
	10 Visit Pass			
	Minimum	Per Pass		\$ 26
	Maximum	Per Pass		\$ 47
	Senior (50+) 10 Visit Pass			
	Minimum	Per Pass		\$ 16



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Maximum	Per Pass		\$ 47
	Swim Lessons			
	Fees vary based on number of instruction days parent/tot	Per Parent, Per Tot		\$ 58
	Learn to Swim			
	Resident			
	Minimum	Per Person		\$ 27
	Maximum	Per Person, Per 2 Week Session		\$ 69
	Non-Resident			
	Minimum	Per Person		\$ 30
	Maximum	Per Person, Per 2 Week Session		\$ 69
	Water Aerobics			
	Drop-in			
	Minimum	Per Person		\$ 4
	Maximum	Per Person		\$ 8
	10 Visit Pass			
	Minimum	Per Pass		\$ 37
	Maximum	Per Pass		\$ 79
	Senior Water Exercise			
	Drop-in	Per Person		\$ 4
	10 Visit Pass	Per Pass		\$ 26
	Lap Swimming			
	Individual Entrance Fee			
	Minimum	Per Person		\$ 3
	Maximum	Per Person		\$ 5
	10 Visit Pass			
	Minimum	Per Pass		\$ 26
	Maximum	Per Pass		\$ 47
	Other Classes/Programs			
	Resident			
	Introduction to Lifesaving			
	Minimum	2 Week Session		\$ 58
	Maximum	2 Week Session		\$ 63
	Swim Camp			
	Minimum	2 Week Session		\$ 79
	Maximum	2 Week Session		\$ 105
	Diving			
	Minimum	2 Week Session		\$ 58
	Maximum	2 Week Session		\$ 63
	Basic Water Polo			
	Minimum	2 Week Session		\$ 58
	Maximum	2 Week Session		\$ 63
	Life Guard Training	1-Week Session		\$ 241
	Private Swim Lesson (one 25 minute session)			



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
	Fees vary based on number of instruction days			
	Minimum	2 Week Session		\$ 52
	Maximum	2 Week Session		\$ 115
	Private Swim Lesson (Saturday Only)			
	Minimum	Per Day		\$ 12
	Maximum	Per Day		\$ 14
	Non-Resident			
	Introduction to Lifesaving			
	Minimum	2 Week Session		\$ 64
	Maximum	2 Week Session		\$ 69
	Swim Camp			
	Minimum	2 Week Session		\$ 87
	Maximum	2 Week Session		\$ 115
	Diving			
	Minimum	2 Week Session		\$ 64
	Maximum	2 Week Session		\$ 69
	Basic Water Polo			
	Minimum	2 Week Session		\$ 64
	Maximum	2 Week Session		\$ 69
	Life Guard Training	1-Week Session		\$ 265
	Jr. Guard Camp			
	Minimum	2 Week Session		\$ 105
	Maximum	2 Week Session		\$ 115
	Private Swim Lesson (one 25 minute session)			
	Fees vary based on number of instruction days			
	Minimum	2 Week Session		\$ 58
	Maximum	2 Week Session		\$ 127
	Private Swim Lesson (Saturday Only)			
	Minimum	Per Day		\$ 13
	Maximum	Per Day		\$ 18
10	Special Events			
	Event Ticket			
	Minimum	Per Person		\$ 19
	Maximum	Per Person		\$ 42
	Event Booth Fee			
	Minimum	Per Booth		\$ 26
	Maximum	Per Booth		\$ 157
	Contest Entry Fee			
	Minimum	Per Entry		\$ 26
	Maximum	Per Entry		\$ 42



Parks & Recreation - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount (7)
11	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			
	Full-Time			
	During Business Hours	per hour		\$ 223
	After Business Hours	per hour		\$ 248
	Part-Time			
	During Business Hours	per hour		\$ 28
	After Business Hours	per hour		\$ 32

Notes

- [1] Applied to all advertising in City's Activity Guide publications
- [2] Applied to all rental requests & special event permit requests
- [3] To be used based on Staff's assessment of need, and based on participant levels
- [4] To be Used based on Staff's assessment of need and negotiations with Contract Instructors
- [5] League fees pending format, number of games & services
- [6] Tournaments vary based on type of tournament and awards provided
- [7] Non-Resident fees are 10% higher across the board
- [8] Based on charter bus fees, destination and length of trip



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
1	Administration			
	Non-Profit			
	Special Event Permit Application & Review Fee (to be charged for every permitted reservation requiring "further review", per published list)	Per Application		\$ 105
	Verification of non-profit status	Per Verification		\$ 15
	Commercial			
	Special Event Permit Application & Review Fee (to be charged for every permitted reservation requiring "further review", per published list)	Per Application		\$ 210
	Facility Rental Application Fee - Applied to all rental requests & special event permit requests	Per Application		\$ 40
	Improper Checkout Fee - Renters staying past reservation time (includes staffing, cleaning & rental fee)			
	Minimum	Per Occurance		\$ 74
	Maximum	Per Occurance		\$ 200
2	Community Center Rentals			
	Main Hall (5,300 Sq Ft)			
	Weekday Only			
	Non-Profit	Per Hour (4 hour Min.)		\$ 46
	Private Classification	Per Hour (4 hour Min.)		\$ 79
	Commercial	Per Hour (4 hour Min.)		\$ 112
	Conference Room A or B (250 Sq Ft)			
	Weekday Only			
	Non-Profit	Per Hour (4 hour Min.)		\$ 9
	Private Classification	Per Hour (4 hour Min.)		\$ 15
	Commercial	Per Hour (4 hour Min.)		\$ 20
	Entire Facility (6,200 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (4 hour Min.)		\$ 51
	Private Classification	Per Hour (4 hour Min.)		\$ 91
	Commercial (Week Day)	Per Hour (4 hour Min.)		\$ 129
	Weekend			
	Non-Profit	Per Hour (4 hour Min.)		\$ 77
	Private Classification	Per Hour (4 hour Min.)		\$ 131



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Commercial	Per Hour (4 hour Min.)		\$ 186
	Additional Fees			
	Extra Dumpster Disposal Fee (Required for Crab-Feeds and Other Rentals as Deemed Necessary by Staff)			
	Processing Fee	Per Rental, Per Dumpster		\$ 53
	Dumpster Fee	Actual Cost		Actual Cost
	Deposit		[1]	
	Main Hall	Per Rental		\$ 544
	Conference Room A or B	Per Rental		\$ 272
	Entire Facility	Per Rental		\$ 544
	Alcohol Deposit	Per Rental		\$ 544
3	Tracy Sports Complex Meeting Room Rental			
	TSC Meeting Room (700 Sq Ft)			
	Non-Profit	Per Hour		\$ 19
	Private Classification	Per Hour		\$ 34
	Commercial	Per Hour		\$ 47
	Deposit		[1]	
	Meeting Room	Per Rental		\$ 272
	Alcohol Deposit	Per Rental		\$ 272
4	Tracy Transit Station			
	Room 103 or 104 (590 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (2 hour Min.)		\$ 23
	Private Classification	Per Hour (2 hour Min.)		\$ 41
	Commercial	Per Hour (2 hour Min.)		\$ 58
	Weekend			
	Non-Profit	Per Hour (2 hour Min.)		\$ 35
	Private Classification	Per Hour (2 hour Min.)		\$ 61
	Commercial	Per Hour (2 hour Min.)		\$ 84
	Room 103 and 104 (1,180 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (2 hour Min.)		\$ 45
	Private Classification	Per Hour (2 hour Min.)		\$ 79
	Commercial	Per Hour (2 hour Min.)		\$ 116
	Weekend			
	Non-Profit	Per Hour (2 hour Min.)		\$ 68
	Private Classification	Per Hour (2 hour Min.)		\$ 123



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Commercial	Per Hour (2 hour Min.)		\$ 174
	Room 105 (913 Sq Ft)		[3]	
	Weekday			
	Non-Profit	Per Hour (2 hour Min.)		\$ 36
	Private Classification	Per Hour (2 hour Min.)		\$ 63
	Commercial	Per Hour (2 hour Min.)		\$ 90
	Weekend			
	Non-Profit	Per Hour (2 hour Min.)		\$ 55
	Private Classification	Per Hour (2 hour Min.)		\$ 95
	Commercial	Per Hour (2 hour Min.)		\$ 135
	Entire Facility (4,044 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (4 hour Min.)		\$ 106
	Private Classification	Per Hour (4 hour Min.)		\$ 186
	Commercial	Per Hour (4 hour Min.)		\$ 264
	Weekend			
	Non-Profit	Per Hour (4 hour Min.)		\$ 158
	Private Classification	Per Hour (4 hour Min.)		\$ 279
	Commercial	Per Hour (4 hour Min.)		\$ 398
	Deposit		[1]	
	All Conference Rooms	Per Rental		\$ 272
	Entire Facility	Per Rental		\$ 544
	Alcohol Deposit	Per Rental		\$ 544
5	Tracy Civic Center Rental			
	Council Chambers (3,500 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (4 hour Min.)		\$ 26
	Private Classification	Per Hour (4 hour Min.)		\$ 60
	Commercial	Per Hour (4 hour Min.)		\$ 103
	Weekend			
	Non-Profit	Per Hour (4 hour Min.)		\$ 45
	Private Classification	Per Hour (4 hour Min.)		\$ 108
	Commercial	Per Hour (4 hour Min.)		\$ 155



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Conference Room #109 (500 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (2 hour Min.)		\$ 19
	Private Classification	Per Hour (2 hour Min.)		\$ 34
	Commercial	Per Hour (2 hour Min.)		\$ 49
	Weekend			
	Non-Profit	Per Hour (2 hour Min.)		\$ 29
	Private Classification	Per Hour (2 hour Min.)		\$ 50
	Commercial	Per Hour (2 hour Min.)		\$ 72
	Conference Room #203 (825 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (2 hour Min.)		\$ 33
	Private Classification	Per Hour (2 hour Min.)		\$ 57
	Commercial	Per Hour (2 hour Min.)		\$ 81
	Weekend			
	Non-Profit	Per Hour (2 hour Min.)		\$ 49
	Private Classification	Per Hour (2 hour Min.)		\$ 85
	Commercial	Per Hour (2 hour Min.)		\$ 122
	Lobby and Both Conference Rooms			
	Weekday			
	Non-Profit	Per Hour (4 hour Min.)		\$ 51
	Private Classification	Per Hour (4 hour Min.)		\$ 90
	Commercial	Per Hour (4 hour Min.)		\$ 129
	Weekend			
	Non-Profit	Per Hour (4 hour Min.)		\$ 52
	Private Classification	Per Hour (4 hour Min.)		\$ 93
	Commercial	Per Hour (4 hour Min.)		\$ 193
	Deposit		[1]	
	All Conference Rooms	Per Rental		\$ 272
	Lobby or Entire Facility	Per Rental		\$ 544
	Alcohol Deposit	Per Rental		\$ 544

City of Tracy

Master Fee Schedule

Adopted:



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
6	Park and Picnic Areas			
	Park/Picnic - 1 to 50 People			
	Non-Profit	Per Hour (4 hour Min.)		\$ 17
	Private Classification	Per Hour (4 hour Min.)		\$ 29
	Commercial	Per Hour (4 hour Min.)		\$ 43
	Park/Picnic - 51 to 100 People			
	Non-Profit	Per Hour (4 hour Min.)		\$ 24
	Private Classification	Per Hour (4 hour Min.)		\$ 43
	Commercial	Per Hour (4 hour Min.)		\$ 62
	Park/Picnic - 101+ People			
	Non-Profit	Per Hour (4 hour Min.)		\$ 33
	Private Classification	Per Hour (4 hour Min.)		\$ 57
	Commercial	Per Hour (4 hour Min.)		\$ 81
	Inflatable Structures Administrative Fee	Per Day, Per Structure	[2]	\$ 58
	Non-Profit Org - 100 Max	Per Rental		\$ 129
	Deposits			
	Less than 50, Traditional Activity	Per Rental		\$ -
	50-100; or Less than 5 Non-traditional	Per Rental		\$ 130
	101-200 attendees	Per Rental		\$ 258
	201-300 attendees	Per Rental		\$ 387
	301 and above attendees	Per Rental		\$ 645
7	Parking Lot Rental (Locations and Availability at City Discretion)			
	Base Fee	10 Hour Max.		\$ 127
	Plus Use Fee			
	Non-Profit	Per Parking Lot Space		\$ 2
	Private Classification	Per Parking Lot Space		\$ 5
	Commercial	Per Parking Lot Space		\$ 6
8	Mobile Stage Rental			
	"A" Set Up (36' x 14')			
	Non-Profit	Per Rental		\$ 403
	Commercial	Per Rental		n/a
	Deposits			
	Non-Profit	Per Rental		\$ 544

City of Tracy

Master Fee Schedule

Adopted:



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Commercial	Per Rental		n/a
9	Tennis Court Rental			
	Non-Profit Youth			
	League	Per Hour, Per Court		\$ 6
	Tournament	Per Hour, Per Court		\$ 13
	Commercial	Per Hour, Per Court		n/a
	Non-Profit Adult			
	League	Per Hour, Per Court		\$ 6
	Tournament	Per Hour, Per Court		\$ 15
	Commercial	Per Hour, Per Court		n/a
	Private	Per Hour, Per Court		\$ 6
	League	Per Hour, Per Court		\$ 8
	Tournament	Per Hour, Per Court		\$ 19
	Commercial - Private Use	Per Hour, Per Court		\$ 13
	League	Per Hour, Per Court		\$ 13
	Tournament	Per Hour, Per Court		\$ 19
	Tennis Court Rental Deposit	Per Hour, Per Court		\$ 64
10	Tennis Court Rental Lights			
	Non-Profit Youth			
	League	Per Hour, Per Court		\$ 6
	Tournament	Per Hour, Per Court		\$ 8
	Commercial	Per Hour, Per Court		n/a
	Non-Profit Adult			
	League	Per Hour, Per Court		\$ 6
	Tournament	Per Hour, Per Court		\$ 13
	Commercial	Per Hour, Per Court		n/a
	Private	Per Hour, Per Court		\$ 6



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	League	Per Hour, Per Court		\$ 13
	Tournament	Per Hour, Per Court		\$ 15
	Commercial - Private Use	Per Hour, Per Court		\$ 6
	League	Per Hour, Per Court		\$ 13
	Tournament	Per Hour, Per Court		\$ 15
11	Lolly Hansen Senior Center Rental			
	Main Hall (3,500 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (4 hour Min.)		\$ 110
	Private Classification	Per Hour (4 hour Min.)		\$ 170
	Commercial	Per Hour (4 hour Min.)		\$ 229
	Weekend			
	Non-Profit	Per Hour (4 hour Min.)		\$ 150
	Private Classification	Per Hour (4 hour Min.)		\$ 240
	Commercial	Per Hour (4 hour Min.)		\$ 329
	Classroom 1 (499 Sq Ft)			
	Weekday Only			
	Non-Profit	Per Hour (4 hour Min.)		\$ 50
	Private Classification	Per Hour (4 hour Min.)		\$ 64
	Commercial	Per Hour (4 hour Min.)		\$ 79
	Classroom 2 (739 Sq Ft)			
	Weekday Only			
	Non-Profit	Per Hour (4 hour Min.)		\$ 59
	Private Classification	Per Hour (4 hour Min.)		\$ 80
	Commercial	Per Hour (4 hour Min.)		\$ 102
	Classroom 1 & 2 Combo (1,238 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (4 hour Min.)		\$ 76
	Private Classification	Per Hour (4 hour Min.)		\$ 110

City of Tracy

Master Fee Schedule

Adopted:



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Commercial	Per Hour (4 hour Min.)		\$ 147
	Weekend			
	Non-Profit	Per Hour (4 hour Min.)		\$ 99
	Private Classification	Per Hour (4 hour Min.)		\$ 154
	Commercial	Per Hour (4 hour Min.)		\$ 205
	Entire Facility (5,819 Sq Ft)			
	Weekday			
	Non-Profit	Per Hour (4 hour Min.)		\$ 163
	Private Classification	Per Hour (4 hour Min.)		\$ 263
	Commercial	Per Hour (4 hour Min.)		\$ 360
	Weekend			
	Non-Profit	Per Hour (4 hour Min.)		\$ 228
	Private Classification	Per Hour (4 hour Min.)		\$ 379
	Commercial	Per Hour (4 hour Min.)		\$ 527
	MOU-Hrs Provided to Non-Profits/Gov	Per Hour (4 hour Min.)		\$ -
	Deposit		[1]	
	Main Hall	Per Rental		\$ 519
	All Classrooms	Per Rental		\$ 259
	Entire Facility	Per Rental		\$ 519
	Alcohol Deposit	Per Rental		\$ 519
	Additional Fees			
	Extra Dumpster Disposal Fee (Required for Rentals as Deemed Necessary by Staff)			
	Processing Fee	Per Rental, Per Dumpster		\$ 53
	Dumpster Fee	Actual Cost		Actual Cost
12	Sports Facilities (TBP, TSC, Placencia Fields, Tiago, Galli, & Bland, Veterans & Legacy Fields)			
	No Show Penalty			
	Minimum	Per Occurance		\$ 5
	Maximum	Per Occurance		\$ 15
	Standard Field (Ritter Family Ballpark, Tiago, Galli, Veteran Fields)			
	League/Individual			
	Non-Profit Youth Classification	Per Hour, Per Field		\$ 10
	Non-Profit Adult Classification	Per Hour, Per Field		\$ 15

City of Tracy

Master Fee Schedule

Adopted:



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Non-Profit Private Classification	Per Hour, Per Field		\$ 28
	Commercial Private Classification	Per Hour, Per Field		\$ 39
	Premium Field (TSC, Placencia Fields, Legacy Fields)			
	League/Individual			
	Non-Profit Youth Classification	Per Hour, Per Field		\$ 12
	Non-Profit Adult Classification	Per Hour, Per Field		\$ 19
	Non-Profit Private Classification	Per Hour, Per Field		\$ 28
	Commercial Private Classification	Per Hour, Per Field		\$ 39
	Lights Fee - League/Individual			\$ -
	Non-Profit Youth Classification	Per Hour, Per Field		\$ 10
	Non-Profit Adult Classification	Per Hour, Per Field		\$ 13
	Non-Profit Private Classification	Per Hour, Per Field		\$ 17
	Commercial Private Classification	Per Hour, Per Field		\$ 24
	Deposit for Baseball/Softball Bases	Per Rental		\$ 288
	Storage Container License	Per Sq. Ft. of Ground Space		\$ 0.51
	Daily Fee - Tournaments - Standard Fields			
	Non-Profit Youth Classification	Per Hour, Per Field		\$ 81
	Non-Profit Adult Classification	Per Hour, Per Field		\$ 131
	Non-Profit Private Classification	Per Hour, Per Field		\$ 163
	Commercial Private Classification	Per Hour, Per Field		\$ 163
	Daily Fee - Tournaments - Premium Fields			
	Non-Profit Youth Classification	Per Hour, Per Field		\$ 109
	Non-Profit Adult Classification	Per Hour, Per Field		\$ 145
	Non-Profit Private Classification	Per Hour, Per Field		\$ 281
	Commercial Private Classification	Per Hour, Per Field		\$ 387
	Lights Fee - Tournaments			
	Non-Profit Youth Classification	Per Hour, Per Field		\$ 10
	Non-Profit Adult Classification	Per Hour, Per Field		\$ 13

City of Tracy

Master Fee Schedule

Adopted:



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Non-Profit Private Classification	Per Hour, Per Field		\$ 13
	Commercial Private Classification	Per Hour, Per Field		\$ 13
	Gate Fee - Tournaments			
	All Classifications	Per Tournament		\$ 125
	On-site Staffing Fee for Sports Fields Use			
	All Classifications	Per Hour, Per Complex		\$ 33
	Softball Field Preparations			
	A Prep - Light Watering	Per Preparation		\$ 13
	B Prep - Light Watering, Minor Dragging	Per Preparation		\$ 19
	C Prep - Full Field Preparation	Per Preparation		\$ 50
	Use of Temporary Outfield Fencing	Per Field		\$ 143
	Concession Stands			
	Non-Profit	Per Occurance		\$ 5
	Private	Per Occurance		\$ 8
	Commercial Private Classification	Per Occurance		\$ 12
	Mobile Food Truck	Per Occurance		\$ 5
13	Joe Wilson Community Pool Rentals			
	Any Size Groups, When Organization Provides Own Lifeguards & Includes 1 Senior Lifeguard			
	All Classifications	Per Hour (Min. 2 Hours)		\$ 84
	Up to 50 People, Includes 1 Senior Lifeguard & 1 Lifeguard			
	Non-Profit Classification	Per Hour (Min. 2 Hours)		\$ 102
	Private Classification	Per Hour (Min. 2 Hours)		\$ 113
	Commercial Classification	Per Hour (Min. 2 Hours)		\$ 125
	Up to 75 People, Includes 1 Senior Lifeguard & 2 Lifeguards			
	Non-Profit Classification	Per Hour (Min. 2 Hours)		\$ 120
	Private Classification	Per Hour (Min. 2 Hours)		\$ 131
	Commercial Classification	Per Hour (Min. 2 Hours)		\$ 143
	Up to 100 People, Includes 1 Senior Lifeguard & 3 Lifeguards			
	Non-Profit Classification	Per Hour (Min. 2 Hours)		\$ 137
	Private Classification	Per Hour (Min. 2 Hours)		\$ 149
	Commercial Classification	Per Hour (Min. 2 Hours)		\$ 162
	Deposits			
	All Classifications, All Group Sizes	Per Rental		\$ 179
	Additional Joe Wilson Pool Rental Fees			

City of Tracy

Master Fee Schedule

Adopted:



Parks & Recreation - Recreation Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	Proposed Fee Amount
	Extra lifeguard (as deemed necessary by staff, based on event)	Per Hour, Per Lifeguard		\$ 18
14	New Jerusalem Airport Rental			
	Runway Area	Per Day		\$ 1,404
15	Parades on Downtown Streets		[4]	
	Short Parade Route			
	Non-Profit Classification	Per Parade		\$ 1,193
	Standard Parade Route			
	Non-Profit Classification	Per Parade		\$ 1,492
	Long Parade Route			
	Non-Profit Classification	Per Parade		\$ 1,909
16	For services requested of City staff which have no fee listed in this fee schedule. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			
	Full-Time			
	During Business Hours	per hour		\$ 223
	After Business Hours	per hour		\$ 248
	Part-Time			
	During Business Hours	per hour		\$ 28
	After Business Hours	per hour		\$ 32

Notes

- [1] An additional deposit is required for all activities where alcohol is sold or served
- [2] All Classifications: Fee is applied to all approved inflatable requests to accompany a park rental
- [3] Includes projector and screen use
- [4] Exception: Until further notice, Parade Fees will not be charged for Public School District-sponsored parades.



CITY OF TRACY

Final Report Citywide User Fee Study

December 16, 2022

Prepared by:



Corporate Headquarters
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1. EXECUTIVE SUMMARY

NBS performed a User Fee Study (Study) for the City of Tracy (City). The purpose of this report is to describe the Study's findings and recommendations, which intend to defensibly update and establish user and regulatory fees for service for the City of Tracy, California.

California cities, counties, and special districts may impose user and regulatory fees for services and activities they provide through provisions set forth in the State Constitution, Article XIII C § 1. Under this legal framework, a fee may not exceed the reasonable cost of providing the service or performing the activity. For a fee to qualify as such, it must relate to a service or activity performed at the request of an individual or entity upon which the fee is imposed, or their actions specifically cause the local government agency to perform additional activities. In this instance, the service or underlying action causing the local agency to perform the service is either discretionary and/or is subject to regulation. As a discretionary service or regulatory activity, the user fees and regulatory fees considered in this Study fall outside of the definition and statutory requirement to impose general taxes, special taxes, and fees a result of property ownership.

The City's chief purposes in conducting this Study were to ensure that existing fees do not exceed the costs of service and to provide an opportunity for the City Council to re-align fee amounts with the adopted cost recovery policies.

1.1 Findings

This Study examined user and regulatory fees charged by various City divisions and departments, as listed below.

- Finance Department
- City Clerk's Office
- City Manager Cable TV Department
- Grand Theatre/Cultural Arts Division
- Building Safety Division
- Engineering Division
- Planning Division
- General Plan Maintenance Surcharge
- Community Facilities Division
- Recreation Division
- Police Department
- Animal Services Unit
- Public Works Department
- Municipal Airport
- Utilities Department

The following table provides a summary of the annual cost of service analysis results for each fee program studied:

TABLE 1. REPORT SUMMARY

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Finance Department	<i>data not available*</i>					
City Clerk's Office	<i>data not available*</i>					
City Manager Cable TV Department	1,095	2,576	(1,481)	43%	2,576	100%
Grand Theatre Center for the Arts/Cultural Arts Division	398,200	2,396,210	(1,998,010)	17%	398,200	17%
Development Services Dept.	5,249,857	4,735,249	514,608	111%	4,700,507	99%
Building Safety Division Engineering Division	3,498,312	5,624,366	(2,126,054)	62%	5,624,366	100%
Planning Division	466,183	886,140	(419,957)	53%	886,140	100%
General Plan Maintenance Surcharge	-	449,000	(449,000)	0%	381,650	85%
Community Facilities Division	282,819	1,399,305	(1,116,486)	20%	282,819	20%
Recreation Division	451,404	2,614,954	(2,163,550)	17%	451,404	17%
Police Department	188,588	198,084	(9,496)	95%	197,041	99%
Animal Services Unit	79,800	201,338	(121,538)	40%	149,461	74%
Public Works Department	<i>data not available*</i>					
Municipal Airport	756,052	795,347	(39,295)	95%	795,347	100%
Utilities Department	-	354,442	(354,442)	0%	354,442	100%
Total	\$ 11,372,310	\$ 19,657,011	\$ (8,284,701)	58%	\$ 14,223,953	72%

* sufficient data regarding activity levels for fees charged was not available for purposes of annual revenue analysis.

As shown, the Study identified approximately \$11.4 million in annual revenue collected at current fee amounts, versus \$19.7 million of estimated costs eligible for recovery from fees for service. The City is currently recovering approximately 58% of the total costs associated with providing fee related services. Should the Council adopt fee levels at 100% of the calculated full cost recovery fee amounts determined by this Study, an additional \$8.3 million in costs could be recovered.

However, as discussed in Section 2.2.3 of this report, there may be reasons why policy makers chose to adopt fees at less than the calculated full cost recovery amount. As such, City staff provided initial recommended fee amounts for Council's consideration. At City staff's initial recommended fee amounts, an additional \$2.9 million in costs could be recovered, for a cost recovery rate of 72%.

1.2 Report Format

This report documents analytical methods and data sources used throughout the Study, presents findings regarding current levels of cost recovery achieved from user and regulatory fees, discusses recommended fee amounts, and provides a comparative survey of fees to neighboring agencies for similar services.

- Section 2 of the report outlines the foundation of the Study and general approach.
- Sections 3 through 17 discuss the results of the cost of service analysis performed, segmented by category of fee and/or department. The analysis applied to each category/department falls into studies of: the fully burdened hourly rate(s), the calculation of the costs of providing

service, the cost recovery policies of each fee category, and the staff-recommended fees for providing services.

- Section 18 provides the grand scope conclusions of the analysis provided in the preceding sections.
- Appendices to this report include additional analytical details and a comparison of fees charged by neighboring agencies for similar services.

2. INTRODUCTION AND FUNDAMENTALS

2.1 Scope of Study

The following is a summarized list of fees studied for each Division and Department:

- Finance Department
 - Business Licenses
 - Transient Occupancy Tax (TOT)
- City Clerk's Office
 - Annual Subscriptions for Agendas and Minutes
 - Appeals
 - Document Certification
 - Photocopies
 - Duplicating Recording of Public Meeting
 - Notary and other Miscellaneous Administrative Processing Fees
- City Manager Cable TV Department
 - Video Production, Recording, Studio, and Post Production Services
- Grand Theatre/Cultural Arts Division
 - Hourly Rates for Full Time and Part Time Staff
 - Facility Use/Rental – Annual Cost Recovery Analysis
- Building Safety Division
 - Plan Check
 - Inspection and Permitting
- Engineering Division
 - Planning Application Review and Approvals
 - Land Development Engineering Application Review and Approvals
 - Subdivisions and Public Improvements Plan Check and Inspection
 - Other Miscellaneous Engineering Division Fees
- Planning Division
 - Planning Application Review and Approvals
 - Land Development Engineering Application Review and Approvals
 - Building Plan Check by Planning
- General Plan Maintenance Surcharge
 - General Plan Maintenance Surcharge
- Community Facilities Division
 - Hourly Rate for Full Time and Part Time Staff
 - Facility Use/Rental – Annual Cost Recovery Analysis
- Recreation Division
 - Hourly Rate for Full Time and Part Time Staff
 - Recreation Programs – Annual Cost Recovery Analysis
- Police Department

- Alarm Permits and False Alarm Fees
- Miscellaneous Business Permit Fees
- Record and Report Copy Fees
- Fingerprinting
- Taxi Permits
- Vehicle Release and Towing Fees
- Other Miscellaneous Administrative Fees
- Animal Services Unit
 - Animal Adoption
 - Board and Care
 - Cat Carrier, Neuter, Spay
 - Collar Identification
 - Dog Neuter, Spay
 - Impound
 - License Fee
 - Rabies Vaccination and Other Vaccinations
 - Veterinary Services
- Public Works Department
 - Banner Installation and Removal
 - Tree Removal
 - Tree Pruning/Maintenance
 - Special Events Support
 - Utilities Turn on/off
 - Shopping Cart Retrieval
 - Sidewalk Maintenance
- Municipal Airport
 - Overall Cost Recovery Analysis of Facility Use/Rental
- Utilities Department
 - NPDES MS4 Permit and Water Efficiency Review
 - Stormwater Post-Construction Standards Review
 - Water Efficient Landscape Ordinance (WELO) Review
 - Stormwater Post-Construction Treatment Annual Maintenance Inspection
 - Construction General Permit – SWPPP or ESCP
 - Construction Water – Metering
 - Pre-Treatment Program
 - Discharge Permit
 - Environment Compliance
 - New Water Main Testing

The fees examined in this Study specifically excluded development impact fees, utility rates, and any special tax assessments, all of which fall under distinct analytical and procedural requirements different from the body of user/regulatory fees analyzed in this effort. Additionally, this Study excluded facility and equipment rental rates, as well as most of fines and penalties imposed by the City for violations to its

requirements or codes. (The City is not limited to the costs of service when charging for entrance to or use of government property, or when imposing fines and penalties.)

2.2 Methods of Analysis

There are three phases of analysis completed for each City department or program studied:

1. Cost of service analysis
2. Fee establishment
3. Cost recovery evaluation

2.2.1 COST OF SERVICE ANALYSIS

This cost of service analysis is a quantitative effort that compiles the full cost of providing governmental services and activities. There are two primary types of costs considered: direct and indirect costs. Direct costs are those that specifically relate to an activity or service, including the real-time provision of the service. Indirect costs are those that support the provision of services in general but cannot be directly or easily assigned to a singular activity or service.

Direct Costs:

- **Direct personnel costs** – Salary, wages and benefits expenses for personnel specifically involved in the provision of services and activities to the public.
- **Direct non-personnel costs** – Discrete expenses incurred by the Department/Division due to a specific service or activity performed, such as contractor costs, third-party charges, and very specific materials used in the service or activity.

Indirect Costs:

- **Indirect personnel costs** – Personnel expenses supporting the provision of services and activities. This can include line supervision and departmental management, administrative support within a department, and staff involved in technical support activities related to the direct services provided to the public.
- **Indirect non-personnel costs** – Expenses other than labor involved in the provision of services. In most cases, these costs are allocated across all services provided by a department, rather than directly assigned to individual fee/rate categories.
- **Overhead costs** – These are expenses, both labor and non-labor, related to agency-wide support services. Support services include general administrative services such as City Manager, Finance, Human Resources, etc. The amount of costs attributable to the departments or divisions included in this Study were sourced from the City's Cost Allocation Plan.

All cost components in this Study use annual (or annualized) figures, representing a twelve-month cycle of expenses incurred by the City in the provision of all services and activities Citywide.

Nearly all of the fees under review in this Study require specific actions on the part of City staff to provide the service or conduct the activity. Because labor is the primary underlying factor in these activities, the Study expresses the full cost of service as a fully burdened cost per labor hour. NBS calculates a

composite, fully burdened, hourly rate for each department, division, program, or activity, as applicable to the specific organization and needs of each area studied. The rate serves as the basis for further quantifying the average full cost of providing individual services and activities.

Deriving the fully burdened labor rate for each department, and various functional divisions within a department, requires two figures: the full costs of service and the number of hours available to perform those services. The full costs of service are quantified through the earlier steps described in this analysis. NBS derives the hours available from a complete listing of all City employees and/or hours of service available from contracted professionals.

The City has supplied NBS with the total number of paid labor hours for each employee involved in the delivery of services included in this Study. These available hours represent the amount of productive time available for providing both fee-recoverable and non-fee recoverable services and activities. The productive labor hours divided into the annual full costs of service equals the composite fully burdened labor rate. Some agencies also use the resulting rates for other purposes than setting fees, such as when the need arises to calculate the full cost of general services or structure a cost recovery agreement with another agency or third party.

Fully burdened labor rates applied at the individual fee level estimate an average full cost of providing each service or activity. This step required the development of staff time estimates for the services and activities listed in the City's fee schedule. For all fee programs studied, time tracking records (if available) were useful in identifying time spent providing general categories of service (e.g. division administration, plan review, inspection, public information assistance, etc.). However, the City does not systematically track activity service time for all departments, or all individual fee-level services provided. Consequently, interviews and questionnaires were used to develop the necessary data sets describing estimated labor time. In many cases, the City estimated the average amount of time (in minutes and hours) it would take to complete a typical occurrence of each service or activity considered.

It should be noted that the development of these time estimates was not a one-step process: estimates received were carefully reviewed by both NBS and departmental management to assess the reasonableness of such estimates. Based on this review, the City reconsidered its time estimates until both parties were comfortable that the fee models reasonably reflected the average service level provided by the City. Then, time estimates were applied to the appropriate fully burdened labor rate to yield an average total cost of the service or activity.

2.2.2 FEE ESTABLISHMENT

Establishing fees includes a range of considerations. The Study's process provided each division the opportunity to propose additions and deletions to their fee schedules, as well as rename, reorganize, and clarify fee names and categories. In most cases, the current structure of fees did not change; the focus is to recalibrate the fee amount to match the costs of services. In several cases, however, fee categories and fee names were simplified or re-structured to increase the likelihood of full cost recovery, or to enhance the fairness of how the fee applies to various types of fee payers.

Many such revisions better conform fees to current practices, as well as improve the calculation of fees owed by an individual, the application of fees, and the collection of revenues. Beyond this, some additions to the fee schedule were simply identification of existing services or activities performed by City staff for which no fee is currently charged.

The City's fee schedule should include the list of fully burdened rates developed by the Study. Documenting these rates in the fee schedule provides an opportunity for the City Council to approve rates for cost recovery under a "time and materials" approach. It also provides clear publication of those rates, so fee payers of any uniquely determined fee can reference the amounts. The fee schedule should provide language that supports special forms of cost recovery for activities and services not contemplated by the adopted master fee schedule. These rare instances use the published rates to estimate a flat fee, or bill on an hourly basis, at the discretion of the director of each department.

2.2.3 COST RECOVERY EVALUATION

The NBS fee model compares the existing fee for each service or activity to the average total cost of service quantified through this analysis. A cost recovery rate of 0% identifies no current recovery of costs from fee revenues (or insufficient information available for evaluation). A rate of 100% means that the fee currently recovers the full cost of service. A rate between 0% and 100% indicates partial recovery of the full cost of service through fees. A rate greater than 100% means that the fee exceeded the full cost of service.

User fees and regulatory fees examined in this Study should not exceed the full cost of service. In other words, the cost recovery rate achieved by a fee should not be greater than 100%. In most cases, charging a fee above this threshold could require the consensus of the voters.

NBS also assists with modeling the "recommended" or "targeted" level of cost recovery for each fee, always established at 100%, or less, than the calculated full cost of service. Targets and recommendations always reflect agency-specific judgments linked to a variety of factors, such as existing policies, agency-wide or departmental revenue objectives, economic goals, community values, market conditions, level of demand, and others.

A general means of selecting an appropriate cost recovery target is to consider the public and private benefits of the service or activity in question.

- To what degree does the public at large benefit from the service?
- To what degree does the individual or entity requesting, requiring, or causing the service benefit?

When a service or activity completely benefits the public at large, there is generally little to no recommended fee amount (i.e., 0% cost recovery), reflecting that a truly public-benefit service is best funded by the general resources of the City, such as General Fund revenues (e.g., taxes). Conversely, when a service or activity completely benefits an individual or entity, there is generally closer to or equal to 100% of cost recovery from fees, collected from the individual or entity. An example of a completely private benefit service may be a request for exemption from a City regulation or process.

In some cases, a strict public-versus-private benefit judgment may not be sufficient to finalize a cost recovery target. Any of the following other factors and considerations may influence or supplement the public/private benefit perception of a service or activity:

- If optimizing revenue potential is an overriding goal, is it feasible to recover the full cost of service?
- Will increasing fees result in non-compliance or public safety problems?
- Are there desired behaviors or modifications to behaviors of the service population helped or hindered through the degree of pricing for the activities?
- Does current demand for services support a fee increase without adverse impact to the citizenry served or current revenue levels? (In other words, would fee increases have the unintended consequence of driving away the population served?)
- Is there a good policy basis for differentiating between type of users (e.g., residents and non-residents, residential and commercial, non-profit entities, and business entities)?
- Are there broader City objectives that inform a less than full cost recovery target from fees, such as economic development goals and local social values?

Because this element of the Study is subjective, NBS provides each fee calculation at 100% full cost recovery as well as the framework for the City to adjust recommended fee amounts in accordance with the City's goals as pertains to code compliance, cost recovery, economic development, and social values. City staff and elected officials are responsible for localizing the information into a Master Fee Schedule that meets community needs.

2.2.4 COMPARATIVE FEE SURVEY

Appendix B presents the results of the Comparative Fee Survey for the City of Tracy. Often policy makers request a comparison of their jurisdiction's fees to surrounding or similar communities. The purpose of a comparison is to provide a sense of the local market pricing for services, and to use that information to gauge the impact of recommendations for fee adjustments.

NBS worked with the City to choose five comparative agencies: Brentwood, Stockton, Livermore, Manteca and Modesto. The following should be noted about the general approach to, and use of, comparative survey data:

- Comparative surveys do not provide information about the cost recovery policies or procedures inherent in each comparison agency.
- A "market based" decision to price services below the full cost of service calculation, is the same as making a decision to subsidize that service.
- Comparative agencies may or may not base their fee amounts on the estimated and reasonable cost of providing services. NBS did not perform the same level of analysis provided for this Study on the comparative agencies' fees.
- Comparative fee survey efforts are often non-conclusive for many fee categories. Comparison agencies typically use varied terminology for provision of similar services.

In general, NBS reasonably attempts to source each comparison agency's fee schedule from the Internet, and compile a comparison of fee categories and amounts for the most readily comparable fee items that match the client's existing fee structure.

2.2.5 DATA SOURCES

The following data sources were used to support the cost of service analysis and fee establishment phases of this Study:

- The City of Tracy's Adopted Budget for Fiscal Year 2018-2019. Given the long timeline required to complete the Study, a 2% COLA adjustment was added to all salary costs included in the analysis to keep better pace with current year costs.
- A complete listing of all City personnel, salary/wage rates, regular hours, paid benefits, and paid leave amounts – provided by the Finance Department.
- Various correspondences with the City staff supporting the adopted budgets and current fees, including budget notes and expenditure detail not shown in the published document.
- Prevailing fee schedules by each involved department/division, per the City's Master Fee Schedule for FY 20/21.
- When available, annual workload data from a prior fiscal year provided by each involved department/division.

The City's adopted budget is the most significant source of information affecting cost of service results. NBS did not audit or validate the City's financial management and budget practices. This Study has accepted the City's budget as a legislatively adopted directive describing the most appropriate and reasonable level of City spending. Consultants accept the City Council's deliberative process and ultimate acceptance of the budget plan and further assert that through that legislative process, the City has yielded a reasonable expenditure plan, valid for use in setting cost-based fees.

3. FINANCE DEPARTMENT

The Finance Department ensures the fiscal foundation necessary to deliver community services. The Department is responsible for City budget preparation and compliance, accounting and financial reporting, debt issuance and management, accounts payable, City employee payroll preparation, utility billing, business licensing, accounts receivable, cashiering, and sales. The Finance Department also includes the elected office of City Treasurer who oversees the investment of City funds.

The Finance Department section of the City's fee schedule includes several miscellaneous administrative fees for services such as Business Licenses and Transient Occupancy Tax.

- Business Licenses –
 - Transfer, assignment, or duplication fee – The City outsources this service; rates are subject to increase by CPI at beginning of each calendar year per City agreement with Vendor.
 - State disability access fee – This fee is set by the State of California and is included on the fee schedule for transparency to applicants.
- Transient Occupancy Tax – Transient Occupancy Tax does not currently reside on City's Master Fee Schedule but is being added as part of this Study. The City outsources this service; rates are subject to increase by CPI at beginning of each calendar year per City agreement with Vendor.

The City of Tracy Finance Department facilitates the services listed above by outsourcing them to a third party. Since the services are outsourced, no cost of service analysis was performed. Appendix A.1 presents displays the Finance Department's proposed list of fees to be included in the Master Fee Schedule.

4. CITY CLERK'S OFFICE

The City Clerk's Office provides a variety of administrative services in support of the City Council, including preparing City Council and other agency agendas and minutes, maintaining the City's official records, recruiting for City Council appointed boards and commissions, administering City elections, and serving as Filing Officer for the Fair Political Practices Commission.

4.1 Cost of Service Analysis

NBS developed a composite, fully burdened, hourly rate for the City Clerk's Office as shown in Table 2 below:

TABLE 2. FULLY BURDENED HOURLY RATE – CITY CLERK

Cost Element	Direct Services
Labor	\$ 164,222
Recurring Non-Labor	44,171
Citywide Overhead	16,960
Division Administration	79,507
Department Total	\$ 304,860
Fully Burdened Hourly Rate	\$ 117
<i>Reference: Direct Hours Only</i>	2,604

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. All subsequent cost of service calculations at the individual fee level assumes a fully burdened hourly rate of **\$117**.

4.2 Fee Establishment

The following is a summary of changes made to the City's fee schedule for the City Clerk's Office:

- Fees for CCTV services, including Video Production, Recording, Studio, and Post Production Services will be moved to a separate fee schedule, see Chapter 5.
- The following are newly added fee categories; notated as "New" in the Current Fee / Deposit column of Appendix A.2:
 - Administrative Processing – Medical Leave Bank
 - Project Requiring Municipal Code Update

Section 2.2.3, *Fee Establishment*, provides additional discussion on the Study's approach to adding, deleting, and revising fee categories.

4.3 Cost Recovery Evaluation

Appendix A.2 presents the results of the detailed cost recovery analysis for the City Clerk's fees. In the Appendix, the "Cost of Service per Activity" column establishes the maximum adoptable fee amount for the corresponding service identified in the "Fee Name" list. The "Cost of Service Per Activity" for each fee item is compared to the City's current fee for each service, and the "Existing Cost Recovery %" shows whether each fee is under, over, or approximately equal to the cost of providing the service.

There were no instances of activity during the time period reflected in this analysis, therefore no annual projected revenue impact is provided.

5. CITY MANAGER CABLE TV DEPARTMENT (CCTV)

The City Manager Cable TV (CCTV) Department provides the residents with programming that reflects the City's diversity. Festivals, Parades, Ground Breakings, Music, City Council Meetings, Ribbon Cuttings and Block Parties are a few of the programs offered by the City's Governmental Access Station.

5.1 Cost of Service Analysis

CCTV staff provide services internally to various City departments, as well as externally to residents and local businesses that wish to utilize the City's studio and production facilities. Table 3 below reflects the annual cost of service analysis outcome for internal services to other City Departments, labeled as "Cable TV / Citywide Internal Production Support". Additionally, NBS developed a set of composite fully burdened hourly rates for full-time and part-time CCTV personnel. This structure of hourly rates best reflects the way the Department typically staffs CCTV services and activities.

TABLE 3. FULLY BURDENED HOURLY RATES – CCTV – FULL TIME/PART TIME

Cost Element	Cable TV / Citywide Internal Production Support	Video Production Services - Fee Program - City FT Staff	Video Production Services - Fee Program - PT Staff
Labor	\$ 118,350	\$ 5,539	\$ 2,258
Recurring Non-Labor	30,577	1,431	583
Citywide Overhead	10,353	485	198
Division Administration	72,605	3,398	1,385
Department Total	\$ 231,886	\$ 10,853	\$ 4,425
Fully Burdened Hourly Rate	n/a	\$ 156	\$ 62
<i>Reference: Direct Hours Only</i>	n/a	69	71
Overtime Rate	n/a	\$ 184	\$ 73

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. All subsequent cost of service calculations at the individual fee level assumes a fully burdened hourly rate of **\$156** for full-time employees and **\$62** for part-time employees in support of external customers. When work is performed after hours, a rate of **\$184** for full-time employees, and **\$73** for part-time employees can be used.

5.2 Fee Establishment

The following is a summary of changes made to the CCTV fee schedule:

- Segregation of CCTV fee categories from City Clerk Office's fee schedule.
- Clarification of basic fee descriptions to better reflect services provided

- Addition of a new fee category for Project Application review. In general, CCTV staff provide project scoping services free of charge. Once an application for an event or production is received to formally initiate a project, this fee would apply.

Section 2.2.2, *Fee Establishment*, provides additional discussion on the Study’s approach to adding, deleting, and revising fee categories.

5.3 Cost Recovery Evaluation

Appendix A.3 presents the results of the detailed cost recovery analysis for CCTV fees. These fees are charged to residents and businesses that wish to utilize the City’s studio and production facilities. The City does not currently charge internal departments for CCTV services.

In the Appendix, the “Cost of Service per Activity” column establishes the maximum adoptable fee amount for the corresponding service identified in the “Fee Name” list. The “Cost of Service Per Activity” for each fee item is compared to the City’s current fee for each service, and the “Existing Cost Recovery %” shows whether each fee is under, over, or approximately equal to the cost of providing the service.

CCTV fees currently recover approximately 43% of the total annual cost of providing services. As shown in the following table, the City collects approximately \$1,095 per year in revenues at current fee amounts. At full cost recovery, the same demand for these services would recover approximately \$2,600. Should the City Council adopt all fees at 100% of the Cost of Service per Activity amounts shown, revenue will increase by approximately \$1,500 per year.

TABLE 4. COST RECOVERY OUTCOME - CCTV

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
City Manager Cable TV Department	1,095	2,576	(1,481)	43%	2,576	100%

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, City Manager Cable TV staff, considered appropriate cost recovery levels at or below that full cost. The “Recommended Fee Level / Deposit” column in Appendix A.3 displays staff’s initial recommended fee amounts. City Staff recommended recovering 100% of the costs of providing services.

For more discussion on NBS’ overall approach to the Cost Recovery Evaluation, consult section 2.2.3 of the Report.

6. GRAND THEATRE CENTER FOR THE ARTS / CULTURAL ARTS DIVISION

The Grand Theatre Center for the Arts is a professional arts organization and educative center within City government, as well as an important public resource as an economic redevelopment project in historic downtown Tracy. The Grand is a managed facility of the Division as a municipal, regional, interdisciplinary arts center. The Center features two theatres, three galleries, nine studio classrooms, as well as numerous public spaces built throughout five interconnected buildings. This design creates a lively point of community congregation, a unique cultural destination in the region, and provides significant cultural influence to the public and peers groups alike. The Cultural Arts Division Staff hosts the community-at-large and regularly consults with arts and cultural groups, as well as government and planning professionals seeking collaboration and information for use in their own projects. The Grand Foundation is the dedicated non-profit fundraising partner of the facility supporting programming and technical needs. The Center will celebrate its 15th Anniversary Season in 2021-22, and commemorate the 100-Year Anniversary of the historic Grand Theatre in 2023.

6.1 Cost of Service Analysis

For purposes of analysis, the cost of three primary categories of services offered at the Center were analyzed:

- Arts Education Program – providing instruction in dance, drama, music, literary arts, and visual arts. The City charges a fee for these services and class offerings, which experience normal fluctuations seasonally or annually depending on the demand for services and/or availability of staff or contractors to run classes.
- Rental Program – the specialized amenities, spaces, and equipment may be rented for use for events, productions, and school & community events.
- Other Cultural Arts and Theatre Programs – including Exhibitions Program, Presenting Program, Volunteer Program, Tracy Arts Commission, etc.

The following table shows the annual cost of service outcomes for the Grand Theatre Center for the Arts and Cultural Arts Division in total, as well as per each service category:

TABLE 5. GRAND THEATRE CENTER FOR THE ARTS / CULTURAL ARTS ANNUAL COST OF SERVICE ANALYSIS

Cost Element	Arts Education Program	Rental Program	Other Cultural Arts and Theatre Programs	TOTAL
Labor	\$ 188,961	\$ 179,657	\$ 300,443	\$ 669,061
Recurring Non-Labor	308,409	171,613	675,810	1,155,833
Citywide Overhead	16,365	15,560	26,020	57,946
Division Administration	140,074	100,019	273,278	513,371
Total	\$ 653,810	\$ 466,849	\$ 1,275,551	\$ 2,396,210

As shown, the total annual cost of providing all Center and Cultural Arts Division services is approximately \$2.4 million per year. Additionally, NBS developed a set of composite fully burdened hourly rates for full-time and part-time personnel. This structure of hourly rates best reflects the way the Division typically staffs its services and activities.

TABLE 6. FULLY BURDENED HOURLY RATES – GRAND THEATRE CENTER FOR THE ARTS/CULTURAL ARTS – FULL TIME/PART TIME

Cost Element	Full-Time	Part-Time	TOTAL
Salaries	\$ 389,080	\$ 56,178	\$ 445,257
Benefits	195,567	28,237	223,804
Recurring Non-Labor	873,912	126,181	1,000,093
Citywide Overhead	50,635	7,311	57,946
Division Administration	448,600	64,771	513,371
Total	\$ 1,957,793	\$ 282,678	\$ 2,240,470
Fully Burdened Hourly Rate	\$ 159	\$ 48	\$ 124
<i>Reference: Direct Hours Only</i>	12,293	5,834	18,127
Overtime Rate	\$ 175	\$ 53	\$ 136

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. For cost recovery related to support of any direct services provided to the public for use of the Center or when developing the cost of individual and/or seasonal arts education programs, the Division may utilize the fully burdened rate of **\$159** for full-time employees, **\$48** for part-time employees, or **\$124** as an average rate regardless of full or part time status. When work is performed after hours, a rate of **\$175** for full-time employees, **\$53** for part-time employees, and **\$136** on average can be used.

6.2 Fee Establishment

The Division’s current fee structure includes fees for Arts Education and Rental Programs. Fee revenue represents an important source of funding to help cover costs and sustain, if not improve, the level of service provided by the City.

Arts Education Program Fees listed on the fee schedule can include Ceramics & Fused Glass, Dance, Drama, Visual Arts, Music, Literary Arts, Senior classes, and more.

Fees for use of the Center are categorized as follows:

- EK Theatre and Studio Theatre are currently charged for an initial baseline number of hours of facility use, plus an hourly rate for additional hours of use as needed. Fee amounts vary depending on whether the facility is utilized during “Prime Time” hours or “Non-Prime Time” hours, whether the use of the facility is for a rehearsal, meeting, or performance, and whether the fee payor is a Non-Profit or Commercial entity.

- Box Office services are charged per event. Spaces such as the Dance Studio, Visual Arts Studios, Children’s Studio, Lobby Areas, etc. are charged per hour of use, with lower required numbers of initial baseline hours of paid use. Rates for Non-Profit and Commercial use vary, like the EK Theatre and Studio Theatre rates.
- Equipment rental such as pianos, microphone, tables, chairs, etc., and technical support are charged mostly on a per use / each basis.
- Miscellaneous labor fees are charged by the hour for various positions required for technical or facilitation services. Additional fees such as janitorial services per day, and an agreement processing fee also apply.

During the Study, NBS and the Division did not restructure the names and categorization of services shown within the list of current fees. The structure of fees for the Division is working well for the City, and it was determined that the City could continue with current practices or revise the fee structure on an ongoing basis as program offerings for Arts Education change, or as the groups using the Theatre’s needs change over time. The next section, Cost Recovery Evaluation, provides some specific legal parameters and industry norms specific to the setting of rental rates for government owned facilities, and recreational programs.

6.3 Cost Recovery Evaluation

The fees charged by the Grand Theatre Center for the Arts / Cultural Arts Division are either fees for recreational classes and programs, or fees for use of government property (the Center). Per Article XIII C of the California Constitution, classes and program fees are limited to the estimated costs of providing services.¹ The Article’s language pertaining to fees for use of government property does not include the “reasonable costs” limitation;² however, a general law city is subject to the constraint on the amount of a fee charged by Government Code section 50402.³

Recreation class and program offerings are typically seasonal in nature. They change subject to availability of resources to provide specialized instruction as well as local demand for the type of instruction offered. Additionally, pricing of services tends to be significantly influenced by the price for similar services offered by surrounding public agencies and other non-profit providers.

Because of these conditions, NBS’s approach to cost recovery evaluation is to perform a high-level cost analysis by basic program area to assist with understanding cost recovery performance and in developing a cost recovery policy, rather than an analysis at the individual fee level as seen in most other chapters of this report. The program-level cost recovery analysis estimated the Division’s annual cost recovery performance by comparing the revenues collected, to the total program costs established through the Study. The following table summarizes results of that analysis:

¹ Article XIII C, Section 1 (e)(2) Exception for Fees for Services and Products Provided

² Article XIII C, Section 1 (e)(4) exception for fees for use of government property

³ 50402 (a) A city, county, or city and county owning property or leasing property which is devoted to park, amusement, or recreational purposes may make a charge for use or services provided therein in the amount as may be provided by resolution by the governing body. No charge shall be imposed which exceeds the cost of the service provided.

**TABLE 7. COST RECOVERY EVALUATION – GRAND THEATRE CENTER FOR THE ARTS /
CULTURAL ARTS DIVISION**

Cost Element	Arts Education Program	Rental Program	Other Cultural Arts and Theatre Programs	TOTAL
Labor	\$ 188,961	\$ 179,657	\$ 300,443	\$ 669,061
Recurring Non-Labor	308,409	171,613	675,810	1,155,833
Citywide Overhead	16,365	15,560	26,020	57,946
Division Administration	140,074	100,019	273,278	513,371
Total	\$ 653,810	\$ 466,849	\$ 1,275,551	\$ 2,396,210
FY 17/18 Actual Revenue	\$120,000	\$ 68,000	\$ 210,200	\$398,200
Current Cost Recovery %	18%	15%	16%	17%

As shown, the City recovers approximately 18% of the full cost of running the Arts Education Program, 15% of the Rental Program, and 16% of Other Cultural Arts and Theatre Programs. The City collects approximately \$398,000 per year in revenues at current fee amounts. At full cost recovery, the same demand for these services would recover approximately \$2.4 million. If the City were to charge 100% full cost recovery for these services, of the cost of providing each service, an additional \$2.0 million in costs could be recovered.

The seasonal and market driven pricing nature of the service offered by the Grand Theatre Center for the Arts & Cultural Arts Division will influence how best to use the Cost Recovery Evaluation's results toward updating the Division's individual fee amounts. It is uncommon for cultural arts programs, especially those for senior and youth, to recover 100% of the costs of providing services. These programs are generally seen by both elected officials and residents as a service beneficial to the community that should remain affordable to encourage participation. The Division and Council may want to consider an overall percentage increase to existing fee amounts "across the board" to come closer to, but not completely achieve, 100% cost recovery for any given program. For more discussion on factors influencing policy decisions to recover 100%, or less, of any given service through fees for service, see *Section 2.2.3, Cost Recovery Evaluation*, of this Report.

NBS provides the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, Division staff and City Council, can utilize this information to recommend and adopt fees at appropriate cost recovery levels equal to or below the full cost calculation. The Division's staff report provides any initially recommended changes to fees for the Council's consideration.

7. BUILDING SAFETY DIVISION

The Building Safety Division is responsible for permit processing, plan review, and inspections. The team provides public counter services, plan review for residential projects and commercial projects, and field inspections for code compliance during the construction phase of a project.

7.1 Cost of Service Analysis

NBS calculated the total estimated annual cost of Building Safety Division services, segregated between those costs that are eligible and/or targeted for recovery in fees for service, versus those that require another funding source other than fees. Fee-recoverable costs are also translated into a “fully burdened” hourly rate, for purposes of individual fee calculations. Table 8 shows the summary of outcomes from the Cost of Service Analysis:

TABLE 8. FULLY BURDENED HOURLY RATE - BUILDING

Cost Element	Public Information / Counter Time	CIP	Code Enforcement / Complaint Response	Direct Permitting Services - Processing	Direct Permitting Services - Plan Check	Direct Permitting Services - Inspection	TOTAL
Labor	\$ 158,896	\$ 41,256	\$ 68,465	\$ 105,890	\$ 302,475	\$ 730,025	\$ 1,407,007
Recurring Non-Labor	30,139	7,825	12,986	20,085	606,330	607,228	1,284,594
City-wide Overhead	20,163	5,235	8,688	13,437	38,382	92,634	178,538
Allocated Common Activities	61,481	15,963	26,491	40,971	278,366	420,226	843,497
Division Total	\$ 270,678	\$ 70,279	\$ 116,630	\$ 180,383	\$ 1,225,552	\$ 1,850,113	\$ 3,713,636
Cost Recovery Targeted from Fees	95%	0%	0%	100%	100%	100%	95%
Amount Targeted for Consideration in Billings/Fees	257,145	-	-	180,383	1,225,552	1,850,113	3,513,193
Amount Requiring Another Funding Source	13,534	70,279	116,630	-	-	-	200,443
Fully Burdened Hourly Rate							\$ 134
Reference: Direct Hours Only							26,172
Overtime Rate							\$ 147

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. The total annual cost of the Building Safety Division per year is approximately \$3.7 million. Approximately 95% of the total costs are eligible and/or targeted for recovery in fees, while approximately \$200,000 require another funding source. All subsequent cost of service calculations at the individual fee level assume a fully burdened hourly rate of **\$134** for the Building Safety Division. When work is performed after hours, a rate of **\$147** can be used.

The cost category columns shown in the table above were adapted and summarized from Division staff interviews. To assist the reader in understanding the underlying costs and assumptions used to calculate the fully burdened hourly rate, the following provides summary descriptions of each cost category:

- **Public Information / Counter Services** – Building Safety Division staff respond to phone calls and general information requests at the public counter. Costs associated with the provision of public information and public counter services are not only a basic and expected function of governmental services to the public, but also a supportive service to active and incoming

requests for plan check and permitting. Building Safety Division staff estimated that approximately 95% of these costs support the plan check and permitting process and are therefore targeted for recovery in fees for services, while the remaining 5% are pertaining to general governmental services such as public records requests, or inquiries that do not pertain to an active project or result in an active permit application. General governmental services require another funding source than fees for services.

- **CIP** – Building staff support the review and Implementation of various City capital improvement projects (CIP). These costs are not targeted for recovery in building's fees for services and should be recovered from the City's capital project funding sources.
- **Code Enforcement / Complaint Response** – Work activities in response to a complaint received by the Building Division related to violation of a prior condition of approval, Ordinance or State law. Includes complaint investigation, follow up, and any associated abatement or enforcement actions. These costs could be recovered through fines or penalties when efforts to gain compliance become excessive.
- **Direct Permitting Services (Processing/Plan Check/Inspection)** – Work activities associated with active building processing, plan check and permit applications, and inspection. 100% of these costs are recoverable in fees for service.

7.2 Fee Establishment

The City's basis for most of its Building, Electrical, Mechanical, and Plumbing Permits is to determine a project's value, as determined by building valuation data table, and to then apply fee amounts as established by the 1997 Administrative Code. While use of the 1997 Administrative Code fee table is an acceptable method for setting fees, the structure and amounts of fees charged by the City as a result are outdated in terms of current industry practices employed in California in 2021. The Building Division's fees are regulatory in nature, and in California are also limited to the cost of providing the service for which the fee is charged. This Study focused on aligning fee amounts with the cost of services provided rather than applying the 1997 Administrative Code's fee amounts at face values.

Overall, the Division took the opportunity within this Fee Study to significantly restructure the fee schedule. Notable changes include:

- **Building Permit and Plan Check Fees** - Overall, the method of calculating fees in terms of first establishing a project's value and then applying the fee amounts from the scaled fee table is the same.
 - Recommended publishing actual scaled fee tables so the public can see what fee amounts apply per the value of their project.
 - Expanded scaled tables to include higher project value tiers to better align with City's currently experienced average project valuations.
 - Developed separate scaled tables between Residential/Multi-Family/Commercial/Industrial building code designations.
- **Miscellaneous Minor Permits** - Based on a review of recent building permit record types, a list of over the counter permit projects was established. The list includes projects such as: demolition, pools, patio covers, decks, doors/windows, remodels, re-roof, signs, etc. These

fees can be charged on a “per project”/ “per permit” basis, and do not need to utilize the project value approach required for larger projects with more elaborate scopes of work involved.

- Electrical, Mechanical, and Plumbing Permit Fees – these fees continue to be itemized so that permits can be combined with larger projects that are assessed Building Permit and Plan Check Fees, as well as be tailored for small stand-alone projects such as changing out a residential water heater.
- Addition of new fee categories, notated as “New” in the Current Fee / Deposit column of Appendix A.4:

7.3 Cost Recovery Evaluation

Appendix A.4 presents the results of the detailed cost recovery analysis for the Building Safety Division’s fees. In the Appendix, the “Cost of Service per Activity” column establishes the maximum adoptable fee amount for the corresponding service identified in the “Fee Name” list. The “Cost of Service Per Activity” for each fee item is compared to the City’s current fee for each service, and the “Existing Cost Recovery %” shows whether each fee is under, over, or approximately equal to the cost of providing the service.

This Cost of Service per Activity calculation is reflective of the Building Division’s costs, as well the Engineering Division’s costs for supportive review as required by the City’s established development review processes. Planning also provides supportive review to Building Division plan and permit submittals. Planning has established a separate set of fees to be applied per project for each review completed, whereas the cost for providing inspection support for BSD projects are represented herein.

Building Safety Division fees currently recover approximately 111% of the total annual cost of providing services. As shown in the following table, the City collects approximately \$5.2 million per year in revenues at current fee amounts. At full cost recovery, the same demand for these services would recover approximately \$4.7 million. Should the City Council adopt all fees at 100% of the Cost of Service per Activity amounts shown, revenue will decrease by approximately \$515,000 per year.

TABLE 9. COST RECOVERY OUTCOME

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Building Safety Division	5,249,857	4,735,249	514,608	111%	4,700,507	99%

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, Building Safety Division staff, considered appropriate cost recovery levels at or below that full cost. The “Recommended Fee Level / Deposit” column in Appendix A.4 displays staff’s initial recommended fee amounts. With staff’s recommended adjustments, building fees are projected to recover just under 100% of the costs of providing services. For more discussion on NBS’ overall approach to the Cost Recovery Evaluation, consult section 2.2.3 of the Report.

8. ENGINEERING DIVISION

The Engineering Division reviews plans for all private developments including residential, commercial, and industrial development to ensure conformance with City standards. Inspection services ensure compliance with city standards on all public and private projects. The sections within the Engineering Division covered by this analysis include Engineering Project Review, Construction management, and Project Plan Checks.

8.1 Cost of Service Analysis

NBS calculated the total estimated annual cost of fee related services within the Engineering Division, and translated costs into a “fully burdened” hourly rate, for purposes of individual fee calculations. Table 10 shows the summary of outcomes from the Cost of Service Analysis:

TABLE 10. FULLY BURDENED HOURLY RATE - ENGINEERING

Expenditure Type	Development Plan Check	Development Inspection	Total
Labor	\$ 787,133	\$ 848,375	\$ 1,635,509
Recurring Non-Labor	131,070	1,541,812	1,672,882
City-wide Overhead	91,178	268,502	359,681
Allocated Common Activities	178,259	469,531	647,790
Division Total	\$ 1,187,640	\$ 3,128,221	\$ 4,315,862
Fully Burdened Hourly Rate	\$ 108	\$ 130	
<i>Reference: Direct Hours Only</i>	11,016	24,036	
Overtime Rate	\$ 133	\$ 142	

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. The total annual cost of the Engineering Division per year is approximately \$4.3 million. All subsequent cost of service calculations at the individual fee level assume a fully burdened hourly rate of **\$108** for Development Plan Check and **\$130** for Development Inspection. When work is performed after hours, a rate of **\$133** can be used for Development Plan Check and **\$142** for Development Inspection.

8.2 Fee Establishment

The following is a summary of overall changes made to the City’s fee schedule for the Engineering Division:

- Addition of new fee categories, notated as “New” in the Current Fee / Deposit column of Appendix A.5:
 - Final Subdivision Map Review – greater than 100 lots, each additional 100 lots

- Non-Technical Correction
- Legal description and plat review (lot merger)
- Water treatment plan check/ NPDES Compliance
- MWELO
- Multi-Family Projects/Subdivisions
- Deletion of duplicate fee categories, and restructuring of fees to provide better readability, and to better align with current practices and service offerings.
 - Inspection Improvement Agreement deleted and grouped with Agreement Processing
 - Encroachment Permits restructured to group into Minor, Moderate and Major
 - Building Moving or Oversized Load moved to Building fee schedule

Section 2.2.2, Fee Establishment, provides additional discussion on the Study’s approach to adding, deleting, and revising fee categories.

8.3 Cost Recovery Evaluation

Appendix A.5 presents the results of the detailed cost recovery analysis for the Engineering Division’s fees. In the Appendix, the “Cost of Service per Activity” column establishes the maximum adoptable fee amount for the corresponding service identified in the “Fee Name” list. The “Cost of Service Per Activity” for each fee item is compared to the City’s current fee for each service, and the “Existing Cost Recovery %” shows whether each fee is under, over, or approximately equal to the cost of providing the service.

Each Cost of Service per Activity calculation is reflective of the Engineering Division’s development plan check and inspection costs, as well the Planning, Building, and Public Works department/division costs for supportive review as required by the City’s established development review processes.

Engineering Division’s fees currently recover approximately 62% of the total annual cost of providing services. As shown in the following table, the City collects approximately \$3.5 million per year in revenues at current fee amounts. At full cost recovery, the same demand for these services would recover approximately \$5.6 million. Should the City Council adopt all fees at 100% of the Cost of Service per Activity amounts shown, revenue will increase by approximately \$2.1 million per year.

TABLE 11. COST RECOVERY OUTCOME

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Engineering Division	3,498,312	5,624,366	(2,126,054)	62%	5,624,366	100%

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, Engineering Division staff, considered appropriate cost recovery levels at or below that full cost. The “Recommended Fee Level / Deposit” column in Appendix A.5 displays

staff's initial recommended fee amounts. With staff's recommended adjustments, engineering fees are projected to recover 100% of the costs of providing services.

For more discussion on NBS' overall approach to the Cost Recovery Evaluation, consult section 2.2.3 of the Report.

9. PLANNING DIVISION

The Planning Division is responsible for implementing City policies that direct the physical development and community character of the City. Implementation of City development policies involves analysis and establishing conformance to local implementing plans, including various Specific Plans, the Zoning Code, Growth Management Ordinance and Guidelines, Planned Unit Developments, and the City's Design Guidelines. Project development and approvals also involved environmental analysis to determine environmental impacts.

9.1 Cost of Service Analysis

NBS calculated the total estimated annual cost of Planning Division services, segregated between those costs that are eligible and/or targeted for recovery in fees for service, versus those that require another funding source other than fees. Fee-recoverable costs are also translated into a "fully burdened" hourly rate, for purposes of individual fee calculations. Table 12 shows the summary of outcomes from the Cost of Service Analysis:

TABLE 12. FULLY BURDENED HOURLY RATE - PLANNING

Cost Element	Support to City Depts/Council	Counter Time/ Public Information	General Plan Maint/Update Annual	Long Range Planning - Other	Direct Current Planning Services	Total
Labor	\$ 235,249	\$ 200,166	\$ 157,375	\$ 117,146	\$ 351,440	\$ 1,061,376
Recurring Non-Labor	28,943	24,627	19,362	14,413	43,239	130,584
Citywide Overhead	19,598	16,675	13,110	9,759	29,277	88,419
Allocated Common Activities	72,540	61,722	48,527	36,123	108,368	327,280
Division Total	\$ 356,330	\$ 303,190	\$ 238,375	\$ 177,441	\$ 532,324	\$ 1,607,659
Cost Recovery Targeted from Fees	0%	70%	0%	0%	100%	46%
Amount Targeted for Consideration in Billings/Fees	-	212,233	-	-	532,324	744,557
Amount Requiring Another Funding Source	356,330	90,957	238,375	177,441	-	863,102
Fully Burdened Hourly Rate						\$ 150
<i>Reference: Direct Hours Only</i>						4,965
Overtime Rate						\$ 170

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. The total annual cost of the Planning Division per year is approximately \$1.6 million. Approximately 46% of the total costs are eligible and/or targeted for recovery in fees, while approximately \$863,000 require another funding source. All subsequent cost of service calculations at the individual fee level assume a fully burdened hourly rate of **\$150** for Planning Division support. When work is performed after hours, a rate of **\$170** can be used.

The cost category columns shown in the table above were adapted and summarized from Division staff interviews. To assist the reader in understanding the underlying costs and assumptions used to calculate the fully burdened hourly rate, the following provides summary descriptions of each cost category:

- **Support to City Depts/Council** – Planning staff provides support to other City Departments. These costs are not recommended for recovery from Planning fees.

- **Counter Time/Public Information** – Planning Staff responds to phone calls and general information requests that support the development review process. Costs associated with the provision of general public information and public counter services are not only a basic and expected function of governmental services to the public, but also an overall supportive and beneficial service to active and incoming applications and requests for development approval. Planning staff estimated that approximately 70% of these costs support land use application review activities and are therefore targeted for recovery in fees for services, while the remaining 30% require another funding source other than fees.
- **Long Range Planning** – Planning staff support the ongoing maintenance and cyclical update of the City’s General Plan and local zoning ordinances. These costs are targeted for recovery through the General Plan Surcharge as provided in the subsequent chapter.
- **Direct Current Planning Services** – Development review and approval comprises the majority of the Planning Division’s work efforts. 100% of these costs are eligible for recovery from the Division’s fees for service.

9.2 Fee Establishment

The following is a summary of overall changes made to the City’s fee schedule for Planning Division:

- Deletion of fees that are no longer used or not needed, such as:
 - General Plan Zoning Map
- Addition of new fee categories, notated as “New” in the Current Fee / Deposit column of Appendix A.6:
 - Multiple Signs sign permit
 - Tentative Map – Reasonable Accommodation (Accessibility)
 - 4th and subsequent review
 - General Plan Maintenance and Update
 - Single Family Building Plan Check
 - Single Family – Miscellaneous Minor Improvements, Plot Plan / Production Plan Review, New Model Home
 - Multi-family / Commercial / Industrial – New Building / Shell project
 - Tenant improvement

Section 2.22, *Fee Establishment*, provides additional discussion on the Study’s approach to adding, deleting, and revising fee categories.

9.3 Cost Recovery Evaluation

Appendix A.6 presents the results of the detailed cost recovery analysis for the Planning Division’s fees. In the Appendix, the “Cost of Service per Activity” column establishes the maximum adoptable fee amount for the corresponding service identified in the “Fee Name” list. The “Cost of Service Per Activity” for each fee item is compared to the City’s current fee for each service, and the “Existing Cost Recovery %” shows whether each fee is under, over, or approximately equal to the cost of providing the service.

Each Cost of Service per Activity calculation is reflective of the Planning Division’s review costs, as well the Engineering, Building and Public Works department/division costs for supportive review as required by the City’s established development review processes.

Planning Division fees currently recover approximately 53% of the total annual cost of providing services. As shown in the following table, the City collects approximately \$466,000 per year in revenues at current fee amounts. At full cost recovery, the same demand for these services would recover approximately \$886,000. Should the City Council adopt all fees at 100% of the Cost of Service per Activity amounts shown, revenue will increase by approximately \$420,000 per year.

TABLE 13. COST RECOVERY OUTCOME

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Planning Division	466,183	886,140	(419,957)	53%	886,140	100%

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, Planning Division staff, considered appropriate cost recovery levels at or below that full cost. The “Recommended Fee Level / Deposit” column in Appendix A.6 displays staff’s initial recommended fee amounts. With staff’s recommended adjustments, planning fees are projected to recover 100% of the costs of providing services.

For more discussion on NBS’ overall approach to the Cost Recovery Evaluation, consult section 2.2.3 of the Report.

10. GENERAL PLAN SURCHARGE

The Planning Division is responsible for updating the City's General Plan on a routine basis. This Plan helps to guide the growth of the community in a consistent manner. Government Code 66014 (b) allows local agencies to, "...include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations." This section of the Government Code supports the inclusion of costs for general plan maintenance and updates in fees for service.

10.1 Cost of Service Analysis

As shown in

Table 1 below, the annual cost of a comprehensive General Plan update and its associated implementation is approximately \$449,000. This amount is based on the Department's estimate of \$2.3 million in consultant and staff costs required for comprehensive updates to be performed every 1 - 10 years.

TABLE 1. ANNUAL GENERAL PLAN UPDATE COSTS

Cost	Total Cost	Amortization Period (Yrs)	Annual Cost
General Plan Update - Consultant Costs	\$ 2,000,000	10	\$ 200,000
Housing Element Update - Consultant Costs	\$ 85,000	8	\$ 10,625
Subtotal Contract Costs	\$ 2,085,000		\$ 210,625
City Staff - Average Annual	238,375	1	238,375
Subtotal Annual Staff Costs	\$ 238,375		\$ 238,375
Total	\$ 2,323,375		\$ 449,000

10.2 Fee Establishment

The Department and City Council should agree upon a desired annual cost recovery target for this fee program that is either equal to or less than 100%.

The City's General Plan and Housing Element are the key plans, policies, and legal parameters required for the approval of development projects. However, it is also recognized that the General Plan has other applications which the City uses in its continued efforts to serve its existing residents and businesses. When developing a reasonable surcharge, each jurisdiction's policy makers must decide to what degree new development impacts the revision and maintenance efforts of their General Plan, and to what degree the General Plan is required for approval of new development projects. For jurisdictions with large amounts of undeveloped land available, the impact is typically higher than for jurisdictions that are closer

to the “build-out” of available land resources. For example, Planning Division staff estimated that approximately 85% of the effort and costs shown in the table above are attributable to Development Review. Therefore, a reasonable surcharge could equal up to or below 85% recovery of costs.

In addition, the surcharge should apply only to development projects that have a significant impact on the update of the General Plan, or that are subject to more review and approval pertaining to the policies and requirements therein. The proposed surcharge is a percentage charged on top of the fee collected by the Building division for each identified relevant fee type. Relevant fee types include all new construction and additions building permit and plan check fees for projects that are greater than \$100,000 in value.

The following table provides options for surcharge amounts based on various cost recovery targets:

TABLE 2. SURCHARGE CALCULATION

Cost Recovery Target	Annual Costs Recovered @ Target	Surcharge Based on Applicable Building Project Valuation
85%	\$ 381,650	0.06%
75%	\$ 336,750	0.05%
50%	\$ 190,825	0.03%
25%	\$ 95,412	0.01%

Total Project Valuation (2 YR AVE) - includes new construction and additions only > \$100,000	\$ 679,554,689

To recover 85% of the costs shown in Table 14 for updating and maintaining the City’s General Plan, a 0.06% surcharge fee needs to be added to each Building project that is impacted by the General Plan.

10.3 Cost Recovery Evaluation

The City does not currently charge a fee for General Plan Surcharge. The proposed surcharge would apply to selected types of building applications as discussed above. At 85% cost recovery, the surcharge would recover approximately \$382,000 annually.

TABLE 16. COST RECOVERY OUTCOME

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
General Plan Maintenance Surcharge	-	449,000	(449,000)	0%	381,650	85%

11. COMMUNITY FACILITIES DIVISION

The Community Facilities Division facilitates the rental of the City's parks and facilities. The City of Tracy has numerous spaces available, which are utilized for meetings and events, including: Tracy Transit Station Meeting Rooms and Lobby, Civic Center Meeting Rooms and Lobby, the Sports Complex Meeting Room, and the Tracy Community Center. The Division also coordinates the usage of its sports fields to many of the local sports organizations, as well as reservation of city streets as needed for community events. In addition to its primary role in parks and facility rentals, the Division also supports the Recreation Division with its program and service offerings throughout the year as needed.

Rental and permit fees, along with resources from the City's General Fund, provide funding for the variety of parks and facilities available to the Tracy community. The fees collected for these programs represent an important source of funding to help cover costs and sustain – if not improve – the level of service provided by the City.

11.1 Cost of Service Analysis

The total estimated annual cost of the Community Facilities Division is approximately \$1.4 million per year. The table below provides further detail for the primary programs and services offered:

TABLE 17. COMMUNITY FACILITIES - COST OF SERVICE ANALYSIS

Cost Element	Patrol	Building Rentals	Park and Picnic Areas	Sports Facilities	Pool Rentals	Parades	Rec Programs Support	TOTAL
Labor	\$ 28,356	\$ 38,562	\$ 29,454	\$ 94,124	\$ 9,108	\$ 31,726	\$ 45,369	\$ 276,700
Recurring Non-Labor	14,660	18,846	16,684	39,772	2,162	6,240	23,036	121,400
Division & Citywide Overhead	4,195	5,393	4,775	681,390	1,231	1,786	6,593	705,363
Allocated Common Activities	23,266	30,215	26,070	162,630	4,233	12,750	36,677	295,842
Division Total	\$ 70,477	\$ 93,017	\$ 76,983	\$ 977,916	\$ 16,735	\$ 52,502	\$ 111,676	\$1,399,305

NBS gathered data regarding the amount of staff time per year spent on the Division's various programs and services, and used that information as a primary driver in determining the total Citywide costs of providing each program. Section 2.2.1, Cost of Service Analysis, provides further definition and discussion of the elements of each total program cost calculation (such as Labor, Recurring Non-Labor, etc.).

Categorization of the Division's primary services are briefly described as follows:

- **Patrol** – Activities that support the safety and maintenance of community facilities locations. These costs can be recovered indirectly through facility use/rental rates.
- **Building Rentals** – Rental of the Community Center, Senior Center, Tracy Sports Complex Meeting Room, Transit Station, Civic Center, and Storage Containers. These costs are 100% recoverable through rental rates.
- **Park and Picnic Areas** – Includes use of park and picnic areas, parking lots, and tennis courts. These costs are 100% recoverable through rental rates.

- **Sports Facilities** – Use of the Ritter Family Ball Park, Tracy Sports Complex, Plascencia Fields, Tiago, Galli, Clyde Bland, Veterans & Legacy Fields. These costs are 100% recoverable through rental rates.
- **Pool Rentals** – The Joe Wilson Community Pool. These costs are 100% recoverable through rental rates.
- **Parades & Special Events Permits** – Permitting of parades along the City’s established short, standard, and long parade routes. These costs are 100% recoverable through permit fees for each parade.
- **Recreation Programs Support** – Community Facilities Division staff support the operations of various recreational programs offered by the Recreation Division.

As some fees and services will require application of staff hourly rates, NBS derived the following blended fully burdened labor rates for full time versus part time personnel. This was performed uniquely for the Division, to conform to the way it typically staffs services and activities. Table 18 provides a summary of the hourly cost of service outcomes:

TABLE 18. FULLY BURDENED HOURLY RATES – COMMUNITY FACILITIES DIVISION – FULL TIME/PART TIME

Cost Element	Full-Time	Part-Time
Salaries	\$ 454,097	\$ 506,630
Benefits	228,479	-
Recurring Non-Labor	369,182	411,891
Citywide Overhead	663,300	740,035
Division Administration	302,807	337,837
Total	\$ 2,017,866	\$ 1,996,393
Fully Burdened Hourly Rate	\$ 213	\$ 27
<i>Reference: Direct Hours Only</i>	9,483	74,230
Overtime Rate	\$ 237	\$ 30

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. Since staffing resources are shared between the Community Facilities and Recreation Division’s, a blended rate has been calculated for use by both Division’s. The fully burdened hourly rate for full-time staff is **\$213**; part-time staff, **\$27**. When work is performed after hours, the rates shown in the table as “Overtime Rate” can be applied.

11.2 Fee Establishment

The Division’s current fee schedule is mostly comprised of rental fees for City parks and facilities. There are also a few fees in the list that are for individual service requests. The difference between these types of fees is important, as further described in the Cost Recovery Evaluation section of this Chapter, below.

The following is a summarized description of which of the Division's fees can be categorized as rental fees versus permitting and individual service request fees:

Facility Rental Fees - Includes hourly use of the following parks and facilities:

- Community Center for various rooms and areas
- Tracy Sports Complex Meeting Room
- Tracy Transit Station for various rooms and areas
- Tracy Civic Center Rental for various rooms and areas
- Park and Picnic Areas
- Parking Lot Rental
- Mobile Stage Rental
- Tennis Court Rental
- Lights
- Lolly Hansen Senior Center Rental various rooms and areas
- Sports Facilities various fields and lights for practice, game and Tournament use, storage container use, concessions, and vendor fees
- Joe Wilson Community Pool Rentals
- Use of Temporary Outfield Fencing

Service Request Fees – Includes fees for:

- Special Event Permit Application & Review
- Extra Dumpster Disposal
- Special Events in Civic Center Park – Full-Service Event Coordination
- Inflatable Structures Administrative Fee
- On Site Staffing
- Softball Field Preparations
- Extra Lifeguard Services
- Permits for Parades on Downtown Streets

During the Study, NBS and the Division did not restructure the names and categorization of services shown within the list of current fees. The structure of fees for the Division is working well for the City, and it was determined that the City could continue with current practices or revise the fee structure on an ongoing basis as the needs or types of groups using City parks and facilities change over time. The next section, Cost Recovery Evaluation, provides some specific legal parameters and industry norms specific to the setting of rental rates for government owned facilities, and recreational programs.

11.3 Cost Recovery Evaluation

NBS performed a program-level cost recovery analysis which estimated annual cost recovery performance by comparing the revenues collected, to the total annual costs of services established through the Study.

TABLE 19. COST RECOVERY EVALUATION – COMMUNITY FACILITIES DIVISION

Cost Element	Patrol	Building Rentals	Park and Picnic Areas	Sports Facilities	Pool Rentals	Parades	Rec Programs Support	TOTAL
Labor	\$ 28,356	\$ 38,562	\$ 29,454	\$ 94,124	\$ 9,108	\$ 31,726	\$ 45,369	\$ 276,700
Recurring Non-Labor	14,660	18,846	16,684	39,772	2,162	6,240	23,036	121,400
Division & Citywide Overhead	4,195	5,393	4,775	681,390	1,231	1,786	6,593	705,363
Allocated Common Activities	23,266	30,215	26,070	162,630	4,233	12,750	36,677	295,842
Division Total	\$ 70,477	\$ 93,017	\$ 76,983	\$ 977,916	\$ 16,735	\$ 52,502	\$ 111,676	\$1,399,305
FY 19 Actual Revenue	n/a	\$ 64,087	\$ 16,947	\$ 195,777	\$ 4,928	\$ 1,080	n/a	\$ 282,819
Current Cost Recovery %	n/a	69%	22%	20%	29%	2%	n/a	20%

As shown, the City recovers approximately 69% of the full cost of Building Rentals, 22% of Park & Picnic Area rentals, 20% of Sports Facilities, 29% of Pool Rentals, and 2% of Parades Permits. The City collects approximately \$283,000 per year in revenues at current fee amounts. At full cost recovery, the same demand for these services would recover approximately \$1.4 million. If the City were to charge 100% full cost recovery for these services, of the cost of providing each service, an additional \$1.1 million in costs could be recovered.

The fees charged by the Division are either fees for individual service requests, or fees for use of government property. Per Article XIII C of the California Constitution, classes and program fees are limited to the estimated costs of providing services.⁴ The Article's language pertaining to fees for use of government property does not include the "reasonable costs" limitation;⁵ however, a general law city is subject to the constraint on the amount of a fee charged by Government Code section 50402.⁶

There are several unique attributes regarding the services provided by the Community Facilities Division that influence how best to use the Cost Recovery Evaluation results toward updating the Division's individual fee amounts.

Facility Rental Fees

In NBS' experience, it is uncommon for community facility rental fees to recover 100% of the costs of providing services. Access to and use of facilities is generally seen by both elected officials and residents as a service beneficial to the community that should remain affordable. Therefore, the Division and Council may want to consider an overall percentage increase to existing fee amounts "across the board" in order to come closer to, but not completely achieve, 100% cost recovery for any given program. Additionally, the results of the survey are included in Appendix B.5 to this Report. In general, the City's

⁴ Article XIII C, Section 1 (e)(2) Exception for fees for services and products provided, and Section 1(e)(3) Exception for fees imposed for regulatory services

⁵ Article XIII C, Section 1 (e)(4) exception for fees for use of government property

⁶ 50402 (a) A city, county, or city and county owning property or leasing property which is devoted to park, amusement, or recreational purposes may make a charge for use or services provided therein in the amount as may be provided by resolution by the governing body. No charge shall be imposed which exceeds the cost of the service provided.

facility rental fees are lower than comparison agencies. Most comparison agencies separate rates for resident vs non-resident applicants, which could allow for greater overall cost recovery. For more discussion on NBS' approach to, as well as the general limitations of, comparative surveys, consult Section 2.2.4 of this report.

Regarding fees for lighting of facilities and fields on an as needed basis, if the City maintains metered data for individual locations that have lights or has access to cost per hour paid for electricity, field and facility lighting fees can be set according to the actual costs incurred per hour by the City during hours in which lights are typically used. It would also be acceptable to set lighting fees in line with a comparison of similar usage fees charged by other surrounding municipalities.

Service Request Fees

As listed above, the Division charges several service request fees. To evaluate these fees for services, NBS interviewed staff to gather the estimated amount of time associated with all service request fees. Using the time estimates provided by City staff in combination with the fully-burdened hourly rates calculated above, NBS estimated the full cost for providing each service.

TABLE 20. SERVICE REQUEST FEES ANALYSIS

Fee	Estimated Time Per Activity (Hours)			Cost of Service per Activity	Current Fee	Current Cost Recovery %
	FT Staff	PT Staff	Other Dept Support			
Administration - Special Event Application Review						
Non-Profit	4.00	-	1.50	\$ 1,019	\$ 82	8%
Commercial	4.00	-	1.50	\$ 1,019	\$ 165	16%
Extra Dumpster Disposal	0.25	-	-	\$ 53	\$ 110	207%
Special Events in City - Full service coordination	4.00	7.00	32.00	\$ 5,429	\$ 1,844	34%
Inflatable Structures Administrative Fee (All Classifications: Fee is applied to all approved inflatable requests to accompany a park rental)	1.00	-	-	\$ 213	\$ 55	26%
On-site Staffing for Sports Complex Use						
Facilities Staff - During Business Hours - Full-Time	1.00	-	-	\$ 213	\$ 31	15%
Facilities Staff - During Business Hours - Part-Time	-	1.00	-	\$ 27	\$ 31	115%
Facilities Staff - Outside of Business Hours - Full-Time	1.00	-	-	\$ 237	\$ 31	13%
Facilities Staff - Outside of Business Hours - Part-Time	-	1.00	-	\$ 30	\$ 31	102%
Softball Field Preparations						
A Prep – Light Watering	-	0.25	0.50	\$ 60	\$ 6	10%
B Prep – Light Watering, Minor Dragging	-	0.25	0.50	\$ 60	\$ 18	30%
C Prep – Full Field Preparation	-	0.25	0.75	\$ 87	\$ 48	55%
Non-Profit Verification	-	1.00	-	\$ 27	NEW	%
Extra Lifeguard	-	1.00	-	\$ 27	\$ 17	63%
Parades on Downtown Streets						
Short Parade Route	-	-	33.00	\$ 5,720	\$ 1,137	20%
Standard Parade Route	-	-	38.00	\$ 6,470	\$ 1,422	22%
Long Parade Route	-	-	41.00	\$ 7,067	\$ 1,820	26%

The City is currently under-recovering all costs of providing services shown in Table 20, except for Extra Dumpster Disposal and Part Time staff hourly rates during and after business hours.

NBS provides the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, City staff and City Council, can utilize this information to recommend and adopt fees at appropriate cost recovery levels equal to or below the full cost calculation.

The Division's staff report should provide any initially recommended changes to fees for the Council's consideration. For more discussion on factors influencing policy decisions to recover 100%, or less, of any given service through fees for service, see *Section 2.2.3, Cost Recovery Evaluation*, of this Report.

12. RECREATION DIVISION

The Recreation Division of the Parks and Recreation Department is committed to ensuring access to outstanding programs, services and community amenities that contribute to the quality of life in Tracy.

12.1 Cost of Service Analysis

The total estimated annual cost of the Division is approximately \$2.6 million per year. The table below provides further detail for the primary programs and services offered:

TABLE 21. RECREATION DIVISION - COST OF SERVICE ANALYSIS

Expenditure Type	113-41401 Special Interest Classes	113-41402 Aquatics/ Community Pool	113-41403 Athletics	113-41404 Youth Development	113-41405 Senior Citizens	101-41406 Mayor's Community Youth Support	113-41408 Community Events	113-41409 Teen Recreation	101-41501 Community Facilities Support	Total
Labor	\$ 87,781	\$ 301,186	\$ 39,537	\$ 126,048	\$ 134,850	\$ -	\$ 132,862	\$ 69,870	\$ 20,373	\$ 912,506
Recurring Non-Labor	130,785	213,921	87,366	57,419	65,153	19,858	70,331	13,185	1,655	659,673
Division & City-wide Overhead	4,562	207,642	439,041	18,632	8,886	1,463	8,427	8,279	1,039	697,972
Allocated Common Activities	32,938	113,423	82,397	31,831	31,472	3,087	31,804	14,366	3,483	344,802
Division Total	\$ 256,067	\$ 836,172	\$ 648,341	\$ 233,930	\$ 240,360	\$ 24,408	\$ 243,424	\$ 105,699	\$ 26,551	\$ 2,614,954

NBS gathered data regarding the amount of staff time per year spent on the Division's various programs and services, and used that information as a primary driver in determining the total Citywide costs of providing each program. Section 2.2.1, Cost of Service Analysis, provides further definition and discussion of the elements of each total program cost calculation (such as Labor, Recurring Non-Labor, etc.).

Categorization of the Division's primary services are briefly described as follows:

- **Special Interest Classes** – Classes provided by City Staff and independent contract instructors to provide recreational services and programs for preschoolers, school age children, teens, adults, families, and seniors. These costs are 100% recoverable through registration fees.
- **Aquatics/Community Pool** – For participation in aquatics programs and swim lessons. These costs are 100% recoverable through registration fees.
- **Athletics** – For participation in a variety of adult and youth sports such as adult softball, Junior Warriors basketball, Junior Giants baseball and summer baseball/softball camps. These costs are 100% recoverable through registration fees.
- **Youth Development** – For participation in Recreation on Campus After School and summer camps. These costs are 100% recoverable through registration fees.
- **Senior Citizens** – For participation in classes, activities, special events and special service programs to anyone 50+ in age. These costs are 100% recoverable through registration fees.
- **Mayor's Community Youth Support** – The Mayor's Youth Support Network (MCYSN) is a collaborative effort involving residents, City, County, State, community-based organizations, businesses, Youth Advisory Commissioners, Parks and Community Service Commissioners, schools, parents, members of the faith based community, and local law enforcement with a desire to reach out and reconnect youth and families to services throughout the City. These costs are not recommended for recovery from fees.

- **Community Events** – For participation in seasonal community events. These costs are 100% recoverable through registration fees.
- **Teen Recreation** – For participation in Students Adding Fun to Education (S.A.F.E.) Teen After School Program, camps, and events. These costs are 100% recoverable through registration fees.
- **Community Facilities Support** – Recreation Division staff support the operations of various facility rentals and services offered by the Community Facilities Division.

As some fees and services will require application of staff hourly rates, NBS derived the following blended fully burdened labor rates for full time versus part time personnel. This was performed uniquely for the Division, to conform to the way it typically staffs services and activities. Table 22 provides a summary of the hourly cost of service outcomes:

TABLE 22. FULLY BURDENED HOURLY RATES – RECREATION DIVISION – FULL TIME/PART TIME

Cost Element	Full-Time	Part-Time
Salaries	\$ 454,097	\$ 506,630
Benefits	228,479	-
Recurring Non-Labor	369,182	411,891
Citywide Overhead	663,300	740,035
Division Administration	302,807	337,837
Total	\$ 2,017,866	\$ 1,996,393
Fully Burdened Hourly Rate	\$ 213	\$ 27
<i>Reference: Direct Hours Only</i>	9,483	74,230
Overtime Rate	\$ 237	\$ 30

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. Since staffing resources are shared between the Community Facilities and Recreation Division's, a blended rate has been calculated for use by both Division's. The fully burdened hourly rate for full-time staff is **\$213**; part-time staff, **\$27**. When work is performed after hours, the rates shown in the table as "Overtime Rate" can be applied.

12.2 Fee Establishment

The Division's current fee schedule is comprised of program fees or recreational classes and service offerings. There are several miscellaneous fees such as for advertising in the City's seasonal Activity Guide, software transaction fees, and special registration discounts. These miscellaneous fee items were not evaluated within the scope of this Fee Study.

During the Study, NBS and the Division did not restructure the names and categorization of the programs or services shown within the list of current fees. The structure of fees for the Division is working well for the City, and it was determined that the City could continue with current practices or revise the fee structure on an ongoing basis as the needs or types of groups participating in City programs change over time. The next section, Cost Recovery Evaluation, provides some specific legal parameters and industry norms specific to the setting of rental rates for government owned facilities, and recreational programs.

12.3 Cost Recovery Evaluation

Recreation class and program offerings are typically seasonal in nature. They change subject to availability of resources to provide specialized instruction as well as local demand for the type of instruction offered. Additionally, pricing of services tends to be significantly influenced by the price for similar services offered by surrounding public agencies and other non-profit providers.

Because of these conditions, NBS's approach to cost recovery evaluation is to perform a high-level cost analysis by basic program area to assist with understanding cost recovery performance and in developing a cost recovery policy, rather than an analysis at the individual fee level as seen in most other chapters of this report. The program-level cost recovery analysis estimated the Division's annual cost recovery performance by comparing the revenues collected, to the total program costs established through the Study. The following table summarizes the results of that analysis:

TABLE 23. COST RECOVERY EVALUATION – RECREATION DIVISION

Expenditure Type	113-41401 Special Interest Classes	113-41402 Aquatics/ Community Pool	113-41403 Athletics	113-41404 Youth Development	113-41405 Senior Citizens	101-41406 Mayor's Community Youth Support	113-41408 Community Events	113-41409 Teen Recreation	101-41501 Community Facilities Support	Total
Labor	\$ 87,781	\$ 301,186	\$ 39,537	\$ 126,048	\$ 134,850	\$ -	\$ 132,862	\$ 69,870	\$ 20,373	\$ 912,506
Recurring Non-Labor	130,785	213,921	87,366	57,419	65,153	19,858	70,331	13,185	1,655	659,673
Division & City-wide Overhead	4,562	207,642	439,041	18,632	8,886	1,463	8,427	8,279	1,039	697,972
Allocated Common Activities	32,938	113,423	82,397	31,831	31,472	3,087	31,804	14,366	3,483	344,802
Division Total	\$ 256,067	\$ 836,172	\$ 648,341	\$ 233,930	\$ 240,360	\$ 24,408	\$ 243,424	\$ 105,699	\$ 26,551	\$ 2,614,954
FY 18/19 Revenue	\$ 117,324	\$ 146,338	\$ 44,961	\$ 81,714	\$ 17,804	n/a	\$ 43,263	n/a	n/a	\$ 451,404
Current Cost Recovery %	46%	18%	7%	35%	7%	n/a	18%	n/a	n/a	17%

As shown, the City's overall cost recovery for the Recreation Division is 17%. Table 23 above provides a breakout of cost recovery percentages by individual program or service area.

The seasonal and market driven pricing nature of the service offered by the Recreation Division will influence how best to use the Cost Recovery Evaluation's results toward updating the Division's individual fee amounts. In NBS' experience, it is uncommon for recreation program fees to recover 100% of the costs of providing services. Programs provided by the Recreation Division are generally seen by both elected officials and residents as a service beneficial to the community that should remain affordable. Therefore, the Division and Council may want to consider an overall percentage increase to existing fee amounts "across the board" in order to come closer to, but not completely achieve, 100% cost recovery for any given program. The City may also continue its policy of discounting pricing for City of Tracy residents, and non-profit organizations through the use of general fund subsidy monies. It is important to remember that rates charged to non-residents and commercial organizations are subject to the 100% cost

recovery threshold, and may not be used to subsidize discounts offered to residents and non-profit organizations.

The results of comparison survey of fees are included in Appendix B.6 to this Report. In general, many of the programs and classes offered by the City of Tracy did not have readily comparable data to the agencies surveyed. This is due in part to the unique nature of Tracy's program/class offerings, in addition to many agencies discontinuing services due to COVID-19. Where comparisons were available, the following provides a high-level summary:

- Special Interest Classes – The City's fees for Special Interest classes were lower than agencies surveyed except for Tai Chi and Tennis Camps.
- After School Program – The City's After School and summer camp programs are in line with other agencies except for the City of Stockton which offers lower fees.
- Adult Sports – The City's fees for Adult sports are higher than agencies surveyed
- Youth Sports – The City's fees for Youth sports are inline or lower than agencies surveyed
- Aquatics – The City's fees for Aquatics are in line or lower than agencies surveyed.

For more discussion on NBS' approach to, as well as the general limitations of, comparative surveys, consult Section 2.2.4 of this report.

NBS provides the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, City staff and City Council, can utilize this information to recommend and adopt fees at appropriate cost recovery levels equal to or below the full cost calculation. The Division's staff report should provide any initially recommended changes to fees for the Council's consideration. For more discussion on factors influencing policy decisions to recover 100%, or less, of any given service through fees for service, see *Section 2.2.3, Cost Recovery Evaluation*, of this Report.

13. POLICE DEPARTMENT

The Police Department contains three Divisions: Field Operations, Special Operations, and Support Operations. This Study focuses on miscellaneous fees charged by the Department for services such as Alarm Permits and False Alarm Fees, Miscellaneous Business Permit Fees, Record and Report Copy Fees, Fingerprinting, Taxi Permits, Vehicle Release and Towing Fees, and Other Miscellaneous Administrative Fees. These fees relate to a specific service or activity performed at the request of an individual or entity and are not intended to recover the costs of generalized police services.

13.1 Cost of Service Analysis

Most of the fees analyzed in this Study are provided by the Records section of the Support Operations Division, and the Patrol Force section of the Field Operations Division. As such, NBS calculated a composite fully-burdened hourly rate for each section relevant to the services studied. Table 24 shows the summary of outcomes from the Cost of Service Analysis:

TABLE 24. FULLY BURDENED HOURLY RATE – POLICE PATROL

Expenditure Type	Patrol Direct Services	Records Direct Services
Labor	\$ 7,700,738	\$ 33,908
Recurring Non-Labor	1,090,319	17,657
Department/Citywide Overhead	2,618,953	11,404
Allocated Common Activities	2,854,601	36,108
Department Total	\$ 14,264,610	\$ 99,077
Fully Burdened Hourly Rate	\$ 170	\$ 113
<i>Reference: Direct Hours Only</i>	83,834	878
Overtime Rate	\$ 199	\$ 125

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. All subsequent cost of service calculations at the individual fee level assume a fully burdened hourly rate of **\$170** for Police Department Patrol support and **\$113** for Police Department Records support. When work is performed after hours, a rate of **\$199** for Patrol staff, and **\$125** for Records staff can be used.

13.2 Fee Establishment

The following is a summary of overall changes made to the City's fee schedule for the Police Department:

- Addition of new fee categories, notated as "New" in the Current Fee / Deposit column of Appendix A.7:
 - Tape of Radio/Video Transmission, Digital or Hard Copy Photograph
 - Second-hand Dealer/Pawn Broker – New or Renewal City Processing

Section 2.2, *Methods of Analysis*, provides additional discussion on the Study’s approach to adding, deleting, and revising fee categories.

13.3 Cost Recovery Evaluation

Appendix A.7 presents the results of the detailed cost recovery analysis for the Police Department’s fees. In the Appendix, the “Cost of Service per Activity” column establishes the maximum adoptable fee amount for the corresponding service identified in the “Fee Name” list. The “Cost of Service Per Activity” for each fee item is compared to the City’s current fee for each service, and the “Existing Cost Recovery %” shows whether each fee is under, over, or approximately equal to the cost of providing the service.

Police Department fees currently recover approximately 95% of the total annual cost of providing services. As shown in the following table, the City collects approximately \$189,000 per year in revenues at current fee amounts. At full cost recovery, the same demand for these services would recover approximately \$198,000. Should the City Council adopt all fees at 100% of the Cost of Service per Activity amounts shown, revenue will decrease by approximately \$9,500 per year.

TABLE 25. COST RECOVERY OUTCOME

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Police Department	188,588	198,084	(9,496)	95%	197,041	99%

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, Police Department staff, considered appropriate cost recovery levels at or below that full cost. The “Recommended Fee Level / Deposit” column in Appendix A.7 displays staff’s initial recommended fee amounts. With staff’s recommended adjustments, police fees are projected to recover 99% of the costs of providing services.

For more discussion on NBS’ overall approach to the Cost Recovery Evaluation, consult section 2.2.3 of the Report.

14. ANIMAL SERVICES UNIT

The Animal Services Unit provides education, protection, and the humane treatment of animals in order to insure a safe and healthy community and to promote the benefits of responsible pet ownership. The staff of the Animal Services Unit is responsible for enforcing Tracy Municipal Code relating to all animals and their well-being within the Tracy city limits. Services offered are Adoptions, Licensing, Investigations, Rabies Control, Lost/Found, Stray Control, Volunteer, VIP Mobile Vaccine Clinic, Big Heart Fund, and Volunteer Opportunities.

14.1 Cost of Service Analysis

NBS calculated the total estimated annual cost of Animal Services, segregated between those costs that are eligible and/or targeted for recovery in fees for service, versus those that require another funding source other than fees. Fee-recoverable costs are also translated into a “fully burdened” hourly rate, for purposes of individual fee calculations. Table 26 shows the summary of outcomes from the Cost of Service Analysis:

TABLE 26. FULLY BURDENED HOURLY RATE – ANIMAL SERVICES

Expenditure Type	Animal Direct Services
Labor	\$ 470,010
Recurring Non-Labor	80,120
Department/Citywide Overhead	127,085
Allocated Common Activities	541,516
Department Total	\$ 1,218,731
Fully Burdened Hourly Rate	\$ 135
<i>Reference: Direct Hours Only</i>	9,027

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of the rate. The total annual cost of the Animal Services Division per year is approximately \$1.2 million. All subsequent cost of service calculations at the individual fee level assume a fully burdened hourly rate of **\$135** for Animal Services support.

14.2 Fee Establishment

No changes were made to the Animal Services Division’s Fee schedule. Section 2.2, *Methods of Analysis*, provides additional discussion on the Study’s approach to adding, deleting, and revising fee categories.

14.3 Cost Recovery Evaluation

Appendix A.8 presents the results of the detailed cost recovery analysis for the Animal Services Division's fees. In the Appendix, the "Cost of Service per Activity" column establishes the maximum adoptable fee amount for the corresponding service identified in the "Fee Name" list. The "Cost of Service Per Activity" for each fee item is compared to the City's current fee for each service, and the "Existing Cost Recovery %" shows whether each fee is under, over, or approximately equal to the cost of providing the service.

The Animal Services Division currently recovers approximately 40% of the total annual cost of providing services. As shown in the following table, the City collects approximately \$80,000 per year in revenues at current fee amounts. At full cost recovery, the same demand for these services would recover approximately \$201,000. Should the City Council adopt all fees at 100% of the Cost of Service per Activity amounts shown, revenue will increase by approximately \$122,000 per year.

TABLE 27. COST RECOVERY OUTCOMES

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Animal Services Unit	79,800	201,338	(121,538)	40%	149,461	74%

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, the Animal Services Unit staff, considered appropriate cost recovery levels at or below that full cost. The "Recommended Fee Level / Deposit" column in Appendix A.8 displays staff's initial recommended fee amounts. With staff's recommended adjustments, Animal Services fees are projected to recover 74% of the costs of providing services.

For more discussion on NBS' overall approach to the Cost Recovery Evaluation, consult section 2.2.3 of the Report.

15. PUBLIC WORKS DEPARTMENT

The Public Works Department provides maintenance services for streets, trees, traffic control systems, parks, landscape maintenance districts, City buildings, City vehicles, graffiti removal, solid waste, and recycling. The department also maintains water distribution, sewer collection and drainage systems within the City.

15.1 Cost of Service Analysis

The Public Works Department provides a variety of services throughout the City. NBS developed composite fully burdened hourly rates for each of the Department's primary services as relevant to the Fee Study. Outcomes are shown in Table 28 below:

TABLE 28. FULLY BURDENED HOURLY RATES – PUBLIC WORKS

Expenditure Type	Streets / Traffic Maint Direct	GF Parks Maint Direct	Sports Facilities Maint Direct	Legacy Field Maint Direct	Pool Maint Direct	Tree Maint Direct	Total
Labor	\$ 137,294	\$1,355,555	\$ 314,689	\$ 262,354	\$ 71,999	\$ 9,021	\$2,150,912
Recurring Non-Labor	61,454	606,764	140,859	117,433	32,228	4,038	962,776
City-wide Overhead	93,257	296,922	68,871	45,720	25,312	6,963	537,046
Allocated Common Activities	104,075	1,097,408	79,761	76,123	15,066	65,850	1,438,283
Department Total	\$ 396,081	\$ 3,356,649	\$ 604,180	\$ 501,630	\$ 144,605	\$ 85,873	\$5,089,017
Fully Burdened Hourly Rate	\$ 173	\$ 123	\$ 89	\$ 107	\$ 91	\$ 142	\$ 117
<i>Reference: Direct Hours</i>	2,288	27,393	6,772	4,703	1,584	605	
Overtime Rate	\$ 191	\$ 137	\$ 103	\$ 123	\$ 105	\$ 146	

Section 2.2.1, *Cost of Service Analysis*, further describes the types of expenditures and allocated costs considered in the development of these rates. All subsequent cost of service calculations at the individual fee level assumes the following fully burdened hourly rates for during business hours and after business hours:

- Streets / Traffic Maintenance – \$173 / \$191
- General Fund Parks Maintenance – \$123 / \$137
- Sports Facilities Maintenance – \$89 / \$103
- Legacy Field Maintenance – \$107 / \$123
- Pool Maintenance – \$91 / \$105
- Tree Maintenance – \$142 / \$146

15.2 Fee Establishment

The Department currently has one fee listed in its section of the City's Master Fee Schedule for Banner Installation and Removal. The current fee structure includes a "per banner: fee for each over the street banner location plus a fee for each street light banner zone. Banner fees were restructured during this

study as a fee for a “new location, per bracket,” and a fee per banner for an existing banner site. The fees per banner zone were eliminated.

The Department also added several new fee categories, which are notated as “New” in the Current Fee / Deposit column of Appendix A.9.

- Tree Removal Permits
- Tree Pruning/Maintenance Permits
- Tree Maintenance Inspection
- Special Events support to Parks & Recreation
- Utilities Turn on/off
- Shopping Cart Retrieval
- Sidewalk Maintenance

Section 2.2.3, *Fee Establishment*, provides additional discussion on the Study’s approach to adding, deleting, and revising fee categories.

15.3 Cost Recovery Evaluation

Appendix A.9 presents the results of the detailed cost recovery analysis for the Public Works Department’s fees. In the Appendix, the “Cost of Service per Activity” column establishes the maximum adoptable fee amount for the corresponding service identified in the “Fee Name” list. The “Cost of Service Per Activity” for each fee item is compared to the City’s current fee for each service, and the “Existing Cost Recovery %” shows whether each fee is under, over, or approximately equal to the cost of providing the service. The “Recommended Fee Level / Deposit” column in Appendix A.9 displays staff’s initial recommended fee amounts. All fees are recommended to be set at 100% cost recovery levels, with the exception of the Shopping Cart Retrieval fee and Banner Installation and Removal.

For more discussion on NBS’ overall approach to the Cost Recovery Evaluation, consult section 2.2.3 of the Report.

16. MUNICIPAL AIRPORT

The Tracy Municipal Airport is located at the south end of Tracy Boulevard and was first constructed in 1928 as the "American Legion Airport" in September of 1928 with its grand opening and a three-day airshow in April of 1929. Airport services include hangar rentals, tie-downs, flight training, aircraft maintenance, aircraft sales and shipping, as well as aviation and jet fuel sales.

16.1 Cost of Service Analysis

The following table shows the annual cost of service outcome for the Airport as approximately \$795,000 per year. Section 2.2.1, Cost of Service Analysis, further describes the types of expenditures and allocated costs considered.

TABLE 29. COST OF SERVICE ANALYSIS – MUNICIPAL AIRPORT

Expenditure Type	Total Expenditures
Labor	\$ 195,920
Recurring Non-Labor	560,002
City-wide Overhead	39,425
Division Total	\$ 795,347

16.2 Fee Establishment

The Airport currently has one fee listed in the City's Master Fee Schedule under the Community Facilities section, which is a day rental rate for use of the Airport facility for non-aviation events. The Airport also lists hangar rental fees on the City website. The costs of airplane fuel are passed through to users of the facility as needed at actual cost. The City's Airport Master Plan from 1998 appears to reference fees for Tiedowns, Flight Training, and other miscellaneous services. However, after talking with City staff, these fees are not currently utilized.

Per Article XIII C of the California Constitution, the current fees charged for use of the Airport facility qualify as fees for entrance to or use of government property. The Article's language pertaining to fees for use of government property does not include the "reasonable costs" limitation;⁷ however, as a general law city, Tracy's airport fees may be subject to the constraint on the amount of a fee charged by Government Code section 50402.⁸

⁷ Article XIII C, Section 1 (e)(4) exception for fees for use of government property

⁸ 50402 (a) A city, county, or city and county owning property or leasing property which is devoted to park, amusement, or recreational purposes may make a charge for use or services provided therein in the amount as may be provided by resolution by the governing body. No charge shall be imposed which exceeds the cost of the service provided.

At a minimum, NBS recommends the City to publish any and all facility use fees in the Master Fee Schedule rather than a combination of the Master Fee Schedule and the City’s website. Also, a comparison survey of fees charged by other small and/or regionally located municipal airports is located in Appendix B.10 of this report, so that the City can get a sense of what the general market pricing and options are for similar services.

16.3 Cost Recovery Evaluation

Similar to evaluations of facility use fees in other chapters of this report, NBS performed a high-level cost recovery analysis to assist in understanding current cost recovery performance. The analysis estimated the Airport’s annual cost recovery performance by comparing the revenues collected, to the total program costs established through the Study. The following table summarizes results of that analysis:

TABLE 30. COST RECOVERY EVALUATION – MUNICIPAL AIRPORT

Expenditure Type	Total Expenditures
Labor	\$ 195,920
Recurring Non-Labor	560,002
City-wide Overhead	39,425
Division Total	\$ 795,347
2019 Budgeted Revenue	\$ 756,052
Current Cost Recovery %	95%

As shown, the City recovers approximately 95% of the full cost of operating the Airport. The City may want to consider an overall percentage increase to existing fee amounts “across the board” to achieve 100% cost recovery. For more discussion on factors influencing policy decisions to recover 100%, or less, of any given service through fees for service, see *Section 2.2.3, Cost Recovery Evaluation*, of this Report.

NBS provides the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, City staff and City Council, can utilize this information to recommend and adopt fees at appropriate cost recovery levels. The City staff report should provide any initially recommended changes to fees for the Council’s consideration.

17. UTILITIES DEPARTMENT

The Utilities Department oversees the operation and maintenance of Water Treatment Plant, Wastewater Treatment Plant, Stormwater Management, Water Management, Utilities Laboratory, Equipment and Street Lights / Traffic Signals Maintenance.

17.1 Cost of Service Analysis

Staffing for maintenance and operation of various City utility systems are shared between the Water, Wastewater, and Drainage budgetary units. NBS aggregated costs between these units to calculate an average composite fully burdened hourly rate for purposes of individual fee calculations. All subsequent cost of service calculations at the individual fee level assume a fully burdened hourly rate of **\$128** during business hours, and when work is performed after hours, a rate of **\$151** can be used. Section 2.2.1, Cost of Service Analysis, further describes the types of expenditures and allocated costs considered in the development of the rates included in this report.

17.2 Fee Establishment

Prior to this Study, the Utilities Department did not have a list of fees for services that can be used to recover costs of providing various regulatory permitting and inspection services. The Study focused on developing a fee schedule that the Department can use to charge fees on a per request and per project basis. It should be noted that the fees studied are different than commodity water charges, etc. that are subject to Proposition 218.

As shown in Appendix A.10, a list of fees was developed for the following services:

- NPDES MS4 Permit and Water Efficiency Review
- Stormwater Post-Construction Standards Review
- Water Efficient Landscape Ordinance (WELO) Review
- Stormwater Post-Construction Treatment Annual Maintenance Inspection
- Construction General Permit – SWPPP or ESCP
- Construction Water – Metering
- Environmental Compliance
- New Water Main Testing
-

Section 2.2, *Methods of Analysis*, provides additional discussion on the Study's approach to adding, deleting, and revising fee categories.

17.3 Cost Recovery Evaluation

Appendix A.10 presents the results of the detailed cost recovery analysis for the Utilities Department's fees. In the Appendix, the "Cost of Service per Activity" column establishes the maximum adoptable fee amount for the corresponding service identified in the "Fee Name" list. The "Cost of Service Per Activity" for each fee item is compared to the City's current fee for each service, and the "Existing Cost Recovery %" shows whether each fee is under, over, or approximately equal to the cost of providing the service.

The Utilities Department does not have a current fee schedule and does not recover any annual cost of providing services. At full cost recovery, the same demand for these services would recover approximately \$354,000. Should the City Council adopt all fees at 100% of the Cost of Service per Activity amounts shown, revenue will increase by approximately \$354,000 per year.

TABLE 31. COST RECOVERY OUTCOMES

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Utilities Department	-	354,442	(354,442)	0%	354,442	100%

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, Utilities Department staff, considered appropriate cost recovery levels at or below that full cost. The “Recommended Fee Level / Deposit” column in Appendix A.10 displays staff’s initial recommended fee amounts. With staff’s recommended adjustments, utilities fees are projected to recover 100% of the costs of providing services.

For more discussion on NBS’ overall approach to the Cost Recovery Evaluation, consult section 2.2.3 of the Report.

18. CONCLUSION

Based on the Cost of Service Analysis, Fee Establishment, and Cost Recovery Evaluation outcomes presented in this Study, the proposed Master Schedule of Fees has been formatted for implementation and included in the accompanying Staff Report.

As discussed throughout this report, the proposed fee schedule intends to improve the City's recovery of costs incurred to provide individual services, as well as to adjust fees downward where fees charged exceed the average costs incurred. Predicting the amount to which any adopted fee increases will affect City revenues is difficult to quantify. For the near-term, the City should not count on increased revenues to meet any specific expenditure plan. Experience with the revised fee amounts should be gained first before revenue projections are revised. However, unless there is some significant, long-term change in activity levels at the City, proposed fee amendments should enhance the City's cost recovery performance, over time, providing it the ability to stretch other resources further for the benefit of the public at large.

The City's Master Fee Schedule should become a living document but handled with care:

- A fundamental purpose of the fee schedule is to provide clarity and transparency to the public and to staff regarding fees imposed by the City. Once adopted by the Council, the fee schedule is the final word on the amount and way fees should be charged. Old fee schedules should be superseded by the new master document. If the master document is found to be missing fees, those fees need eventually to be added to the master schedule and should not continue to exist outside the consolidated, master framework.
- The City should consider adjusting these user fees and regulatory fees on an annual basis to keep pace at least with cost inflation. For all fees and charges, the City could use either a Consumer Price Index adjustment or a percentage of Labor Cost increase, and that practice would be well applied to the new fee schedule. Conducting a comprehensive user fee Study is not an annual requirement; it becomes worthwhile only over time as significant shifts in organization, local practices, legislative values, or legal requirements change.

As a final note in this Study, it is worth acknowledging the path that fees in general have taken in California. The public demands ever more precise and equitable accounting of the basis for governmental fees and a greater say in when and how they are charged. It is inevitable in the not too distant future, that user fees and regulatory fees will demand an even greater level of analysis and supporting data to meet the public's evolving expectations. Technology systems will play an increased and significant role in an agency's ability to accomplish this. Continuous improvement and refinement of time tracking abilities will greatly enhance the City's ability to set fees for service and identify unfunded activities in years to come.

Disclaimer: In preparing this report and the opinions and recommendations included herein, NBS has relied on a number of principal assumptions and considerations with regard to financial matters, conditions and events that may occur in the future. This information and assumptions, including the City's budgets, time estimate data, and workload information from City staff, were provided by sources we believe to be reliable; however, NBS has not independently verified such information and assumptions. While we believe NBS' use of such information and assumptions is reasonable for the purpose of this report, some assumptions will invariably not materialize as stated herein and may vary significantly due to unanticipated events and circumstances. Therefore, the actual results can be expected to vary from those projected to the extent that actual future conditions differ from those assumed by us or provided to us by others.

APPENDIX A.1

Cost of Service Analysis – Finance Department

				Activity Service Cost Analysis			Cost Recovery Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %
1	Business Licenses									
	Transfer, assignment or duplication fee	duplication	[3]				\$ 5		\$14 per account/per year + CPI	
	State disability access fee	application or renewal	[4]				\$ 4		\$ 4	
2	Transient Occupancy Tax (TOT)	annual	[2, 3]				\$650 per property/year + CPI		\$650 per property/year + CPI	
3	Credit Card Processing Charges	actual cost					actual cost		actual cost	

Notes

- [1] Source: "City_of_Tracy_Approved_Master_Fee_Schedule_FY_20_21.pdf", taken from City of Tracy public website
[2] TOT current fee sourced from: *Updated Complete Staff Report - Business License PSA HdL Software ks edits 2_CAO 12-4-17 - ACM 13-13-17.pdf*
[3] City outsources this service; rates are subject to increase by CPI at beginning of each calendar year per City agreement with Vendor
[4] Fee Set by State

APPENDIX A.2

Cost of Service Analysis – City Clerk’s Office

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %
1	Administrative Processing - Medical Leave Bank			0.50	\$ 117	\$ 59	NEW	%	\$ -	0%
2	Annual Subscriptions (City Council, Planning Commission)		[5]							
	Agendas (per month)	per month		n/a			\$ 45		Available Online	
	Disc/ Agenda			n/a			\$ 2			
	Minutes	per page		n/a			\$ 0.15			
3	Appeals									
	to City Council	each	[2]	4.00	\$ 117	\$ 468	\$ 194	41%	\$ -	0%
	to City Manager	each	[3]	4.00	\$ 117	\$ 468	\$ 194	41%	\$ -	0%
	by Impartial Hearing Officer	each	[4]	4.00	\$ 117	\$ 468	Shared equally by parties	%	\$ -	0%
4	Document Certification (per document)	document		0.25	\$ 117	\$ 29	\$ 18	61%	\$ -	0%
5	Photocopies									
	Paper Copy*	per page	[5]				\$ 0.15		\$ 0.10	
	Oversized Copy	per page					At cost		At cost	
	Maps*	per page					At cost		At cost	
6	Duplicating Recording of Public Meeting									
	Video or Audio	each					\$ 5		At cost	
	DVD of Council Meeting	each					\$ 5		At cost	

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %
7	Lobbyist									
	Registration	each	[6]	1.00	\$ 117	\$ 117	\$ 80	68%	\$ 117	100%
	Annual Renewal	each	[7]	0.50	\$ 117	\$ 59	\$ 40	68%	\$ 59	100%
8	Notary Fee		[9]				\$ 10		\$ 10	
9	Project Requiring Municipal Code Update	each		26.00	\$ 150	\$ 3,899	NEW	%	\$ 3,899	100%
	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	per hour		1.00	\$ 117	\$ 117	NEW	%	\$ 117	100%

Notes

- [1] Source: "City_of_Tracy_Approved_Master_Fee_Schedule_FY_20_21.pdf", taken from City of Tracy public website
 [2] TMS §1.12.020(B)(2)
 [3] TMS §1.12.010(D)(2)
 [4] TMS §1.12.030
 [5] GOV §6253
 [6] TMC 6.32.030
 [7] Reso. 2016-25
 [8] TMC §3.36.010
 [9] GOV §8211



APPENDIX A.3

Cost of Service Analysis – City Manager Cable TV Department

				Activity Service Cost Analysis				Cost Recovery Analysis				Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Staff Estimated Average Labor Time Per Activity (hours)			Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
				City Staff	PT	TOTAL									
				\$ 156	\$ 62										
1	Project Application Review Fee	per project	[2]	1.00	0.00	1.00	\$ 156	NEW	%	\$ 156	100%	-	\$ -	\$ -	\$ -
2	Video Production Fee														
	Single HD Camera with Operator (up to 8 hours)	per day		0.50	8.00	8.50	\$ 574	\$ 227	40%	\$ 574	100%	1	\$ 227	\$ 574	\$ 574
	Single HD Camera with Operator (half day)	per 1/2 day		0.50	4.00	4.50	\$ 326	\$ 114	35%	\$ 326	100%	2	\$ 228	\$ 652	\$ 652
3	Flypack with 4 Crew (Includes a portable switcher, 3 HD Cameras, graphics & audio feed)														
	Full Day	per day		0.50	32.00	32.50	\$ 2,061	\$ 1,024	50%	\$ 2,061	100%	-	\$ -	\$ -	\$ -
4	City Council Chamber Recording with 2 Crew (Includes 4 SD Cameras														
	Full Day	per day		0.50	16.00	16.50	\$ 1,069	\$ 512	48%	\$ 1,069	100%	-	\$ -	\$ -	\$ -
	Half Day	per day		0.50	8.00	8.50	\$ 574	\$ 256	45%	\$ 574	100%	-	\$ -	\$ -	\$ -
5	Post Production Services														
	Editing Suite with Editor	per hour		0.00	1.00	1.00	\$ 62	\$ 32	52%	\$ 62	100%	5	\$ 160	\$ 310	\$ 310
	Motion Graphics Editor	per hour		0.00	1.00	1.00	\$ 62	\$ 32	52%	\$ 62	100%	-	\$ -	\$ -	\$ -
6	Advance Lighting / TV Studio Rental	per hour (2 hr min)	[3]	0.00	1.00	1.00	\$ 62	\$ 32	52%	\$ 62	100%	-	\$ -	\$ -	\$ -
7	General Crew Services including, but not limited to: Producer, Teleprompter Operator, Audio Tech, Extra, Studio Crew, Grip, etc...														
	FT City Staff - During business hours	per person / per hour		1.00	0.00	1.00	\$ 156	\$ 32	20%	\$ 156	100%	-	\$ -	\$ -	\$ -
	FT City Staff - After business hours	per person / per hour		1.00	0.00	1.00	\$ 184	\$ 32	17%	\$ 184	100%	-	\$ -	\$ -	\$ -
	PT City Staff - During business hours	per person / per hour		0.00	1.00	1.00	\$ 62	\$ 32	52%	\$ 62	100%	5	\$ 160	\$ 310	\$ 310
	PT City Staff - After business hours	per person / per hour		0.00	1.00	1.00	\$ 73	\$ 32	44%	\$ 73	100%	10	\$ 320	\$ 731	\$ 731

				Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Staff Estimated Average Labor Time Per Activity (hours)			Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
				City Staff	PT	TOTAL									
				\$ 156	\$ 62										
8	Miscellaneous Services														
	Green Screen	per use		0.00	2.00	2.00	\$ 124	\$ 17	14%	\$ 124	100%	-	\$ -	\$ -	\$ -
	Camera Crane and Operator	per person / per hour		0.00	1.00	1.00	\$ 62	\$ 28	45%	\$ 62	100%	-	\$ -	\$ -	\$ -
	Additional HD Cameras - Fixed	per use		0.00	2.00	2.00	\$ 124	\$ 28	23%	\$ 124	100%	-	\$ -	\$ -	\$ -
	Additional HD Cameras - Manned	per person / per hour		0.00	1.00	1.00	\$ 62	\$ 26	42%	\$ 62	100%	-	\$ -	\$ -	\$ -
	Graphics	each	[4]					\$28 to \$85		\$28 to \$85					
	Audio Files	each	[4]					\$28 to \$85		\$28 to \$85					
	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.														
	Full Time	per hour		1.00	0.00	1.00	\$ 156	NEW	%	\$ 156	100%	-	\$ -	\$ -	\$ -
	Part Time	per hour		0.00	1.00	1.00	\$ 62	NEW	%	\$ 62	100%	-	\$ -	\$ -	\$ -
TOTAL													1,095	2,576	2,576

Notes

- [1] Copy fee. NBS did not evaluate.
[2] Project Scoping services are provided free of charge; application applies once project is formally initiated
[3] Equipment and Camera not included in hourly fee
[4] City will pass through vendor expense to applicant directly

APPENDIX A.4

Cost of Service Analysis – Building Safety Division

				Activity Service Cost Analysis						Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
SCHEDULE II: BUILDING AND SAFETY DEPARTMENT: DEPOSITS AND FEES																		
I	BUILDING PERMIT FEES																	
1	Building Permit/Inspection - Residential																	
	\$ 500	base fee @ \$500		0.25	0.00	0.50	0.00	0.00	0.75	\$ 101	\$ 31	30%	\$ 101	100%	9	\$ 275	\$ 906	\$ 906
	each additional \$100 or fraction thereof	each add'l \$100		0.000	0.000	0.117	0.000	0.000	0.117	\$ 15.66	\$ 3.98	n/a	\$ 15.66	n/a	5	\$ 20	\$ 78	\$ 78
	\$ 2,000	base fee @ \$2,000		0.25	0.00	2.25	0.00	0.00	2.50	\$ 336	\$ 90	27%	\$ 336	100%	22	\$ 77	\$ 7,383	\$ 7,383
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.000	0.250	0.000	0.000	0.250	\$ 33.56	\$ 18.21	n/a	\$ 33.56	n/a	77	\$ 77	\$ 2,584	\$ 2,584
	\$ 10,000	base fee @ 10,000		0.25	0.00	4.25	0.00	0.00	4.50	\$ 604	\$ 236	39%	\$ 604	100%	13	\$ 236	\$ 7,853	\$ 7,853
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.017	0.000	0.133	0.000	0.000	0.150	\$ 20.14	\$ 18.21	n/a	\$ 20.14	n/a	77	\$ 1,402	\$ 1,550	\$ 1,550
	\$ 25,000	base fee @ 25,000		0.50	0.00	6.25	0.00	0.00	6.75	\$ 906	\$ 509	56%	\$ 906	100%	18	\$ 9,157	\$ 16,310	\$ 16,310
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.010	0.000	0.150	0.000	0.080	0.240	\$ 30.10	\$ 13.13	n/a	\$ 30.10	n/a	236	\$ 3,098	\$ 7,104	\$ 7,104
	\$ 50,000	base fee @ \$50,000		0.75	0.00	10.00	0.00	2.00	12.75	\$ 1,659	\$ 837	50%	\$ 1,659	100%	8	\$ 6,696	\$ 13,269	\$ 13,269
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.003	0.000	0.080	0.000	0.000	0.083	\$ 11.07	\$ 9.09	n/a	\$ 11.07	n/a	337	\$ 3,064	\$ 3,732	\$ 3,732
	\$ 150,000	base fee @ \$150,000		1.00	0.00	18.00	0.00	2.00	21.00	\$ 2,766	\$ 1,655	60%	\$ 2,766	100%	64	\$ 105,935	\$ 177,031	\$ 177,031
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.001	0.000	0.025	0.001	0.000	0.028	\$ 3.71	\$ 7.26	n/a	\$ 3.71	n/a	10,004	\$ 72,663	\$ 37,127	\$ 37,127
	\$ 350,000	base fee @ \$350,000		1.25	0.00	23.00	0.25	2.00	26.50	\$ 3,508	\$ 3,108	89%	\$ 3,508	100%	202	\$ 627,799	\$ 708,686	\$ 708,686
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.001	0.000	0.025	0.000	0.000	0.026	\$ 3.52	\$ 7.26	n/a	\$ 3.52	n/a	18,936	\$ 137,540	\$ 66,725	\$ 66,725
	\$ 550,000	base fee @ 550,000		1.50	0.00	28.00	0.25	2.00	31.75	\$ 4,213	\$ 4,204	100%	\$ 4,213	100%	6	\$ 25,227	\$ 25,279	\$ 25,279
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.003	0.000	0.051	0.000	0.004	0.058	\$ 7.66	\$ 6.15	n/a	\$ 7.66	n/a	70	\$ 431	\$ 536	\$ 536

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
2	Building Plan Check - Residential																	
	\$ 500	base fee @ \$500		0.00	0.50	0.00	n/a	n/a	0.50	\$ 67	\$ 20	30%	\$ 67	100%	-	\$ -	\$ -	\$ -
	each additional \$100 or fraction thereof	each add'l \$100		0.000	0.033	0.000	n/a	n/a	0.033	\$ 4.47	\$ 2.59	n/a	\$ 4.47	n/a	-	\$ -	\$ -	\$ -
	\$ 2,000	base fee @ \$2,000		0.00	1.00	0.00	n/a	n/a	1.00	\$ 134	\$ 59	44%	\$ 134	100%	-	\$ -	\$ -	\$ -
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.125	0.000	n/a	n/a	0.125	\$ 16.78	\$ 11.84	n/a	\$ 16.78	n/a	-	\$ -	\$ -	\$ -
	\$ 10,000	base fee @ \$10,000		0.00	2.00	0.00	n/a	n/a	2.00	\$ 268	\$ 153	57%	\$ 268	100%	-	\$ -	\$ -	\$ -
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.067	0.000	n/a	n/a	0.067	\$ 8.95	\$ 11.84	n/a	\$ 8.95	n/a	-	\$ -	\$ -	\$ -
	\$ 25,000	base fee @ \$25,000		0.00	3.00	0.00	n/a	n/a	3.00	\$ 403	\$ 331	82%	\$ 403	100%	21	\$ 6,944	\$ 8,457	\$ 8,457
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.080	0.000	n/a	n/a	0.080	\$ 10.74	\$ 8.53	n/a	\$ 10.74	n/a	453	\$ 3,865	\$ 4,865	\$ 4,865
	\$ 50,000	base fee @ \$50,000		0.00	5.00	0.00	n/a	n/a	5.00	\$ 671	\$ 544	81%	\$ 671	100%	9	\$ 4,896	\$ 6,041	\$ 6,041
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.030	0.000	n/a	n/a	0.030	\$ 4.03	\$ 5.91	n/a	\$ 4.03	n/a	407	\$ 2,406	\$ 1,639	\$ 1,639
	\$ 150,000	base fee @ \$150,000		0.00	8.00	0.00	n/a	n/a	8.00	\$ 1,074	\$ 1,076	100%	\$ 1,074	100%	8	\$ 8,607	\$ 8,591	\$ 8,591
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.040	0.000	n/a	n/a	0.040	\$ 5.37	\$ 4.72	n/a	\$ 5.37	n/a	340	\$ 1,605	\$ 1,826	\$ 1,826
	\$ 350,000	base fee @ \$350,000		0.00	16.00	0.00	n/a	n/a	16.00	\$ 2,148	\$ 2,020	94%	\$ 2,148	100%	2	\$ 4,040	\$ 4,296	\$ 4,296
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.030	0.000	n/a	n/a	0.030	\$ 4.03	\$ 4.72	n/a	\$ 4.03	n/a	160	\$ 755	\$ 644	\$ 644
	\$ 550,000	base fee @ \$550,000		0.00	22.00	0.00	n/a	n/a	22.00	\$ 2,953	\$ 2,733	93%	\$ 2,953	100%	-	\$ -	\$ -	\$ -
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.040	0.000	n/a	n/a	0.040	\$ 5.37	\$ 4.00	n/a	\$ 5.37	n/a	-	\$ -	\$ -	\$ -
3	Building Plan Check for Identical Building / Repeat Tract House / Plot Plans	flat		1.00	4.00	0.00	n/a	n/a	5.00	\$ 671	\$ 917	137%	\$ 671	100%	262	\$ 240,352	\$ 175,850	\$ 175,850

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
4	Building Permit/Inspection - Commercial/Multi-family/Industrial																	
	\$ 10,000	base fee up \$10,000		0.50	0.00	10.00	1.00	0.00	11.50	\$ 1,559	\$ 236	15%	\$ 1,559	100%	12	\$ 2,828	\$ 18,713	\$ 18,713
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.000	0.667	0.000	0.000	0.667	\$ 89.49	\$ 18.21	n/a	\$ 89.49	n/a	64	\$ 1,165	\$ 5,727	\$ 5,727
	\$ 25,000	base fee @ 25,000		0.50	0.00	20.00	1.00	0.00	21.50	\$ 2,902	\$ 509	18%	\$ 2,902	100%	4	\$ 2,035	\$ 11,607	\$ 11,607
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.010	0.000	0.480	0.004	0.000	0.494	\$ 66.38	\$ 13.13	n/a	\$ 71.77	n/a	18	\$ 236	\$ 1,195	\$ 1,292
	\$ 50,000	base fee @ \$50,000		0.75	0.00	32.00	2.00	0.00	34.75	\$ 4,696	\$ 837	18%	\$ 4,696	100%	3	\$ 2,511	\$ 14,089	\$ 14,089
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.005	0.000	0.960	0.000	0.004	0.969	\$ 129.97	\$ 9.09	n/a	\$ 133.85	n/a	78	\$ 709	\$ 10,138	\$ 10,440
	\$ 100,000	base fee @ \$100,000		1.00	0.00	80.00	2.00	2.00	85.00	\$ 11,389	\$ 1,292	11%	\$ 11,389	100%	4	\$ 5,168	\$ 45,555	\$ 45,555
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.001	0.000	0.050	0.000	0.000	0.051	\$ 6.83	\$ 7.26	n/a	\$ 7.17	n/a	479	\$ 3,479	\$ 3,273	\$ 3,435
	\$ 500,000	base fee @ 500,000		1.25	0.00	100.00	3.00	2.00	106.25	\$ 14,257	\$ 4,204	29%	\$ 14,257	100%	3	\$ 12,613	\$ 42,771	\$ 42,771
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.001	0.000	0.100	0.000	0.000	0.101	\$ 13.49	\$ 6.15	n/a	\$ 13.49	n/a	1,057	\$ 6,501	\$ 14,260	\$ 14,260
	\$ 1,000,000	base fee @ 1,000,000		1.50	0.00	150.00	3.00	2.00	156.50	\$ 21,002	\$ 7,292	35%	\$ 21,002	100%	4	\$ 29,170	\$ 84,010	\$ 84,010
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.000	0.013	0.000	0.000	0.013	\$ 1.69	\$ 4.09	n/a	\$ 1.69	n/a	3,636	\$ 14,868	\$ 6,132	\$ 6,132
	\$ 5,000,000	base fee @ 5,000,000		1.75	0.00	200.00	3.00	2.00	206.75	\$ 27,748	\$ 23,649	85%	\$ 27,748	100%	1	\$ 23,649	\$ 27,748	\$ 27,748
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.000	0.020	0.000	0.000	0.020	\$ 2.69	\$ 4.73	n/a	\$ 2.69	n/a	1,616	\$ 7,643	\$ 4,349	\$ 4,349
	\$ 10,000,000	base fee @ 10,000,000	[3]	2.00	0.00	300.00	3.00	2.00	307.00	\$ 41,205	\$ 47,298	115%	\$ 41,205	100%	8	\$ 378,382	\$ 329,640	\$ 329,640
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.0001	0.0000	0.0210	0.0002	0.0001	0.0215	\$ 2.88	\$ 4.73	n/a	\$ 2.88	n/a	236,645	\$ 1,119,280	\$ 682,568	\$ 682,568

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues			
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee	
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108											
5	Building Plan Check - Commercial/Multi-family/Industrial																		
	\$ 10,000	base fee up \$10,000		0.00	2.00	0.00	n/a	n/a	2.00	\$ 268	\$ 153	57%	\$ 268	100%	-	\$ -	\$ -	\$ -	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.013	0.000	n/a	n/a	0.013	\$ 1.79	\$ 11.84	n/a	\$ 17.90	n/a	-	\$ -	\$ -	\$ -	
	\$ 25,000	base fee @ 25,000		0.00	4.00	0.00	n/a	n/a	4.00	\$ 537	\$ 331	62%	\$ 537	100%	4	\$ 1,323	\$ 2,148	\$ 2,148	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.080	0.000	n/a	n/a	0.080	\$ 10.74	\$ 8.53	n/a	\$ 10.74	n/a	18	\$ 154	\$ 193	\$ 193	
	\$ 50,000	base fee @ \$50,000		0.00	6.00	0.00	n/a	n/a	6.00	\$ 805	\$ 544	68%	\$ 805	100%	3	\$ 1,632	\$ 2,416	\$ 2,416	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.120	0.000	n/a	n/a	0.120	\$ 16.11	\$ 5.91	n/a	\$ 16.11	n/a	78	\$ 461	\$ 1,256	\$ 1,256	
	\$ 100,000	base fee @ \$100,000		0.00	12.00	0.00	n/a	n/a	12.00	\$ 1,611	\$ 840	52%	\$ 1,611	100%	4	\$ 3,359	\$ 6,443	\$ 6,443	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.030	0.000	n/a	n/a	0.030	\$ 4.03	\$ 4.72	n/a	\$ 4.03	n/a	479	\$ 2,261	\$ 1,929	\$ 1,929	
	\$ 500,000	base fee @ 500,000		0.00	24.00	0.00	n/a	n/a	24.00	\$ 3,222	\$ 2,733	85%	\$ 3,222	100%	3	\$ 8,199	\$ 9,665	\$ 9,665	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.024	0.000	n/a	n/a	0.024	\$ 3.22	\$ 4.00	n/a	\$ 3.22	n/a	1,057	\$ 4,225	\$ 3,405	\$ 3,405	
	\$ 1,000,000	base fee @ 1,000,000		0.00	36.00	0.00	n/a	n/a	36.00	\$ 4,833	\$ 4,740	98%	\$ 4,833	100%	4	\$ 18,960	\$ 19,330	\$ 19,330	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.005	0.000	n/a	n/a	0.005	\$ 0.60	\$ 2.66	n/a	\$ 0.60	n/a	3,636	\$ 9,664	\$ 2,196	\$ 2,196	
	\$ 5,000,000	base fee @ 5,000,000		0.00	54.00	0.00	n/a	n/a	54.00	\$ 7,249	\$ 15,372	212%	\$ 7,249	100%	1	\$ 15,372	\$ 7,249	\$ 7,249	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.005	0.000	n/a	n/a	0.005	\$ 0.64	\$ 3.07	n/a	\$ 0.64	n/a	1,616	\$ 4,968	\$ 1,041	\$ 1,041	
	\$ 10,000,000	base fee @ 10,000,000	[3]	0.00	78.00	0.00	n/a	n/a	78.00	\$ 10,470	\$ 30,744	294%	\$ 10,470	100%	8	\$ 245,949	\$ 83,764	\$ 83,764	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.0000	0.0055	0.0000	n/a	n/a	0.005	\$ 0.73	\$ 3.07	n/a	\$ 0.73	n/a	236,645	\$ 727,532	\$ 173,445	\$ 173,445	

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues			
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee	
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108											
6	Building Permit/Inspection - TI																		
	\$ 10,000	base fee up \$10,000		0.50	0.00	12.00	0.50	n/a	13.00	\$ 1,753	\$ 236	13%	\$ 1,753	100%	40	\$ 9,426	\$ 70,118	\$ 70,118	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.000	0.533	0.000	n/a	0.533	\$ 71.59	\$ 18.21	n/a	\$ 71.59	n/a	181	\$ 3,296	\$ 12,958	\$ 12,958	
	\$ 25,000	base fee @ 25,000		0.50	0.00	20.00	0.50	n/a	21.00	\$ 2,827	\$ 509	18%	\$ 2,827	100%	13	\$ 6,613	\$ 36,749	\$ 36,749	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.010	0.000	0.400	0.000	n/a	0.410	\$ 55.04	\$ 13.13	n/a	\$ 55.04	n/a	151	\$ 1,982	\$ 8,311	\$ 8,311	
	\$ 50,000	base fee @ \$50,000		0.75	0.00	30.00	0.50	n/a	31.25	\$ 4,203	\$ 837	20%	\$ 4,203	100%	13	\$ 10,881	\$ 54,636	\$ 54,636	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.005	0.000	0.400	0.000	n/a	0.405	\$ 54.37	\$ 9.09	n/a	\$ 54.37	n/a	358	\$ 3,255	\$ 19,463	\$ 19,463	
	\$ 100,000	base fee @ \$100,000		1.00	0.00	50.00	0.50	n/a	51.50	\$ 6,921	\$ 1,292	19%	\$ 6,921	100%	31	\$ 40,054	\$ 214,553	\$ 214,553	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.001	0.000	0.125	0.000	n/a	0.126	\$ 16.86	\$ 7.26	n/a	\$ 16.86	n/a	5,420	\$ 39,368	\$ 91,400	\$ 91,400	
	\$ 500,000	base fee @ 500,000		1.25	0.00	100.00	0.50	n/a	101.75	\$ 13,666	\$ 4,204	31%	\$ 13,666	100%	9	\$ 37,840	\$ 122,998	\$ 122,998	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.001	0.000	0.040	0.000	n/a	0.041	\$ 5.44	\$ 6.15	n/a	\$ 5.44	n/a	2,136	\$ 13,137	\$ 11,613	\$ 11,613	
	\$ 1,000,000	base fee @ 1,000,000		1.50	0.00	120.00	0.50	n/a	122.00	\$ 16,385	\$ 7,292	45%	\$ 16,385	100%	14	\$ 102,094	\$ 229,386	\$ 229,386	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.000	0.008	0.000	n/a	0.008	\$ 1.02	\$ 4.09	n/a	\$ 1.02	n/a	19,540	\$ 79,901	\$ 19,836	\$ 19,836	
	\$ 5,000,000	base fee @ 5,000,000		1.75	0.00	150.00	0.50	n/a	152.25	\$ 20,445	\$ 23,649	116%	\$ 20,445	100%	1	\$ 23,649	\$ 20,445	\$ 20,445	
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.000	0.030	0.000	n/a	0.030	\$ 4.09	\$ 4.73	n/a	\$ 4.09	n/a	2,000	\$ 9,460	\$ 8,178	\$ 8,178	

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
7	Building Plan Check - TI																	
	\$ 10,000	base fee up \$10,000		0.00	2.00	0.00	n/a	n/a	2.00	\$ 268	\$ 153	57%	\$ 268	100%	-	\$ -	\$ -	\$ -
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.013	0.000	n/a	n/a	0.013	\$ 1.79	\$ 11.84	n/a	\$ 17.90	n/a	-	\$ -	\$ -	\$ -
	\$ 25,000	base fee @ 25,000		0.00	4.00	0.00	n/a	n/a	4.00	\$ 537	\$ 331	62%	\$ 537	100%	13	\$ 4,299	\$ 6,980	\$ 6,980
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.080	0.000	n/a	n/a	0.080	\$ 10.74	\$ 8.53	n/a	\$ 10.74	n/a	151	\$ 1,288	\$ 1,622	\$ 1,622
	\$ 50,000	base fee @ \$50,000		0.00	6.00	0.00	n/a	n/a	6.00	\$ 805	\$ 544	68%	\$ 805	100%	13	\$ 7,073	\$ 10,470	\$ 10,470
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.120	0.000	n/a	n/a	0.120	\$ 16.11	\$ 5.91	n/a	\$ 16.11	n/a	358	\$ 2,116	\$ 5,767	\$ 5,767
	\$ 100,000	base fee @ \$100,000		0.00	12.00	0.00	n/a	n/a	12.00	\$ 1,611	\$ 840	52%	\$ 1,611	100%	31	\$ 26,035	\$ 49,936	\$ 49,936
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.030	0.000	n/a	n/a	0.030	\$ 4.03	\$ 4.72	n/a	\$ 4.03	n/a	5,420	\$ 25,589	\$ 21,827	\$ 21,827
	\$ 500,000	base fee @ 500,000		0.00	24.00	0.00	n/a	n/a	24.00	\$ 3,222	\$ 2,733	85%	\$ 3,222	100%	9	\$ 24,596	\$ 28,995	\$ 28,995
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.024	0.000	n/a	n/a	0.024	\$ 3.22	\$ 4.00	n/a	\$ 3.22	n/a	2,136	\$ 8,539	\$ 6,882	\$ 6,882
	\$ 1,000,000	base fee @ 1,000,000		0.00	36.00	0.00	n/a	n/a	36.00	\$ 4,833	\$ 4,740	98%	\$ 4,833	100%	14	\$ 66,361	\$ 67,655	\$ 67,655
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.005	0.000	n/a	n/a	0.005	\$ 0.60	\$ 2.66	n/a	\$ 0.60	n/a	19,540	\$ 51,936	\$ 11,803	\$ 11,803
	\$ 5,000,000	base fee @ 5,000,000		0.00	54.00	0.00	n/a	n/a	54.00	\$ 7,249	\$ 15,372	212%	\$ 7,249	100%	1	\$ 15,372	\$ 7,249	\$ 7,249
	each additional \$1000 or fraction thereof	each add'l \$1,000		0.000	0.011	0.000	n/a	n/a	0.011	\$ 1.45	\$ 3.07	n/a	\$ 1.45	n/a	2,000	\$ 6,149	\$ 2,900	\$ 2,900

				Activity Service Cost Analysis						Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
II	MISCELLANEOUS MINOR PERMITS																	
8	Demolition																	
	Residential	each		0.50	0.00	0.75	n/a	n/a	1.25	\$ 168	\$ 150	89%	\$ 168	100%	23	\$ 3,448	\$ 3,859	\$ 3,859
	Commercial	each		0.50	0.75	0.75	n/a	n/a	2.00	\$ 268	\$ 136	50%	\$ 268	100%	12	\$ 1,627	\$ 3,222	\$ 3,222
9	Fire Sprinkler - Residential																	
	Plan Check	each		0.00	2.00	0.00	n/a	n/a	2.00	\$ 268	\$ 248	92%	\$ 268	100%	1	\$ 248	\$ 268	\$ 268
	Permit/Inspection	each		0.25	0.00	1.50	n/a	n/a	1.75	\$ 235	\$ 381	162%	\$ 235	100%	1	\$ 381	\$ 235	\$ 235
10	Patio Covers																	
	Residential	each		0.50	1.00	1.50	n/a	n/a	3.00	\$ 403	\$ 541	134%	\$ 403	100%	50	\$ 27,059	\$ 20,136	\$ 20,136
11	Residential Pools																	
	Fiberglass/Above Ground	each		0.75	0.50	1.50	n/a	n/a	2.75	\$ 369	\$ 158	43%	\$ 369	100%	1	\$ 158	\$ 369	\$ 369
	Gunitite (incl. mstr. Plan str. Review average fee)	each		0.75	1.75	5.50	n/a	n/a	8.00	\$ 1,074	\$ 1,500	140%	\$ 1,074	100%	63	\$ 94,472	\$ 67,655	\$ 67,655
	Remodel/Repair	each		0.25	1.00	1.00	n/a	n/a	2.25	\$ 302	\$ 713	236%	\$ 302	100%	5	\$ 3,567	\$ 1,510	\$ 1,510
12	Post Fire Pre-permit Inspection																	
	Residential	each		0.25	0.00	2.00	n/a	n/a	2.25	\$ 302	\$ 276	91%	\$ 302	100%	5	\$ 1,378	\$ 1,510	\$ 1,510
	Commercial	each		0.25	0.00	3.00	n/a	n/a	3.25	\$ 436	\$ 276	63%	\$ 436	100%	1	\$ 276	\$ 436	\$ 436
13	Residential Remodel (includes MEP fees)																	
	Kitchen/Bath < \$10,000	each		0.50	1.00	4.00	n/a	n/a	5.50	\$ 738	\$ 265	36%	\$ 738	100%	15	\$ 3,968	\$ 11,075	\$ 11,075
	Kitchen/Bath \$10,000 - \$20,000	each		0.50	1.50	5.00	n/a	n/a	7.00	\$ 940	\$ 453	48%	\$ 940	100%	18	\$ 8,154	\$ 16,914	\$ 16,914
	Kitchen/Bath \$21,000 - \$30,000	each		0.50	2.00	5.00	n/a	n/a	7.50	\$ 1,007	\$ 758	75%	\$ 1,007	100%	12	\$ 9,100	\$ 12,081	\$ 12,081
14	Non-Structural Re-roof																	
	Residential	each		0.25	0.00	1.50	n/a	n/a	1.75	\$ 235	\$ 203	86%	\$ 235	100%	221	\$ 44,819	\$ 51,916	\$ 51,916
	Commercial	each								See building valuation (Fee #6 & #7)		See building valuation (Fee #6 & #7)						
15	Illuminated & Non-illuminated Wall Signs ONLY	each		0.25	1.00	1.00	n/a	n/a	2.25	\$ 302	\$ 510	169%	\$ 302	100%	40	\$ 20,413	\$ 12,081	\$ 12,081
16	Residential Stucco Siding	each		0.25	0.00	1.00	n/a	n/a	1.25	\$ 168	\$ 282	168%	\$ 168	100%	11	\$ 3,104	\$ 1,846	\$ 1,846

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
17	Res. Non-Habitable Accessory / Storage Structures	each		0.50	1.25	1.50	n/a	n/a	3.25	\$ 436	\$ 601	138%	\$ 436	100%	8	\$ 4,806	\$ 3,490	\$ 3,490
18	Temporary Office Trailers	each		0.50	1.00	1.50	n/a	n/a	3.00	\$ 403	NEW	%	\$ 403	100%	-	\$ -	\$ -	\$ -
19	Residential Windows/Doors - Retrofit/Like-for-like ONLY (size, operation and location)																	
	5 or less	each		0.25	0.00	0.75	n/a	n/a	1.00	\$ 134	\$ 193	144%	\$ 134	100%	14	\$ 2,700	\$ 1,879	\$ 1,879
	6-10	each		0.25	0.00	1.00	n/a	n/a	1.25	\$ 168	\$ 336	200%	\$ 168	100%	13	\$ 4,370	\$ 2,181	\$ 2,181
	11-15	each		0.25	0.00	1.25	n/a	n/a	1.50	\$ 201	\$ 344	171%	\$ 201	100%	4	\$ 1,376	\$ 805	\$ 805
	16+	each								See building valuation (Fee #1 & #2)		See building valuation (Fee #1 & #2)						
III	ELECTRICAL PERMIT FEES																	
20	Base Permit	per project		0.25	0.00	0.00	n/a	n/a	0.25	\$ 34	\$ -	0%	\$ 34	100%	-	\$ -	\$ -	\$ -
	PER UNIT FEE SCHEDULE:																	
21	Receptacles, switches, lighting outlets and circuits																	
	Residential																	
	First 5 or portion thereof	flat		0.00	0.00	0.75	n/a	n/a	0.75	\$ 101	\$ 73	72%	\$ 101	100%	45	\$ 3,273	\$ 4,530	\$ 4,530
	Each additional 5 or portion thereof	flat		0.00	0.00	0.50	n/a	n/a	0.50	\$ 67	\$ -	0%	\$ 67	100%	-	\$ -	\$ -	\$ -
	Added Circuits	each		0.00	0.00	0.25	n/a	n/a	0.25	\$ 34	\$ -	0%	\$ 34	100%	-	\$ -	\$ -	\$ -
	Commercial																	
	First 5 or portion thereof	flat		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ 73	36%	\$ 201	100%	-	\$ -	\$ -	\$ -
	Each additional 5 or portion thereof	flat		0.00	0.25	0.75	n/a	n/a	1.00	\$ 134	\$ -	0%	\$ 134	100%	-	\$ -	\$ -	\$ -
	Added Circuits	each		0.00	0.50	0.50	n/a	n/a	1.00	\$ 134	\$ -	0%	\$ 134	100%	-	\$ -	\$ -	\$ -
22	Installation, Alteration, or Relocation of Each Electrical Service:																	
	Residential																	
	Up to 200 Amps	each		0.00	0.00	1.00	n/a	n/a	1.00	\$ 134	\$ 77	57%	\$ 134	100%	58	\$ 4,475	\$ 7,786	\$ 7,786
	Over 200 Amps	each		0.00	0.00	1.25	n/a	n/a	1.25	\$ 168	\$ -	0%	\$ 168	100%	-	\$ -	\$ -	\$ -
	Commercial																	
	Up to 200 Amps	each		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ 77	38%	\$ 201	100%	-	\$ -	\$ -	\$ -
	Over 200 Amps and up to 800 AMPS	each		0.00	0.50	1.25	n/a	n/a	1.75	\$ 235	\$ -	0%	\$ 235	100%	-	\$ -	\$ -	\$ -
	Over 800 Amps	each		0.00	0.75	1.50	n/a	n/a	2.25	\$ 302	\$ -	0%	\$ 302	100%	-	\$ -	\$ -	\$ -

				Activity Service Cost Analysis							Cost Recovery Analysis				Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
23	Commercial/Residential Portable Electrical Generator - Temporary Use ONLY																	
	1 Generator	flat		0.00	0.50	0.75	n/a	n/a	1.25	\$ 168	\$ 99	59%	\$ 168	100%	7	\$ 694	\$ 1,175	\$ 1,175
	2-5 Generators	flat		0.00	0.75	1.00	n/a	n/a	1.75	\$ 235	\$ 44	19%	\$ 235	100%	-	\$ -	\$ -	\$ -
	6+ Generators	flat		0.00	1.00	1.25	n/a	n/a	2.25	\$ 302	\$ 33	11%	\$ 302	100%	-	\$ -	\$ -	\$ -
24	TEMPORARY POWER SERVICE:																	
	1 Temporary power pole	flat		0.00	0.00	1.00	n/a	n/a	1.00	\$ 134	\$ 99	74%	\$ 134	100%	47	\$ 4,662	\$ 6,309	\$ 6,309
	2-5 Temporary power poles	flat		0.00	0.00	1.50	n/a	n/a	1.50	\$ 201	\$ 44	22%	\$ 201	100%	-	\$ -	\$ -	\$ -
	6+ Temporary power poles	flat		0.00	0.00	2.50	n/a	n/a	2.50	\$ 336	\$ 33	10%	\$ 336	100%	-	\$ -	\$ -	\$ -
25	Solar (PV) Systems (State mandated fees)	each																
	Solar - Residential (Up to 15 kW)	flat		n/a	n/a	n/a	n/a	n/a	n/a	\$ 450	\$ 513	114%	\$ 450	100%	727	\$ 372,697	\$ 327,150	\$ 327,150
	Per kW above 15kW	per kW		n/a	n/a	n/a	n/a	n/a	n/a	\$ 15	\$ 87	583%	\$ 15	100%	12	\$ 1,067	\$ 183	\$ 183
	Solar - Commercial (Up to 50 kW)	flat		n/a	n/a	n/a	n/a	n/a	n/a	\$ 1,000	\$ -	0%	\$ 1,000	100%	-	\$ -	\$ -	\$ -
	Per kW between 51kW - 250kW	per kW		n/a	n/a	n/a	n/a	n/a	n/a	\$ 7	\$ -	0%	\$ 7	100%	-	\$ -	\$ -	\$ -
	Per kW above 250kW	per kW		n/a	n/a	n/a	n/a	n/a	n/a	\$ 5	\$ -	0%	\$ 5	100%	-	\$ -	\$ -	\$ -
IV	MECHANICAL PERMIT AND PLAN CHECK FEES																	
26	For the issuance of each permit	each		0.25	0.00	0.00	n/a	n/a	0.25	\$ 34	\$ -	0%	\$ 34	100%	-	\$ -	\$ -	\$ -
27	HVAC, Evaporative coil systems; new, or change out or relocation (not including duct; see Fee #31 for new residential ducts)																	
	Residential	each		0.00	0.25	1.50	n/a	n/a	1.75	\$ 235	\$ 159	68%	\$ 117	50%	161	\$ 25,599	\$ 37,821	\$ 18,911
	Commercial	each		0.00	0.75	2.00	n/a	n/a	2.75	\$ 369	\$ 159	43%	\$ 369	100%	-	\$ -	\$ -	\$ -
28	Repair to existing mechanical system - Residential Only	each		0.00	0.00	1.25	n/a	n/a	1.25	\$ 168	\$ 158	94%	\$ 168	100%	231	\$ 36,409	\$ 38,761	\$ 38,761
29	For the installation or relocation of each wall heater, floor furnace, suspended, or floor mounted unit heater																	
	Residential	each		0.00	0.25	1.00	n/a	n/a	1.25	\$ 168	\$ 148	88%	\$ 168	100%	21	\$ 3,108	\$ 3,524	\$ 3,524
	Commercial	each		0.00	0.50	1.25	n/a	n/a	1.75	\$ 235	\$ 148	63%	\$ 235	100%	-	\$ -	\$ -	\$ -

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
31	For each new (or change out) Residential duct system	each		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ 165	82%	\$ 201	100%	2	\$ 331	\$ 403	\$ 403
32	For the installation, alteration, or addition to each commercial range hood(s), including ducts, blower(s), or fans attached thereto for type I, or II hoods.	each		0.00	1.00	4.00	n/a	n/a	5.00	\$ 671	\$ 218	33%	\$ 671	100%	7	\$ 1,528	\$ 4,698	\$ 4,698
33	For the installation of each domestic type vent fan or range hood, including attached duct (Residential Only)	each		0.00	0.00	0.75	n/a	n/a	0.75	\$ 101	\$ -	0%	\$ 50	50%	-	\$ -	\$ -	\$ -
34	For the installation or relocation of each boiler or compressor to and including three horse power or each absorption system to and including 100,000 B.T.U.																	
	Residential	each		0.00	0.50	1.50	n/a	n/a	2.00	\$ 268	\$ -	0%	\$ 268	100%	-	\$ -	\$ -	\$ -
	Commercial	each		0.00	1.00	1.50	n/a	n/a	2.50	\$ 336	\$ -	0%	\$ 336	100%	-	\$ -	\$ -	\$ -
35	For the installation or relocation of each boiler or compressor over 3 HP or each absorption system over 100,000 B.T.U.																	
	Residential	each		0.00	0.50	2.00	n/a	n/a	2.50	\$ 336	\$ -	0%	\$ 336	100%	-	\$ -	\$ -	\$ -
	Commercial	each		0.00	1.25	2.00	n/a	n/a	3.25	\$ 436	\$ -	0%	\$ 436	100%	-	\$ -	\$ -	\$ -
36	New Swimming Pool Heating Systems - heater/boiler (see fee #52 and fee #53 for plumbing elements)																	
	Residential	each		0.00	0.50	1.50	n/a	n/a	2.00	\$ 268	\$ -	0%	\$ 268	100%	-	\$ -	\$ -	\$ -
	Commercial	each		0.00	0.75	2.00	n/a	n/a	2.75	\$ 369	\$ -	0%	\$ 369	100%	-	\$ -	\$ -	\$ -
37	Replacement Swimming Pool Heating System - heater/boiler (see fee #52 and fee #53 for plumbing elements). Residential Only	each		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ -	0%	\$ 201	100%	-	\$ -	\$ -	\$ -
37	For the installation of each fire/smoke/ceiling radiation damper	each									See building valuation (Fee #6 & #7)		See building valuation (Fee #6 & #7)					

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues			
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee	
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108											
38	For the installation or alteration of one residential metal chimney serving a fireplace or similar appliances	each		0.00	0.50	1.50	n/a	n/a	2.00	\$ 268	\$ -	0%	\$ 268	100%	-	\$ -	\$ -	\$ -	
V	PLUMBING PERMIT AND PLAN CHECK FEES																		
39	For the issuance of each permit	each		0.25	0.00	0.00	n/a	n/a	0.25	\$ 34	\$ 44	131%	\$ 34	100%	-	\$ -	\$ -	\$ -	
40	For 10 or less plumbing fixtures or traps, including water, waste, and vent piping																		
	Residential	flat		0.00	0.00	1.00	n/a	n/a	1.00	\$ 134	\$ 54	40%	\$ 67	50%	26	\$ 1,404	\$ 3,490	\$ 1,745	
	Commercial	flat		0.00	1.00	2.00	n/a	n/a	3.00	\$ 403	\$ -	0%	\$ 403	100%	-	\$ -	\$ -	\$ -	
41	Each additional plumbing fixture; Residential Only	each		0.00	0.00	0.25	n/a	n/a	0.25	\$ 34	\$ 12	36%	\$ 34	100%	-	\$ -	\$ -	\$ -	
42	10 gas outlets or less, includes repairs, new work and line replacements																		
	Residential	flat		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ 50	25%	\$ 101	50%	12	\$ 600	\$ 2,416	\$ 1,208	
	Commercial	flat		0.00	1.00	1.50	n/a	n/a	2.50	\$ 336	\$ -	0%	\$ 336	100%	-	\$ -	\$ -	\$ -	
43	Repairs, replacements or relocation of each building sewer or building drain and backwater valve.																		
	Residential	each		0.00	0.00	0.75	n/a	n/a	0.75	\$ 101	\$ 74	74%	\$ 101	100%	34	\$ 2,516	\$ 3,423	\$ 3,423	
	Commercial	each		0.00	0.50	0.75	n/a	n/a	1.25	\$ 168	\$ -	0%	\$ 168	100%	-	\$ -	\$ -	\$ -	
44	For each interceptor (sand/grease) and each industrial waste pre-treatment interceptor	each		0.00	0.75	1.00	n/a	n/a	1.75	\$ 235	\$ 23	10%	\$ 235	100%	-	\$ -	\$ -	\$ -	
45	Commercial roof rain water system	each		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ 12	6%	\$ 201	100%	-	\$ -	\$ -	\$ -	
46	For each water supply system installation, alteration, replacement of water piping and Residential water treatment equipment																		
	Residential	each		0.00	0.00	1.00	n/a	n/a	1.00	\$ 134	\$ 45	34%	\$ 134	100%	4	\$ 180	\$ 537	\$ 537	
	Commercial	each		0.00	0.75	1.50	n/a	n/a	2.25	\$ 302	\$ -	0%	\$ 302	100%	-	\$ -	\$ -	\$ -	

				Activity Service Cost Analysis						Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
47	Drain and vent piping. Includes new systems, repairs, replacement lines, pool drains and separation tanks.																	
	Residential	each		0.00	0.00	0.75	n/a	n/a	0.75	\$ 101	\$ 79	78%	\$ 101	100%	4	\$ 316	\$ 403	\$ 403
	Commercial	each		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ -	0%	\$ 201	100%	-	\$ -	\$ -	\$ -
48	Repair/replacement of backflow prevention devices e.g. vacuum breakers.																	
	Residential	each		0.00	0.00	0.75	n/a	n/a	0.75	\$ 101	\$ 77	76%	\$ 101	100%	1	\$ 77	\$ 101	\$ 101
	Commercial	each		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ -	0%	\$ 201	100%	-	\$ -	\$ -	\$ -
49	Storage tank (or tankless) water heater repair or replacement, like-for-like																	
	Residential	each		0.00	0.00	0.75	n/a	n/a	0.75	\$ 101	\$ 50	49%	\$ 50	50%	267	\$ 13,243	\$ 26,881	\$ 13,440
	Commercial	each		0.00	0.50	1.00	n/a	n/a	1.50	\$ 201	\$ 51	25%	\$ 201	100%	6	\$ 304	\$ 1,208	\$ 1,208
50	New water heater installation (tankless or storage)																	
	Residential	each		0.00	0.75	1.25	n/a	n/a	2.00	\$ 268	NEW	%	\$ 268	100%	-	\$ -	\$ -	\$ -
	Commercial	each		0.00	1.00	1.50	0.50	n/a	3.00	\$ 411	NEW	%	\$ 411	100%	-	\$ -	\$ -	\$ -
51	New or Replacement of rooftop solar thermal water heating systems (NOT PV) (State mandated fees)		[1]															
	Residential (up to 10 kWth)	flat		n/a	n/a	n/a	n/a	n/a	0.00	\$ -	\$ 450	%	\$ 450	%	-	\$ -	\$ -	\$ -
	Per kWth above 10 kWth	per kWth		n/a	n/a	n/a	n/a	n/a	0.00	\$ -	\$ 15	%	\$ 15	%	-	\$ -	\$ -	\$ -
	Commercial (up to 30 kWth)	flat		n/a	n/a	n/a	n/a	n/a	0.00	\$ -	\$ 1,000	%	\$ 1,000	%	-	\$ -	\$ -	\$ -
	Per kWth between 31 kWth - 260 kWth)	per kWth		n/a	n/a	n/a	n/a	n/a	0.00	\$ -	\$ 7	%	\$ 7	%	-	\$ -	\$ -	\$ -
	Per kWth above 260 kWth	per kWth		n/a	n/a	n/a	n/a	n/a	0.00	\$ -	\$ 5	%	\$ 5	%	-	\$ -	\$ -	\$ -
52	New non-solar thermal pool appliance heating systems - plumbing elements only (see fee #36 for mechanical components)																	
	Residential	each		0.00	0.25	0.75	n/a	n/a	1.00	\$ 134	\$ 45	34%	\$ 134	100%	4	\$ 180	\$ 537	\$ 537
	Commercial	each		0.00	0.25	0.75	n/a	n/a	1.00	\$ 134	\$ -	0%	\$ 134	100%	-	\$ -	\$ -	\$ -

				Activity Service Cost Analysis						Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
53	Repair or replacement of non-solar thermal pool heating systems - plumbing elements only like for like																	
	Residential	each		0.00	0.00	0.75	n/a	n/a	0.75	\$ 101	NEW	%	\$ 50	50%	-	\$ -	\$ -	\$ -
	Commercial	each		0.00	0.25	0.75	n/a	n/a	1.00	\$ 134	NEW	%	\$ 134	100%	-	\$ -	\$ -	\$ -
VI	ADDITIONAL PLAN REVIEW / INSPECTION SERVICES																	
54	Accessibility Hardship Review	each		0.25	4.50	0.00	n/a	n/a	4.75	\$ 638	New	%	\$ 638	100%	-	\$ -	\$ -	\$ -
55	Inspections outside of normal business hours (min 2 hours)																	
	First 2 Hours	per project		0.50	0.00	2.00	n/a	n/a	2.50	\$ 369	\$ 549	149%	\$ 369	100%	-	\$ -	\$ -	\$ -
	Each additional hour (1/4 hour increments)	hourly		0.00	0.00	1.00	n/a	n/a	1.00	\$ 147	\$ 137	93%	\$ 147	100%	-	\$ -	\$ -	\$ -
56	Reinspection fee (min 1/2 hour)																	
	First 1/2 Hour	hourly		0.25	0.00	0.50	n/a	n/a	0.75	\$ 101	\$ 46	46%	\$ 101	100%	-	\$ -	\$ -	\$ -
	Each additional hour (1/4 hour increments)	hourly		0.00	0.00	1.00	n/a	n/a	1.00	\$ 134	\$ 46	34%	\$ 134	100%	-	\$ -	\$ -	\$ -
57	Plan review for which no fee is specifically indicated (min 1/2 hour)																	
	First 1/2 Hour	per project		0.25	0.50	0.00	n/a	n/a	0.75	\$ 111	NEW	%	\$ 111	100%	28	\$ -	\$ 3,097	\$ 3,097
	Each additional hour (1/4 hour increments)	hourly		0.00	1.00	0.00	n/a	n/a	1.00	\$ 147	NEW	%	\$ 147	100%	-	\$ -	\$ -	\$ -
58	Inspections for which no fee is specifically indicated (min 1 hour)																	
	First 1 Hour	per project		0.00	0.00	1.00	n/a	n/a	1.00	\$ 134	\$ 46	34%	\$ 134	100%	-	\$ -	\$ -	\$ -
	Each additional hour (1/4 hour increments)	hourly		0.00	0.00	1.00	n/a	n/a	1.00	\$ 134	\$ 46	34%	\$ 134	100%	-	\$ -	\$ -	\$ -
59	Strong Motion Instrumentation Program (SMIP)	State Fee	[1]	n/a	n/a	n/a	n/a	n/a	0	0	Determined by the State	%	Determined by the State	%		\$ -	\$ -	\$ -
60	Reissuance of Inspection Card	each		0.25	0.00	0.00	n/a	n/a	0.25	\$ 34	\$ -	0%	\$ 34	100%	-	\$ -	\$ -	\$ -
61	Special Inspection (SOQ Review & Approval - New and each 3 yr renewal period)	hourly		1.50	0.00	0.00	n/a	n/a	1.50	\$ 201	\$ -	0%	\$ 201	100%	-	\$ -	\$ -	\$ -

				Activity Service Cost Analysis						Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
62	Temporary Certificates of Occupancy/Certificate of Occupancy																	
	TCO/CO Issuance (Required)	each		0.75	0.00	0.00	0.75	0.75	2.25	\$ 294	\$ 91	31%	\$ 294	100%	-	\$ -	\$ -	\$ -
	TCO/CO Issuance (Non-Required)	each		0.75	0.00	0.00	n/a	n/a	0.75	\$ 101	\$ 91	90%	\$ 101	100%	-	\$ -	\$ -	\$ -
63	Partial TCO	each		0.75	0.50	1.00	n/a	n/a	2.25	\$ 302	\$ 91	30%	\$ 302	100%	-	\$ -	\$ -	\$ -
64	Plan review for any submittals subsequent to 3rd submittal and for revisions (min 1/2 hour)																	
	First 1/2 Hour	per project		0.00	0.50	0.00	n/a	n/a	0.50	\$ 67	\$ 46	69%	\$ 67	100%	-	\$ -	\$ -	\$ -
	Each additional hour (1/4 hour increments)	hourly		0.00	1.00	0.00	n/a	n/a	1.00	\$ 134	\$ 46	34%	\$ 134	100%	-	\$ -	\$ -	\$ -
65	Expedited Plan Check (Outside normal business hours)	each 1/2 hr		0.00	0.50	0.00	n/a	n/a	0.50	\$ 74	Hourly	%	\$ 74	100%	-	\$ -	\$ -	\$ -
66	Record Retention (Digitizing Fee)																	
	Up to 11x17	per page		0.50	0.00	0.00	n/a	n/a	0.50	\$ 67	\$ 0.17	0%	\$ 0.17	0%	-	\$ -	\$ -	\$ -
	Over 11x17	per page		2.00	0.00	0.00	n/a	n/a	2.00	\$ 268	\$ 2	1%	\$ 2	1%	-	\$ -	\$ -	\$ -
	Pick-up & Delivery	flat		0.25	0.00	0.00	n/a	n/a	0.25	\$ 34	\$ 0.28	1%	\$ 0.28	1%	-	\$ -	\$ -	\$ -
67	Affidavit Process to Release/Provide Plans	each		1.00	0.00	0.00	n/a	n/a	1.00	\$ 134	\$ 91	68%	\$ 134	100%	-	\$ -	\$ -	\$ -
68	AMMR Review (minimum 2 hours)																	
	First 2 Hours	per project		0.25	2.00	0.00	n/a	n/a	2.25	\$ 302	\$ 91	30%	\$ 302	100%	-	\$ -	\$ -	\$ -
	Each additional hour (1/4 hour increments)	hourly		0.00	1.00	0.00	n/a	n/a	1.00	\$ 134	\$ -	0%	\$ 134	100%	-	\$ -	\$ -	\$ -
69	Investigation Fee	each	[2]								2 times permit fee		3 times permit fee			\$ -	\$ -	\$ -
70	Partial Permit Issuance and Non-standard Deferred Submittals																	
	Partial Permit Issuance	each		0.75	0.00	0.00	0.50	n/a	1.25	\$ 176	\$ 91	52%	\$ 176	100%	-	\$ -	\$ -	\$ -
	Non-standard Deferred Submittals	each		0.75	0.00	0.00	n/a	n/a	0.75	\$ 101	\$ -	0%	\$ 101	100%	-	\$ -	\$ -	\$ -

				Activity Service Cost Analysis						Cost Recovery Analysis					Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Estimated Average Labor Time Per Activity (hours)	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommend Fee Level / Deposit	Recommend Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Proc	PC	Insp	Plng	Eng								Current Fee	Full Cost Recovery	Recommend Fee
				\$ 134	\$ 134	\$ 134	\$ 150	\$ 108										
71	FEMA Community Acknowledgement Form Processing (minimum 1 hour)																	
	First 1 Hour	per project		0.00	1.00	0.00	n/a	n/a	1.00	\$ 134	\$ 46	34%	\$ 134	100%	-	\$ -	\$ -	\$ -
	Each additional hour (1/4 hour increments)	hourly		0.00	1.00	0.00	n/a	n/a	1.00	\$ 134	\$ 46	34%	\$ 134	100%	-	\$ -	\$ -	\$ -
72	Special Projects (minimum 1/4 hour) Special Events and Code Enforcement Activities																	
	First 1/4 Hour	per project		0.00	0.25	0.00	n/a	n/a	0.25	\$ 34	\$ 91	271%	\$ 34	100%	-	\$ -	\$ -	\$ -
	Each additional hour (1/4 hour increments)	hourly		0.00	1.00	0.00	n/a	n/a	1.00	\$ 134	\$ 46	34%	\$ 134	100%	-	\$ -	\$ -	\$ -
73	BUILDING MOVING																	
	Permit Fee	per permit		1.00	1.00	3.00	1.00	0.25	6.25	\$ 848	\$ 142	17%	\$ 848	100%	-	\$ -	\$ -	\$ -
	Other	per hr.		0.00	1.00	0.00	0.00	0.00	1.00	\$ 134	Hrly rate for City Personnel	%	\$ 134	100%	-	\$ -	\$ -	\$ -
	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			1.00	0.00	0.00	n/a	n/a	1.00	\$ 134	\$ 130	97%	\$ 134	100%	-	\$ -	\$ -	\$ -
TOTAL																5,249,857	4,735,249	4,700,507

Notes

- [1] Fee set by State. NBS did not analyze.
[2] Penalty. NBS did not analyze.
[3] Fees for projects over \$10MM in valuation are initial deposits. Time and cost required for regulatory efforts will be billed on an actual cost basis.

APPENDIX A.5

Cost of Service Analysis – Engineering Division

				Activity Service Cost Analysis								Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)								Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Rec Fee Level / Deposit	Rec Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				31601 - ENG PROC.	31601 - ENG PLAN CHECK	31601 - ENG CONS	31606 - ENG INSP	Plng	Bldg	PW	TOTAL							Current	Full Cost	Rec
				\$ 108	\$ 108	\$ 108	\$ 130	\$ 150	\$ 134	\$ 117										
I	LAND DEVELOPMENT ENGINEERING APPLICATION REVIEW AND APPROVALS																			
1	Agreement Processing																			
	Inspection Improvement Agreement	Per agreement		36.0	n/a	20.0	n/a	n/a	n/a	5.0	61.00	\$ 6,624	\$ 8,108	122%	\$ 6,624	100%	3	\$ 24,324	\$ 19,873	\$ 19,873
	Subdivision Improvement Agreement	Per agreement		36.0	n/a	24.0	n/a	n/a	n/a	5.0	65.00	\$ 7,055	\$ 8,108	115%	\$ 7,055	100%	12	\$ 97,296	\$ 84,665	\$ 84,665
	Deferred Improvement Agreement	Per agreement		36.0	n/a	22.0	n/a	n/a	n/a	5.0	63.00	\$ 6,840	\$ 8,108	119%	\$ 6,840	100%	2	\$ 16,216	\$ 13,680	\$ 13,680
	Off-site Improvement Agreement	Per agreement		36.0	n/a	28.0	n/a	n/a	n/a	5.0	69.00	\$ 7,487	\$ 8,108	108%	\$ 7,487	100%	10	\$ 81,080	\$ 74,866	\$ 74,866
	Park Improvement and Reimbursement Agreement	Per agreement		36.0	n/a	16.0	n/a	n/a	n/a	6.0	58.00	\$ 6,310	\$ 8,108	128%	\$ 6,310	100%	3	\$ 24,324	\$ 18,931	\$ 18,931
2	Grading Plan Check																			
	10,000 base fee			2.0	72.0	32.0	n/a	n/a	3.0	2.5	111.50	\$ 12,124	\$ 3,176	26%	\$ 12,124	100%	17	\$ 52,404	\$ 200,041	\$ 200,041
	each additional 10,000 CY	each add'l		0.00	0.00	4.89	n/a	n/a	0.00	0.17	5.06	\$ 546.63	\$ 174	n/a	\$ 546.62	n/a	-	\$ -	\$ -	\$ -
	100,000 base fee			2.0	72.0	76.0	n/a	n/a	3.0	4.0	157.00	\$ 17,043	\$ 4,742	28%	\$ 17,043	100%	7	\$ 30,823	\$ 110,782	\$ 110,782
	each additional 10,000 CY	each add'l		0.00	0.00	4.80	n/a	n/a	0.00	0.00	4.80	\$ 517.47	\$ 148	n/a	\$ 517.47	n/a	-	\$ -	\$ -	\$ -
	200,000 base fee			2.0	72.0	124.0	n/a	n/a	3.0	4.0	205.00	\$ 22,218	\$ 5,988	27%	\$ 22,218	100%	4	\$ 20,958	\$ 77,763	\$ 77,763
	each additional 10,000 CY	each add'l		0.10	3.60	6.20	n/a	n/a	0.15	0.20	10.25	\$ 1,110.90	\$ 115	n/a	\$ 1,110.90	n/a	-	\$ -	\$ -	\$ -
3	Grading Permit and Inspection																			
	Residential or Commercial Lots (Up to 5)	per project		7.0	30.0	n/a	10.0	n/a	n/a	3.0	50.00	\$ 5,643	\$ 1,796	32%	\$ 5,643	100%	17	\$ 29,634	\$ 93,102	\$ 93,102
	Subdivisions (5 lots or more)	per project		12.0	50.0	n/a	30.0	n/a	n/a	5.0	97.00	\$ 11,176	\$ 4,538	41%	\$ 11,176	100%	3	\$ 11,345	\$ 27,939	\$ 27,939
	Re-inspection fee	per inspection		n/a	n/a	n/a	3.0	n/a	n/a	2.0	5.00	\$ 625	\$ 130	21%	\$ 625	100%	3	\$ 390	\$ 1,876	\$ 1,876
4	4th & subsequent plan check	per submittal		1.0	7.0	n/a	n/a	n/a	0.5	2.5	11.00	\$ 1,223	\$ 1,796	147%	\$ 1,223	100%	10	\$ 17,960	\$ 12,231	\$ 12,231
	SUBDIVISIONS		[8]																	
5	Final Parcel Map Review	per project		2.0	12.0	22.0	n/a	4.0	n/a	2.0	42.00	\$ 4,716	\$ 2,942	62%	\$ 4,716	100%	2	\$ 5,884	\$ 9,431	\$ 9,431
6	Final Subdivision Map Review																			
	5 - 49 lots	per project		4.0	20.0	36.0	n/a	4.0	n/a	n/a	64.00	\$ 7,068	\$ 2,385	34%	\$ 7,068	100%	3	\$ 7,155	\$ 21,205	\$ 21,205
	50 - 100 lots	per project		6.0	28.0	96.0	n/a	6.0	n/a	n/a	136.00	\$ 14,915	\$ 2,385	16%	\$ 14,915	100%	20	\$ 47,700	\$ 298,293	\$ 298,293
	>100 lots, each additional 100 lots	per 100 lots		6.0	28.0	96.0	n/a	8.0	n/a	n/a	138.00	\$ 15,215	New	%	\$ 15,215	100%	2	\$ -	\$ 30,429	\$ 30,429
7	Final Map Amendment Review	per project		28.0	n/a	28.0	n/a	n/a	1.0	n/a	57.00	\$ 6,171	\$ 1,465	24%	\$ 6,171	100%	2	\$ 2,930	\$ 12,343	\$ 12,343
8	Certification of Correction	per project		28.0	n/a	16.0	n/a	n/a	n/a	n/a	44.00	\$ 4,743	\$ 4,473	94%	\$ 4,743	100%	2	\$ 8,946	\$ 9,487	\$ 9,487

				Activity Service Cost Analysis								Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)							Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Rec Fee Level / Deposit	Rec Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues			
				31601 - ENG PROC.	31601 - ENG PLAN CHECK	31601 - ENG CONS	31606 - ENG INSP	Plng	Bldg	PW							TOTAL	Current	Full Cost	Rec
				\$ 108	\$ 108	\$ 108	\$ 130	\$ 150	\$ 134	\$ 117										
NEW	Non-Technical Correction (i.e. misspellings)	per project		n/a	n/a	2.0	n/a	n/a	n/a	2.00	\$ 216	New	%	\$ 216	100%	-	\$ -	\$ -	\$ -	
10	Certificate of Compliance	per application		12.0	n/a	16.0	n/a	2.0	n/a	n/a	30.00	\$ 3,319	\$ 3,500	105%	\$ 3,319	100%	-	\$ -	\$ -	\$ -
11	Legal description and plat review (lot merger)	per application		12.0	n/a	16.0	n/a	n/a	n/a	n/a	28.00	\$ 3,019	NEW	%	\$ 3,019	100%	-	\$ -	\$ -	\$ -
	PUBLIC IMPROVEMENTS																			
12	SIA, DIA, OIA, PIRA, Any Amendment	per amendment		24.0	n/a	24.0	n/a	n/a	n/a	4.0	52.00	\$ 5,644	\$ 274	5%	\$ 5,644	100%	18	\$ 4,940	\$ 101,598	\$ 101,598
13	Plan Check	per project up to \$5M, deposit/actual cost >\$5M																		
	\$ 2,000	base fee		10.0	55.0	9.0	n/a	n/a	0.5	1.0	75.50	\$ 8,162	\$ 127	2%	\$ 8,162	100%	7	\$ 892	\$ 57,135	\$ 57,135
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.13	1.52	0.83	n/a	n/a	0.02	0.04	2.54	\$ 275.19	\$ 64	n/a	\$ 275.20	n/a	-	\$ -	\$ -	\$ -
	\$ 25,000	base fee		13.0	90.0	28.0	n/a	n/a	1.0	2.0	134.00	\$ 14,492	\$ 1,593	11%	\$ 14,492	100%	4	\$ 6,371	\$ 57,967	\$ 57,967
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.24	2.40	0.80	n/a	n/a	0.02	0.04	3.50	\$ 378.24	\$ 64	n/a	\$ 378.24	n/a	-	\$ -	\$ -	\$ -
	\$ 50,000	base fee		19.0	150.0	48.0	n/a	n/a	1.5	3.0	221.50	\$ 23,948	\$ 3,185	13%	\$ 23,948	100%	2	\$ 6,371	\$ 47,895	\$ 47,895
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.10	0.12	0.84	n/a	n/a	0.01	0.00	1.07	\$ 115.62	\$ 64	n/a	\$ 115.62	n/a	-	\$ -	\$ -	\$ -
	\$ 100,000	base fee		24.0	156.0	90.0	n/a	n/a	2.0	3.0	275.00	\$ 29,728	\$ 6,371	21%	\$ 29,728	100%	8	\$ 47,780	\$ 222,963	\$ 222,963
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.01	0.01	0.07	n/a	n/a	0.00	0.00	0.08	\$ 8.84	\$ 64	n/a	\$ 8.84	n/a	-	\$ -	\$ -	\$ -
	\$ 500,000	base fee		26.0	159.0	116.0	n/a	n/a	3.0	3.5	307.50	\$ 33,263	\$ 31,853	96%	\$ 33,263	100%	1	\$ 31,853	\$ 33,263	\$ 33,263
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.01	0.11	0.13	n/a	n/a	0.00	0.00	0.25	\$ 26.69	\$ 64	n/a	\$ 26.69	n/a	-	\$ -	\$ -	\$ -
	\$ 1,000,000	base fee		31.0	212.0	180.0	n/a	n/a	4.0	4.0	431.00	\$ 46,609	\$ 63,706	137%	\$ 46,609	100%	4	\$ 254,826	\$ 186,435	\$ 186,435
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.01	0.05	0.04	n/a	n/a	0.00	0.00	0.10	\$ 10.46	\$ 64	n/a	\$ 10.46	n/a	-	\$ -	\$ -	\$ -
	\$ 5,000,000	base fee		51.0	415.0	340.0	n/a	n/a	6.0	6.5	818.50	\$ 88,461	\$ 318,532	360%	\$ 88,461	100%	2	\$ 637,064	\$ 176,921	\$ 176,921
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.01	0.08	0.07	n/a	n/a	0.00	0.00	0.16	\$ 17.69	\$ 64	n/a	\$ 17.69	n/a	-	\$ -	\$ -	\$ -

				Activity Service Cost Analysis								Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)								Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Rec Fee Level / Deposit	Rec Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				31601 - ENG PROC.	31601 - ENG PLAN CHECK	31601 - ENG CONS	31606 - ENG INSP	Plng	Bldg	PW	TOTAL							Current	Full Cost	Rec
				\$ 108	\$ 108	\$ 108	\$ 130	\$ 150	\$ 134	\$ 117										
14	Inspection	per project up to \$5M, deposit/actual cost >\$5M																		
	\$ 2,000	base fee		1.5	n/a	n/a	5.0	n/a	1.0	1.0	8.50	\$ 1,064	\$ 77	7%	\$ 1,064	100%	27	\$ 2,083	\$ 28,731	\$ 28,731
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.04	n/a	n/a	0.33	n/a	0.02	0.04	0.43	\$ 55.15	\$ 39	n/a	\$ 55.15	n/a	-	\$ -	\$ -	\$ -
	\$ 25,000	base fee		2.5	n/a	n/a	12.5	n/a	1.5	2.0	18.50	\$ 2,333	\$ 964	41%	\$ 2,333	100%	123	\$ 118,623	\$ 286,905	\$ 286,905
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.10	n/a	n/a	0.50	n/a	0.02	0.04	0.66	\$ 83.24	\$ 39	n/a	\$ 83.24	n/a	-	\$ -	\$ -	\$ -
	\$ 50,000	base fee		5.0	n/a	n/a	25.0	n/a	2.0	3.0	35.00	\$ 4,413	\$ 1,929	44%	\$ 4,413	100%	101	\$ 194,812	\$ 445,761	\$ 445,761
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.10	n/a	n/a	0.20	n/a	0.04	0.00	0.34	\$ 42.18	\$ 39	n/a	\$ 42.18	n/a	-	\$ -	\$ -	\$ -
	\$ 100,000	base fee		10.0	n/a	n/a	35.0	n/a	4.0	3.0	52.00	\$ 6,522	\$ 3,858	59%	\$ 6,522	100%	44	\$ 169,737	\$ 286,989	\$ 286,989
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.04	n/a	n/a	0.41	n/a	0.01	0.00	0.46	\$ 58.55	\$ 39	n/a	\$ 58.55	n/a	-	\$ -	\$ -	\$ -
	\$ 500,000	base fee		25.0	n/a	n/a	200.0	n/a	6.0	3.5	234.50	\$ 29,941	\$ 19,288	64%	\$ 29,941	100%	13	\$ 250,748	\$ 389,239	\$ 389,239
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.05	n/a	n/a	0.30	n/a	0.00	0.00	0.36	\$ 45.09	\$ 39	n/a	\$ 45.09	n/a	-	\$ -	\$ -	\$ -
	\$ 1,000,000	base fee		50.0	n/a	n/a	350.0	n/a	8.0	4.0	412.00	\$ 52,486	\$ 38,577	73%	\$ 52,486	100%	8	\$ 308,613	\$ 419,891	\$ 419,891
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.01	n/a	n/a	0.41	n/a	0.00	0.00	0.43	\$ 55.17	\$ 39	n/a	\$ 55.17	n/a	-	\$ -	\$ -	\$ -
	\$ 5,000,000	base fee		100.0	n/a	n/a	2,000.0	n/a	10.0	6.5	2,116.50	\$ 273,186	\$ 192,883	71%	\$ 273,186	100%	4	\$ 771,531	\$ 1,092,744	\$ 1,092,744
	each additional \$1,000 or fraction thereof	each add'l \$1,000		0.02	n/a	n/a	0.40	n/a	0.00	0.00	0.42	\$ 54.64	\$ 39	n/a	\$ 54.64	n/a	-	\$ -	\$ -	\$ -
15	As builts, review after construction	per lot		2.0	10.0	n/a	10.0	n/a	1.5	5.0	28.50	\$ 3,384	\$ 39	1%	\$ 3,384	100%	41	\$ 1,598	\$ 138,639	\$ 138,639
16	Water treatment plan check/ NPDES Compliance	per project		n/a	n/a	20.0	n/a	n/a	n/a	n/a	20.00	\$ 2,156	new	%	\$ 2,156	100%	-	\$ -	\$ -	\$ -
17	MWELO	per project		n/a	1.0	n/a	n/a	n/a	n/a	n/a	1.00	\$ 108	new	%	\$ 108	100%	-	\$ -	\$ -	\$ -

				Activity Service Cost Analysis								Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)								Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Rec Fee Level / Deposit	Rec Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				31601 - ENG PROC.	31601 - ENG PLAN CHECK	31601 - ENG CONS	31606 - ENG INSP	Plng	Bldg	PW	TOTAL							Current	Full Cost	Rec
				\$ 108	\$ 108	\$ 108	\$ 130	\$ 150	\$ 134	\$ 117										
18	MICRO IMAGING FEES		[2,4]																	
	11" X 17" and smaller (B&W or Grayscale with 2" field index)	each										\$ 0.09		\$ 0.08						
	Larger than 11" X 17" (B&W or Grayscale with a two-field index)	each										\$ 0.97		\$ 0.88						
	11" X 17" and smaller (Color with two-field index)	each										\$ 0.17		\$ 0.15						
	18" X 24" Color document with a two-field index	each										\$ 0.58		\$ 0.53						
	24" X 36" Color document with a two-field index	each										\$ 2.00		\$ 2.00						
19	Segregation Of Assessment	per lot		3.0	n/a	n/a	n/a	n/a	n/a	9.0	12.00	\$ 1,380	\$ 52	4%	\$ 1,380	100%	2	\$ 104	\$ 2,760	\$ 2,760
20	Record of Survey	per lot		12.0	n/a	16.0	n/a	n/a	n/a	9.0	37.00	\$ 4,075	\$ 384	9%	\$ 4,075	100%	-	\$ -	\$ -	\$ -
21	Street Easement Abandonment	per lot		76.0	n/a	n/a	n/a	n/a	n/a	9.0	85.00	\$ 9,250	\$ 1,867	20%	\$ 9,250	100%	2	\$ 3,734	\$ 18,500	\$ 18,500
22	ENCROACHMENT PERMITS																			
	Minor: includes curb, gutter, sidewalk, driveway work, small business sidewalk sales	flat	[9]	0.8	0.0	0.0	2.0	n/a	n/a	4.0	6.75	\$ 811	\$ 71	9%	\$ 811	100%	99	\$ 7,029	\$ 80,267	\$ 80,267
	Moderate: includes new service laterals, existing lateral repair or replacement, street pothole	flat	[9,10, 11]	1.0	2.0	0.0	6.0	n/a	n/a	9.0	18.00	\$ 2,161	\$ 143	7%	\$ 2,161	100%	5	\$ 715	\$ 10,805	\$ 10,805
	Major: includes any construction requiring more than 3 days on site, over 265 linear feet of work, road closures, phasing and/or multiple excavation locations, weekend work		[9,10, 11]																	
	\$ 10,000	flat		2.0	4.0	0.0	10.0	n/a	n/a	2.5	18.50	\$ 2,242	\$ 715	32%	\$ 2,242	100%	83	\$ 59,362	\$ 186,074	\$ 186,074
	each additional \$1,000 or fraction thereof	flat		0.00	0.10	0.00	0.05	n/a	n/a	n/a	0.16	\$ 17.29	\$ -	n/a	18.76	n/a	-	\$ -	\$ -	\$ -
	\$ 50,000	flat		2.0	8.0	0.0	12.0	n/a	n/a	3.0	25.00	\$ 2,992	\$ 1,920	64%	\$ 2,992	100%	46	\$ 88,320	\$ 137,636	\$ 137,636
	each additional \$1,000 or fraction thereof	flat		0.00	0.16	0.00	0.24	n/a	n/a	n/a	0.48	\$ 48.49	\$ -	n/a	57.88	n/a	-	\$ -	\$ -	\$ -
	\$ 100,000	flat		2.0	16.0	0.0	24.0	n/a	n/a	7.0	49.00	\$ 5,886	\$ 5,898	100%	\$ 5,886	100%	3	\$ 17,693	\$ 17,658	\$ 17,658
	each additional \$1,000 or fraction thereof	flat		0.00	0.04	0.00	0.03	n/a	n/a	n/a	0.09	\$ 8.22	\$ -	n/a	9.98	n/a	-	\$ -	\$ -	\$ -
	\$ 500,000	flat		2.0	32.0	0.0	36.0	n/a	n/a	13.0	83.00	\$ 9,877	\$ 17,266	175%	\$ 9,877	100%	1	\$ 17,266	\$ 9,877	\$ 9,877
	each additional \$1,000 or fraction thereof	flat		0.00	0.06	0.00	0.04	n/a	n/a	n/a	0.11	\$ 11.59	\$ -	n/a	12.29	n/a	-	\$ -	\$ -	\$ -
	\$ 1,000,000	flat		2.0	64.0	0.0	54.0	n/a	n/a	16.0	136.00	\$ 16,022	\$ -	0%	\$ 16,022	100%	-	\$ -	\$ -	\$ -
	each additional \$1,000 or fraction thereof	flat		0.00	0.06	0.00	0.05	n/a	n/a	n/a	0.14	\$ 14.14	\$ -	n/a	16.02	n/a	-	\$ -	\$ -	\$ -
	Swimming Pool	per project		1.0	1.0	0.0	2.0	n/a	n/a	4.0	8.00	\$ 946	\$ 240	25%	\$ 946	100%	56	\$ 13,447	\$ 52,950	\$ 52,950

				Activity Service Cost Analysis								Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)								Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Rec Fee Level / Deposit	Rec Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				31601 - ENG PROC.	31601 - ENG PLAN CHECK	31601 - ENG CONS	31606 - ENG INSP	Plng	Bldg	PW	TOTAL							Current	Full Cost	Rec
				\$ 108	\$ 108	\$ 108	\$ 130	\$ 150	\$ 134	\$ 117										
23	OVERSIZE LOAD PERMIT																			
	Single Permit	per permit	[6]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 16	%	\$ 16	%	-	\$ -	\$ -	\$ -	
	Annual or Blanket Permit (fixed route)	annual	[6]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 90	%	\$ 90	%	-	\$ -	\$ -	\$ -	
24	REPRODUCTION, MAP AND DOCUMENT SALES		[2,4]																	
	Standard Plans, Standard Specs, and Design Standards	per doc		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 19	%	\$ 18	%	-	\$ -	\$ -	\$ -	
	Parks Manual	per doc		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 97	%	\$ 88	%	-	\$ -	\$ -	\$ -	
	Storm Drainage Master Plans	per doc		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 26	%	\$ 24	%	-	\$ -	\$ -	\$ -	
	Subdivision Maps	per doc		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 6	%	\$ 6	%	-	\$ -	\$ -	\$ -	
	Reproduction Fees	per sheet		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$ 2	%	\$ 2	%	-	\$ -	\$ -	\$ -	
	NEW ADDRESS MAPPING FEES																			
25	Single-family/Single Building or Single Address	per lot		4.0	n/a	n/a	n/a	n/a	n/a	4.00	\$ 431	\$ 83	19%	\$ 431	100%	41	\$ 3,431	\$ 17,826	\$ 17,826	
26	Multi-Family Projects/Subdivisions																			
	2-10 units	flat		6.0	n/a	n/a	n/a	n/a	n/a	6.00	\$ 647	new	%	\$ 647	100%	-	\$ -	\$ -	\$ -	
	11-100 units	flat		8.0	n/a	n/a	n/a	n/a	n/a	8.00	\$ 862	new	%	\$ 862	100%	-	\$ -	\$ -	\$ -	
	101+ units	flat		10.0	n/a	n/a	n/a	n/a	n/a	10.00	\$ 1,078	new	%	\$ 1,078	100%	-	\$ -	\$ -	\$ -	
	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	hourly		n/a	n/a	n/a	1.0	n/a	n/a	1.00	\$ 130	\$ 130	100%	\$ 130	100%	-	\$ -	\$ -	\$ -	
TOTAL																	3,498,312	5,624,366	5,624,366	

Notes

- [1] Source: "City_of_Tracy_Approved_Master_Fee_Schedule_FY_20_21.pdf", taken from City of Tracy public website
[2] Plus 2% of Invoice total for Pick-up and delivery.
[3] For Sq. ft. or hourly charges, the lesser of two costs will be charged.
[4] Set by City policy, NBS did not evaluate.
[5] P218/utility rate; NBS did not evaluate
[6] Fee amount set by State and/or City Policy; NBS did not evaluate
[7] Encroachment Permits include 2 inspections, each inspection in excess of 2 are charge the base fee (Plus hourly rate for Inspection and Engineering Review)
[8] If technical studies are required, City to bill at actual costs
[9] Additional 2 hrs plan check if traffic control plan review is needed
[10] Additional inspections to be billed [hourly] per inspection
[11] Bond required

APPENDIX A.6

Cost of Service Analysis – Planning Division

				Activity Service Cost Analysis					Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Plng	Eng	Bldg	PW	TOTAL							Current	Full Cost	Recommended
				\$ 150	\$ 108	\$ 134	\$ 117										
I	PLANNING APPLICATION REVIEW AND APPROVALS																
1	Adult Business Use Permit	per cost recovery agreement		24.00	n/a	n/a	n/a	24.00	\$ 3,599	per cost recovery agrmt.	%	\$ 3,599	100%	-	\$ -	\$ -	\$ -
2	Annexation	per project		236.00	40.00	2.00	n/a	278.00	\$ 39,973	\$ 13,613	34%	\$ 39,973	100%	-	\$ -	\$ -	\$ -
3	Appeals																
	Appeal to City Council	per appeal		23.00	8.00	6.00	n/a	37.00	\$ 5,117	\$ 358	7%	\$ 5,117	100%	-	\$ -	\$ -	\$ -
	Appeal to Planning Commission	per appeal		19.00	8.00	6.00	n/a	33.00	\$ 4,517	\$ 358	8%	\$ 4,517	100%	2	\$ 716	\$ 9,035	\$ 9,035
4	Conditional Use Permit	per permit		28.00	10.00	2.00	n/a	40.00	\$ 5,546	\$ 4,549	82%	\$ 5,546	100%	4	\$ 18,195	\$ 22,183	\$ 22,183
5	Conditional Use Permit (Non-Profit Organizations)	per permit		28.00	10.00	2.00	n/a	40.00	\$ 5,546	\$413 - \$644	%	\$ 5,546	100%	-	\$ -	\$ -	\$ -
6	Development Review																
	Class A	per application	[2]	43.00	26.00	5.00	4.50	78.50	\$ 9,923	\$ 5,074	51%	\$ 9,923	100%	18	\$ 91,332	\$ 178,610	\$ 178,610
	Class B	per application	[3]	36.00	20.00	5.00	3.00	64.00	\$ 8,226	\$ 3,605	44%	\$ 8,226	100%	12	\$ 43,260	\$ 98,714	\$ 98,714
7	Ellis Specific Plan Pattern Book Certification	per request	[6]	27.00	n/a	3.00	n/a	30.00	\$ 4,452	\$ 3,605	81%	\$ 4,452	100%	-	\$ -	\$ -	\$ -
8	ENVIRONMENTAL																
	Environmental Assessment	per request	[4]	2.50	2.00	n/a	n/a	4.50	\$ 591	\$ 130	22%	\$ 591	100%	-	\$ -	\$ -	\$ -
	Environmental Initial Study	per study		18.00	10.00	n/a	n/a	28.00	\$ 3,777	\$ 1,841	49%	per cost recovery agrmt.	%	-	\$ -	\$ -	\$ -
	Negative Declaration	per neg. declaration		26.00	16.00	n/a	n/a	42.00	\$ 5,624	\$ 1,841	33%	per cost recovery agrmt.	%	-	\$ -	\$ -	\$ -
	Environment Impact Report	per cost recovery agreement		184.00	24.00	2.00	n/a	210.00	\$ 30,450	per cost recovery agrmt.	%	\$ 30,450	100%	-	\$ -	\$ -	\$ -
	Environmental Consistency Analysis	per cost recovery agreement		20.00	8.00	n/a	n/a	28.00	\$ 3,862	per cost recovery agrmt.	%	\$ 3,862	100%	-	\$ -	\$ -	\$ -
9	General Plan Amendment	per cost recovery agreement		28.00	8.00	1.00	4.00	41.00	\$ 5,196	per cost recovery agrmt.	%	\$ 5,196	100%	-	\$ -	\$ -	\$ -
10	Lot Line Adjustment	per LLA		4.50	28.00	1.00	n/a	33.50	\$ 3,828	\$ 529	14%	\$ 3,828	100%	7	\$ 3,703	\$ 26,794	\$ 26,794

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis					Cost Recovery Analysis				Annual Estimated Revenue Analysis				
				Estimated Average Labor Time Per Activity (hours)					Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Plng	Eng	Bldg	PW	TOTAL							Current	Full Cost	Recommended
				\$ 150	\$ 108	\$ 134	\$ 117										
11	MICRO-IMAGING FEES																
	11" X 17" and smaller (B&W or Grayscale with 2" field index)	each	[5]	n/a				n/a	\$ 0.09	n/a	\$ 0.08	n/a	-	\$ -	\$ -	\$ -	\$ -
	Larger than 11" X 17" (B&W or Grayscale with a two-field index)	each	[5]	n/a				n/a	\$ 0.97	n/a	\$ 0.88	n/a	-	\$ -	\$ -	\$ -	\$ -
	11" X 17" and smaller (Color with two-field index)	each	[5]	n/a				n/a	\$ 0.17	n/a	\$ 0.15	n/a	-	\$ -	\$ -	\$ -	\$ -
	18" X 24" Color document with a two-field index	each	[5]	n/a				n/a	\$ 0.58	n/a	\$ 0.53	n/a	-	\$ -	\$ -	\$ -	\$ -
	24" X 36" Color document with a two-field index	each	[5]	n/a				n/a	\$ 2.00	n/a	\$ 2.00	n/a	-	\$ -	\$ -	\$ -	\$ -
12	Noise Ordinance Variation	per project		47.00	n/a	2.00	n/a	49.00	\$ 7,317	\$ 5,186	71%	\$ 7,317	100%	-	\$ -	\$ -	\$ -
13	Planned Unit Development	per PUD		45.00	12.00	2.00	15.00	74.00	\$ 8,311	\$ 10,177	122%	\$ 8,311	100%	1	\$ 10,177	\$ 8,311	\$ 8,311
14	Planned Unit Development Amendment	per amend.		33.00	8.00	1.00	11.00	53.00	\$ 5,946	\$ 5,834	98%	\$ 5,946	100%	-	\$ -	\$ -	\$ -
15	Planning Commission Determination	per determ.		23.50	14.00	n/a	n/a	37.50	\$ 5,034	\$ 1,303	26%	\$ 5,034	100%	6	\$ 7,818	\$ 30,201	\$ 30,201
	PLANNING DIVISION APPLICATION FEES																
16	Residential Growth Allotment	per RGA	[4]	17.75	n/a	8.00	n/a	25.75	\$ 3,736	\$ 2,164	58%	\$ 3,736	100%	7	\$ 15,148	\$ 26,151	\$ 26,151
17	Sign Permit		[4]														
	Master Sign Program	per program		9.50	n/a	n/a	n/a	9.50	\$ 1,425	\$ 1,312	92%	\$ 1,425	100%	-	\$ -	\$ -	\$ -
	Sign Permit																
	Single Sign	per permit		3.00	n/a	n/a	n/a	3.00	\$ 450	\$ 591	131%	\$ 450	100%	50	\$ 29,550	\$ 22,495	\$ 22,495
	Multiple Signs	per permit		4.00	n/a	n/a	n/a	4.00	\$ 600	NEW	%	\$ 600	100%	-	\$ -	\$ -	\$ -
18	Specific Plan Amendment																
	Minor	per project		25.00	5.00	2.00	3.50	35.50	\$ 4,557	\$ 6,612	145%	\$ 4,557	100%	2	\$ 13,224	\$ 9,113	\$ 9,113
	Major	per cost recovery agreement		83.00	50.00	3.00	5.00	141.00	\$ 18,240	per cost recovery agrmt.	%	\$ 18,240	100%	-	\$ -	\$ -	\$ -
19	Temporary Use Permit	per permit	[4]	4.75	2.00	2.00	1.58	10.33	\$ 1,196	\$ 93	8%	\$ 1,196	100%	37	\$ 3,441	\$ 44,268	\$ 44,268

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis					Cost Recovery Analysis					Annual Estimated Revenue Analysis				
				Estimated Average Labor Time Per Activity (hours)					Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues			
				Plng	Eng	Bldg	PW	TOTAL							Current	Full Cost	Recommended	
				\$ 150	\$ 108	\$ 134	\$ 117											
20	TENTATIVE MAP / TENTATIVE MAP AMENDMENT																	
	Parcel Map	map		10.00	60.00	2.00	n/a	72.00	\$ 8,237	\$ 9,464	115%	\$ 8,237	100%	2	\$ 18,928	\$ 16,473	\$ 16,473	
	5 - 100 Lots	lot number		39.00	80.00	3.00	n/a	122.00	\$ 14,876	\$ 12,964	87%	\$ 14,876	100%	2	\$ 25,928	\$ 29,752	\$ 29,752	
	Over 100 Lots	lot number		78.00	140.00	4.00	n/a	222.00	\$ 27,327	\$ 20,224	74%	\$ 27,327	100%	1	\$ 20,224	\$ 27,327	\$ 27,327	
21	Time Extension	per request	[4]	16.00	4.00	n/a	n/a	20.00	\$ 2,831	\$ 545	19%	\$ 2,831	100%	6	\$ 3,270	\$ 16,984	\$ 16,984	
22	Variance	per variance		16.50	n/a	n/a	n/a	16.50	\$ 2,474	\$ 871	35%	\$ 2,474	100%	-	\$ -	\$ -	\$ -	
23	Reasonable Accommodation (Accessibility)	per variance		11.50	n/a	2.00	n/a	13.50	\$ 1,993	New	%	\$ 1,993	100%	-	\$ -	\$ -	\$ -	
24	ZONING																	
	Zone Change	per change		23.00	n/a	n/a	n/a	23.00	\$ 3,449	\$ 3,306	96%	\$ 3,449	100%	-	\$ -	\$ -	\$ -	
	Zone Text Amendment	per amendment		26.00	n/a	n/a	n/a	26.00	\$ 3,899	\$ 3,241	83%	\$ 3,899	100%	9	\$ 29,169	\$ 35,092	\$ 35,092	
	Zoning Research Letter	per letter	[4]	2.50	n/a	n/a	n/a	2.50	\$ 375	\$ 104	28%	\$ 375	100%	4	\$ 416	\$ 1,500	\$ 1,500	
25	Copies - City Documents and Maps			n/a						See City Clerk		See City Clerk						
26	4th and subsequent review	per submittal	[7]	n/a	2.00	0.50	n/a	2.50	n/a	New	%	Set by City Policy	%	-	\$ -	\$ -	\$ -	
27	General Plan Maintenance and Update			n/a						New		.05% of Building Valuation						
III	BUILDING PLAN CHECK BY PLANNING																	
28	Single Family																	
	Miscellaneous Minor Improvements	per project		0.50	n/a	n/a	n/a	0.50	\$ 75	New	%	\$ 75	100%	64	\$ -	\$ 4,799	\$ 4,799	
	Plot Plan / Production Plan Review	per project		0.50	n/a	n/a	n/a	0.50	\$ 75	New	%	\$ 75	100%	262	\$ -	\$ 19,646	\$ 19,646	
	New Model Home	per project		2.00	n/a	n/a	n/a	2.00	\$ 300	New	%	\$ 300	100%	-	\$ -	\$ -	\$ -	
29	Multi-family/ Commercial/ Industrial																	
	New Building / Shell project	per project		4.00	n/a	n/a	n/a	4.00	\$ 600	New	%	\$ 600	100%	10	\$ -	\$ 5,999	\$ 5,999	
	Tenant improvement	per project		2.00	n/a	n/a	n/a	2.00	\$ 300	New	%	\$ 300	100%	46	\$ -	\$ 13,797	\$ 13,797	
RECON	Ongoing project support	hourly		1.00	n/a	n/a	n/a	1.00	\$ 150	\$ 83	55%	\$ 150	100%	1,593	\$ 131,684	\$ 238,898	\$ 238,898	

				Activity Service Cost Analysis					Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)					Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues		
				Plng	Eng	Bldg	PW	TOTAL							Current	Full Cost	Recommended
				\$ 150	\$ 108	\$ 134	\$ 117										
	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.			1.00	n/a	n/a	n/a	1.00	\$ 150	\$ 130	87%	\$ 150	100%	-	\$ -	\$ -	\$ -
TOTAL															\$ 466,183	\$ 886,140	\$ 886,140

Notes

- [1] Source: "City_of_Tracy_Approved_Master_Fee_Schedule_FY_20_21.pdf", taken from City of Tracy public website
[2] Class A: New Single Family Residential 4 + units, New Multifamily Residential/ Office/ Commercial/Industrial
[3] Class B: Single Family Residential 1-3 units (unless exempt pursuant to TMC Section 10.08.3930), Changes to existing Multifamily/ Office/ Commercial/ Industrial
[4] Environmental Assessment fee not applicable
[5] Plus 2% of invoice total for pick-up and delivery
[6] Ellis Specific Plan, Section 6.3
[7] Set by City Policy. Fee for each additional review 15% of original project budget or 2 hour minimum, whichever is greater.

Note: The City may require the applicant to sign a cost recovery agreement to pay actual costs instead of the fixed processing fee when (1) the anticipated costs of the project's environmental review or CEQA Documentation is likely to exceed the project's fixed fee or (2) the DS Director and the applicant mutually agree that a cost recovery agreement will be appropriate for the project in order to hire City consultants to work on the project.

APPENDIX A.7

Cost of Service Analysis – Police Department

				Activity Service Cost Analysis				Cost Recovery Analysis				Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)		Estimated Average Labor Time Per Activity (hours) - Total	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
				Patrol	Records										
				\$ 170	\$ 113										
1	Alarm Permit; False Alarms Alarm User permit	per permit		0.00	0.20	0.20	\$ 23	\$ 26	115%	\$ 23	100%	1,700	\$ 44,200	\$ 38,362	\$ 38,362
2	False alarm costs, (plus penalties):		[5]												
	4th response	each		2.00	1.00	3.00	\$ 453	\$ 38	8%	\$ 453	100%	-	\$ -	\$ -	\$ -
	5th response	each		2.00	1.00	3.00	\$ 453	\$ 71	16%	\$ 453	100%	-	\$ -	\$ -	\$ -
	6th response	each		2.00	1.00	3.00	\$ 453	\$ 91	20%	\$ 453	100%	-	\$ -	\$ -	\$ -
	7th response	each		2.00	1.00	3.00	\$ 453	\$ 104	23%	\$ 453	100%	-	\$ -	\$ -	\$ -
3	Bicycles														
	License and registration	per 3 years		0.00	0.10	0.10	\$ 11	\$ 8	71%	\$ 11	100%	-	\$ -	\$ -	\$ -
	Renewal	per 3 years		0.00	0.10	0.10	\$ 11	\$ 4	35%	\$ 11	100%	-	\$ -	\$ -	\$ -
4	Bingo														
	License	each		0.00	1.75	1.75	\$ 197	\$ 65	33%	\$ 197	100%	5	\$ 325	\$ 987	\$ 987
	Renewal	each		0.00	1.75	1.75	\$ 197	\$ 13	7%	\$ 197	100%	-	\$ -	\$ -	\$ -
5	Cardrooms														
	License and renewal	each		0.00	0.45	0.45	\$ 51	\$ 32	63%	\$ 51	100%	60	\$ 1,920	\$ 3,046	\$ 3,046
	Dealer/work permit	each		0.00	0.45	0.45	\$ 51	\$ 78	154%	\$ 51	100%	-	\$ -	\$ -	\$ -
	Department of Justice Fee	per permit	[1]					\$ 32		\$ 32					
	(City fingerprint fee)	each						See Fingerprint Fee #12		See Fingerprint Fee #12					
6	Citation Sign-off for Agencies outside the City	per citation		0.10	0.20	0.30	\$ 40	\$ 19	48%	\$ 40	100%	27	\$ 513	\$ 1,069	\$ 1,069
7	Clearance Letter (for immigration or other clearance letter, Plus fingerprint fees)	per letter		0.00	0.20	0.20	\$ 23	\$ 19	84%	\$ 23	100%	-	\$ -	\$ -	\$ -
8	Crime Report/Traffic Report Copy														
	Per page, Bulletin Entry	per page	[8]					\$ 0.15		\$ 0.15			\$ -	\$ -	\$ -
	Certified Copy of Reports	per letter		0.00	0.10	0.10	\$ 11	\$ -	0%	\$ 11	100%	-	\$ -	\$ -	\$ -
	Crime Analysis Reports	per report		0.00	1.00	1.00	\$ 113	\$ -	0%	\$ 113	100%	24	\$ -	\$ 2,708	\$ 2,708
	Traffic collision report (for other than victim)	per report	[8]					\$ 0.15		\$ 0.15			\$ -	\$ -	\$ -
9	DUI		[2]												
	Accident response and investigation	actual cost						\$ 12,000		\$ 12,000					
	Arrest and report	actual cost						\$ 1,000		\$ 1,000					

				Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)		Estimated Average Labor Time Per Activity (hours) - Total	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
				Patrol	Records										
				\$ 170	\$ 113										
10	Concealed Weapons		[4]												
	Permit	per permit	[3]	0.25	2.50	2.75	\$ 325	\$ 100	31%	\$ 325	100%	-	\$ -	\$ -	\$ -
	Department of Justice Live Scan Fee	per permit						\$ 95		\$ 95					
	Renewal	per permit renewal	[9]	0.25	1.00	1.25	\$ 155	\$ 25	16%	\$ 25	16%	8	\$ 200	\$ 1,243	\$ 200
	Department of Justice Fee - Payable to DOJ	per permit	[1]					\$ 52		\$ 52					
	Amended License	per amendment	[10]	0.25	0.50	0.75	\$ 99	\$ 10	10%	\$ 10	10%	-	\$ -	\$ -	\$ -
	(City fingerprint fee)	each						See Fingerprint Fee #12		See Fingerprint Fee #12					
11	DOJ, FBI and Fingerprint		[4]												
	DOJ and FBI fee	per print	[1]					Per DOJ Fee Schedule		Per DOJ Fee Schedule					
	Fingerprint (City's rolling fee)	per request		0.00	0.25	0.25	\$ 28	\$ 20	71%	\$ 28	100%	433	\$ 8,660	\$ 12,214	\$ 12,214
12	Firearms Sales Permit	per permit	[4]	0.00	0.25	0.25	\$ 28	\$ 34	121%	\$ 28	100%		\$ -	\$ -	\$ -
	Department of Justice fee	per permit	[1]					\$ 32		\$ 32					
	(City fingerprint fee)	each						See Fingerprint Fee #12		See Fingerprint Fee #12					
13	Palmistry License Fee														
	New	per license		0.00	1.00	1.00	\$ 113	\$ 713	632%	\$ 113	100%	-	\$ -	\$ -	\$ -
	Renewal	per renewal		0.00	1.00	1.00	\$ 113	\$ 454	402%	\$ 113	100%	-	\$ -	\$ -	\$ -
14	Police Photo (reproduction)	per photo		0.00	0.50	0.50	\$ 56	\$ 54	96%	\$ 56	100%	-	\$ -	\$ -	\$ -
	Plus traffic photo processing fee to insurance	per photo		0.00	0.50	0.50	\$ 56	\$ 34	60%	\$ 56	100%	-	\$ -	\$ -	\$ -
	Photo CD's	per CD		0.00	0.50	0.50	\$ 56	\$ 50	89%	\$ 56	100%	60	\$ 3,000	\$ 3,385	\$ 3,385
	Tape of Radio/Video Transmission, Digital or Hard copy Photographs	per tape		0.00	1.00	1.00	\$ 113	NEW	%	\$ 113	100%	-	\$ -	\$ -	\$ -
15	Police Special Services (for school and other semi-public special events)	actual Costs						Actual Personnel Costs		Actual Personnel Costs					
16	Repossession Release	per vehicle						\$ 15		\$ 15					

				Activity Service Cost Analysis				Cost Recovery Analysis				Annual Estimated Revenue Analysis			
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)		Estimated Average Labor Time Per Activity (hours) - Total	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
				Patrol	Records										
				\$ 170	\$ 113										
17	Second-hand Dealer/Pawn Broker														
	New or Renewal (Check payable to DOJ)	each	[4]												
	City Processing Fee	each	[7]	0.00	0.75	0.75	\$ 85	New	%	\$ 85	100%	-	\$ -	\$ -	\$ -
	DOJ Fee	each						\$ 300		\$ 300					
	Class B	each	[1]					\$ 32		\$ 32					
18	Taxi Driver														
	Permit	per permit		0.00	1.00	1.00	\$ 113	\$ 143	127%	\$ 113	100%	10	\$ 1,430	\$ 1,128	\$ 1,128
	Renewal	per renewal		0.00	0.45	0.45	\$ 51	\$ 104	205%	\$ 51	100%	-	\$ -	\$ -	\$ -
	Background investigation	each		0.00	1.00	1.00	\$ 113	\$ 13	12%	\$ 113	100%	-	\$ -	\$ -	\$ -
	(City fingerprint fee)	each						See Fingerprint Fee #12		See Fingerprint Fee #12					
19	Tow Truck Driver/Attendant														
	Permit	per permit		0.00	0.45	0.45	\$ 51	\$ 78	154%	\$ 51	100%	30	\$ 2,340	\$ 1,523	\$ 1,523
	Renewal	Per renewal		0.00	0.30	0.30	\$ 34	\$ 39	115%	\$ 34	100%	-	\$ -	\$ -	\$ -
20	Vehicle Release	per vehicle		0.50	0.55	1.05	\$ 147	\$ 140	95%	\$ 147	100%	900	\$ 126,000	\$ 132,419	\$ 132,419
21	VIN Verification	per request		1.00	1.00	2.00	\$ 283	\$ 26	9%	\$ 283	100%	-	\$ -	\$ -	\$ -
22	Storage of Firearms		[6]												
	Intake/Processing Fee	per firearm		0.00	1.50	1.50	\$ 169	\$ 66	39%	\$ 169	100%	-	\$ -	\$ -	\$ -
	Storage of Firearm (per domestic violence protective order)	per day						\$ 2		\$ 2					
	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.														
	Patrol	per hour		1.00	0.00	1.00	\$ 170	NEW	%	\$ 170	100%	-	\$ -	\$ -	\$ -
	Records	per hour		0.00	1.00	1.00	\$ 113	NEW	%	\$ 113	100%	-	\$ -	\$ -	\$ -
TOTAL													188,588	198,084	197,041

				Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis				
Fee No.	Fee Name	Fee Unit / Type	Notes	Estimated Average Labor Time Per Activity (hours)		Estimated Average Labor Time Per Activity (hours) - Total	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
				Patrol	Records										
				\$ 170	\$ 113										

Notes

- [1] Fee set by Department of Justice
- [2] Actual cost of personnel, up to maximum of \$12,000 for Accident Response and Investigation and up to \$1,000 for Arrest and Report
- [3] 20% of fee due at application; 80% at renewal
- [4] Not subject to CPI Adjustment
- [5] Per TMC 3.40.150
- [6] Per TMC 3.52.30
- [7] Applicable DOJ fee applies
- [8] Fee set by California Public Records Act 6253(B) and 20012 California Vehicle Code
- [9] Set by State Law 26190 (c)
- [10] Set by State Law 26190 (e)

APPENDIX A.8

Cost of Service Analysis – Animal Services Unit

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
1	Animal Services		[6]											
	Animal adoption, Plus veterinary services	per animal		0.75	\$ 135	\$ 101	\$ 6	6%	\$ 6	6%	467	\$ 2,802	\$ 47,286	\$ 2,802
2	Animal bite	per call	[2]	0.50	\$ 135	\$ 68	\$ 39	58%	\$ 68	100%	74	\$ 2,886	\$ 4,995	\$ 4,995
3	Board and care (daily)													
	For impounded dogs	per dog		0.42	\$ 135	\$ 56	\$ 19	34%	\$ 56	100%	631	\$ 11,989	\$ 35,495	\$ 35,495
	For impounded cats	per cat		0.42	\$ 135	\$ 56	\$ 16	28%	\$ 56	100%	724	\$ 11,584	\$ 40,727	\$ 40,727
3	Cat carrier	per carrier	[5]	n/a	\$ 135	\$ -	\$ 6	%	Actual Cost of Carrier	%		\$ -	\$ -	\$ -
4	Cat neuter	per cat	[3]	n/a	\$ 135	\$ -	\$ 65	%	Actual Cost of vet services	%		\$ -	\$ -	\$ -
5	Cat spay	per cat	[3]	n/a	\$ 135	\$ -	\$ 117	%	Actual Cost of vet services	%		\$ -	\$ -	\$ -
6	Collar identification	per animal	[3]	n/a	\$ 135	\$ -	\$ 3	%	Actual cost of collar	%		\$ -	\$ -	\$ -
7	Dog neuter	per dog	[3]	n/a	\$ 135	\$ -	\$ 130	%	Actual Cost of vet services	%		\$ -	\$ -	\$ -
8	Dog spay	per dog	[3]	n/a	\$ 135	\$ -	\$ 194	%	Actual Cost of vet services	%		\$ -	\$ -	\$ -
9	Impound													
	First	per animal		0.67	\$ 135	\$ 90	\$ 26	29%	\$ 30	33%	103	\$ 2,678	\$ 9,270	\$ 3,090
	Second	per animal		0.67	\$ 135	\$ 90	\$ 39	43%	\$ 45	50%	10	\$ 390	\$ 900	\$ 450
	Third and above	per animal		0.67	\$ 135	\$ 90	\$ 52	58%	\$ 60	67%	10	\$ 520	\$ 900	\$ 600
10	Impound, additional State fee for unaltered, at large, animals:		[4]											
	First	per animal		n/a	\$ 135	\$ -	\$ 35	%	As set by State	%		\$ -	\$ -	\$ -
	Second	per animal		n/a	\$ 135	\$ -	\$ 50	%		%		\$ -	\$ -	\$ -
	Third	per animal		n/a	\$ 135	\$ -	\$ 100	%		%		\$ -	\$ -	\$ -

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
11	License Fee													
	Unaltered dogs	per dog, per year		0.25	\$ 135	\$ 34	\$ 65	193%	\$ 34	100%	292	\$ 18,980	\$ 9,855	\$ 9,855
	Altered dogs	per dog, per year		0.25	\$ 135	\$ 34	\$ 13	39%	\$ 34	100%	1,109	\$ 14,417	\$ 37,431	\$ 37,431
	Replacement for lost	per license		0.25	\$ 135	\$ 34	\$ 6	18%	\$ 34	100%	3	\$ 18	\$ 101	\$ 101
	Late Fee	each	[7]	n/a	\$ 135	\$ -	\$ 22	%	\$ 22	%		\$ -	\$ -	\$ -
12	Low cost spay/neuter voucher	per animal		0.33	\$ 135	\$ 45	\$ 26	58%	\$ 45	100%	28	\$ 728	\$ 1,260	\$ 1,260
13	Multiple pet permit application													
	Application	each		3.00	\$ 135	\$ 405	\$ 32	8%	\$ 405	100%	6	\$ 192	\$ 2,430	\$ 2,430
	Permit	each		0.22	\$ 135	\$ 30	\$ -	0%	\$ 30	100%	6	\$ -	\$ 178	\$ 178
14	Owner surrender		[2]											
	Live animal	per animal		0.25	\$ 135	\$ 34	\$ 58	172%	\$ 34	100%	106	\$ 6,148	\$ 3,578	\$ 3,578
	Deceased animal (not at shelter)	per animal		0.50	\$ 135	\$ 68	\$ 26	39%	\$ 68	100%	-	\$ -	\$ -	\$ -
15	Rabies vaccination voucher	per animal	[3]	0.17	\$ 135	\$ 23	\$ 21	93%	\$ 21	93%	308	\$ 6,468	\$ 6,930	\$ 6,468
16	Vaccination	per animal		n/a	\$ 135	\$ -	\$ 6	%	Actual cost of vaccination	%		\$ -	\$ -	\$ -
17	Veterinary costs	Actual Cost		n/a	\$ 135	\$ -	Actual Cost	%	Actual Cost	%		\$ -	\$ -	\$ -
18	SNR Trap Rental	each	[8]	0.50	\$ 135	\$ 68	NEW	%	\$ 60	89%	-	\$ -	\$ -	\$ -
19	SNR Fee	each		1.50	\$ 135	\$ 203	NEW	%	\$ 20	10%	-	\$ -	\$ -	\$ -
20	Breeder Certificate	each		3.00	\$ 135	\$ 405	NEW	%	\$ 100	25%	-	\$ -	\$ -	\$ -
21	Dangerous Dog Permit	each		3.00	\$ 135	\$ 405	NEW	%	\$ 100	25%	-	\$ -	\$ -	\$ -
												\$ 79,800	\$ 201,338	\$ 149,461

Notes

* Not subject to CPI Adjustment

[1] Source: "City_of_Tracy_Approved_Master_Fee_Schedule_FY_20_21.pdf", taken from City of Tracy public website

[2] Board and Care fees apply in addition to this fee.

[3] Veterinary costs charged separately.

[4] Fee set by State per F&A 30804.7

[5] Cost of carrier charged separately.

[6] Additional State/other fees may apply

[7] Fee set by Reso # 2009-178 and TMC 5.08.130(c).

[8] Refundable as long as trap is returned to City on the agreed upon date.



APPENDIX A.9

Cost of Service Analysis – Public Works Department

Fee No.	Fee Name	Fee Unit / Type	Activity Service Cost Analysis			Cost Recovery Analysis			
			Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %
1	Banner Installation and Removal								
	New Location	per bracket	2.50	\$ 173	\$ 433	\$ 259	60%	\$ 216	50%
	Existing Banner Site	each	2.00	\$ 173	\$ 346	New	%	\$ 173	50%
2	Tree Removal Permits	actual cost	n/a	n/a	n/a	New	%	actual cost	%
3	Tree Pruning/Maintenance Permit	per permit	4.00	\$ 142	\$ 567	New	%	\$ 567	100%
4	Tree Maintenance Inspection	per inspection	3.00	\$ 142	\$ 426	New	%	\$ 426	100%
5	Special Events (support to Parks)	per event	6.50	\$ 123	\$ 796	New	%	\$ 796	100%
6	Utilities Turn on/off	per trip	3.00	\$ 128	\$ 385	New	%	See Utilities Fee Schedule	%
7	Shopping Cart Retrieval	per retrieval	1.50	\$ 173	\$ 260	New	%	\$ -	0%
8	Sidewalk Maintenance	actual cost	n/a	n/a	n/a	New	%	actual cost	%
	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	per hour	1.00	\$ 117	\$ 117	NEW	%	\$ 117	100%

APPENDIX A.10

Cost of Service Analysis – Utilities Department

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
	NPDES MS4 PERMIT AND WATER EFFICIENCY REVIEW													
1	Tentative Subdivision Map/Vesting Tentative/Specific Plan													
	Plan Review	each		1.30	\$ 128	\$ 167	New	%	\$ 167	100%	10	\$ -	\$ 1,669	\$ 1,669
2	Single Family													
	Plan Review	per building		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	10	\$ -	\$ 385	\$ 385
	Permit	per building		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	10	\$ -	\$ 385	\$ 385
3	Multiple Family Dwellings, Trailer Courts, Guest Dwellings, or Condominiums													
	Plan Review	per building		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	10	\$ -	\$ 385	\$ 385
	Permit	per building		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	10	\$ -	\$ 385	\$ 385
4	School Buildings or Churches													
	Plan Review	per building		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	2	\$ -	\$ 77	\$ 77
	Permit	per building		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	2	\$ -	\$ 77	\$ 77
5	Commercial Installations													
	Plan Review	per building		0.45	\$ 128	\$ 58	New	%	\$ 58	100%	20	\$ -	\$ 1,155	\$ 1,155
	Permit	per building		0.45	\$ 128	\$ 58	New	%	\$ 58	100%	20	\$ -	\$ 1,155	\$ 1,155
6	Industrial Installations													
	Plan Review	per building		0.45	\$ 128	\$ 58	New	%	\$ 58	100%	5	\$ -	\$ 289	\$ 289
	Permit	per building		0.45	\$ 128	\$ 58	New	%	\$ 58	100%	5	\$ -	\$ 289	\$ 289
7	Post-Construction Standards Maintenance Agreement													
	Plan Review, Submittal and Recording	per agreement		2.00	\$ 128	\$ 257	New	%	\$ 257	100%	15	\$ -	\$ 3,851	\$ 3,851
8	Project Stormwater Plan and Operations Maintenance Plan													
	Plan Review	per plan		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	30	\$ -	\$ 1,155	\$ 1,155
9	Erosion and Sediment Control Plan (Small Projects)													
	Plan Review	per plan		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	10	\$ -	\$ 385	\$ 385
10	WELO Landscape Document Package Review													
	Prescriptive Approach (aggregate under 2,500 sq.ft.)	per package		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	10	\$ -	\$ 385	\$ 385
	Performance Approach (>2,500 sq. ft.)	per package		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	40	\$ -	\$ 5,134	\$ 5,134

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
11	Trash Enclosure													
	Plan Review	per building		0.15	\$ 128	\$ 19	New	%	\$ 19	100%	3	\$ -	\$ 58	\$ 58
	Permit	per building		0.15	\$ 128	\$ 19	New	%	\$ 19	100%	3	\$ -	\$ 58	\$ 58
12	Business License Fee													
	Application Review	per application		0.25	\$ 128	\$ 32	New	%	\$ 32	100%	24	\$ -	\$ 770	\$ 770
	Compliance Inspection	per application		0.50	\$ 128	\$ 64	New	%	\$ 64	100%	24	\$ -	\$ 1,540	\$ 1,540
	STORMWATER POST-CONSTRUCTION STANDARDS REVIEW													
13	CONSTRUCTION AND/OR BUILDING INSPECTION AND FINAL													
	Inspection of Const. sites with grading permits that disturb 2,500 - 5,000 Sq. ft.	per inspection		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	10	\$ -	\$ 1,284	\$ 1,284
	Inspection of Const. sites with grading permits that disturb 5,000 Sq.ft or more	per inspection		1.30	\$ 128	\$ 167	New	%	\$ 167	100%	100	\$ -	\$ 16,687	\$ 16,687
	WATER EFFICIENT LANDSCAPE ORDINANCE (WELO) REVIEW													
14	WELO INSTALLATION INSPECTION AND FINAL													
	Inspection of New and Redevelopment Projects with 250 Sq. ft to 2,499 Sq. ft. of new or rehabilitated landscape	per inspection		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	10	\$ -	\$ 385	\$ 385
	Inspection of New and Redevelopment Projects with more than 2500 Sq. ft. or more of new or rehabilitated landscape	per inspection		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	100	\$ -	\$ 12,836	\$ 12,836
	STORMWATER POST-CONSTRUCTION TREATMENT ANNUAL MAINTENANCE INSPECTION													
15	Residential	per inspection		1.30	\$ 128	\$ 167	New	%	\$ 167	100%	75	\$ -	\$ 12,515	\$ 12,515
16	Commercial / Industrial	per inspection		1.30	\$ 128	\$ 167	New	%	\$ 167	100%	25	\$ -	\$ 4,172	\$ 4,172
	CONSTRUCTION GENERAL PERMIT - SWPPP or ESCP													
17	Plan Review	per plan		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	100	\$ -	\$ 12,836	\$ 12,836
18	Compliance Inspection (2x per month)													
	< 1 acre	per inspection		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	75	\$ -	\$ 9,627	\$ 9,627
	> 1 acre	per inspection		1.30	\$ 128	\$ 167	New	%	\$ 167	100%	25	\$ -	\$ 4,172	\$ 4,172

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
19	Notice of Termination													
	< 1 acre	per inspection		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	75	\$ -	\$ 9,627	\$ 9,627
	> 1 acre	per inspection		1.30	\$ 128	\$ 167	New	%	\$ 167	100%	25	\$ -	\$ 4,172	\$ 4,172
20	Dewatering Report Review	per sampling		0.45	\$ 128	\$ 58	New	%	\$ 58	100%	10	\$ -	\$ 578	\$ 578
	CONSTRUCTION WATER - METERING													
21	Application Review	per application		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	80	\$ -	\$ 3,081	\$ 3,081
22	Meter Deposit	per meter					actual replacement cost	%	actual replacement cost	%	-	\$ -	\$ -	\$ -
23	Permit													
	Metered	per project		0.50	\$ 128	\$ 64	\$ 12	19%	\$ 64	100%	70	\$ -	\$ 4,493	\$ 4,493
	Load Count	per project		0.75	\$ 128	\$ 96	\$ 12	12%	\$ 96	100%	10	\$ -	\$ 963	\$ 963
24	Meter Rental - daily	per meter		n/a	\$ 128	n/a	\$ 25	%	\$ 25	%	-	\$ -	\$ -	\$ -
25	Unpermitted use of fire hydrant for construction water		[2]											
	1st violation	per violation		n/a	n/a	n/a	\$ 50	%	n/a	%	-	\$ -	\$ -	\$ -
	2nd violation	per violation		n/a	n/a	n/a	\$ 100	%	n/a	%	-	\$ -	\$ -	\$ -
	3rd and more	per violation		n/a	n/a	n/a	\$ 500	%	n/a	%	-	\$ -	\$ -	\$ -

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
	PRE-TREATMENT PROGRAM													
26	Industrial Installation													
	Those Industries that discharge wastewater greater than 25,000 gallons per day or fall under 40 CFR													
	Plan Review	per building		0.45	\$ 128	\$ 58	New	%	\$ 58	100%	1	\$ -	\$ 58	\$ 58
27	Miscellaneous Installations such food service establishments and dental offices													
	Plan Review	per building		0.30	\$ 128	\$ 39	New	%	\$ 39	100%	13	\$ -	\$ 501	\$ 501
	DISCHARGE PERMIT													
28	Discharge Permit—Initial Permit Fee													
	Class I Permit (SIU)	first year		18.75	\$ 128	\$ 2,407	New	%	\$ 2,407	100%	1	\$ -	\$ 2,407	\$ 2,407
	Class II Permit (NSIU/NSCIU/Zero-discharge categorical)—Three (3) year permit	first year		5.98	\$ 128	\$ 768	New	%	\$ 768	100%	1	\$ -	\$ 768	\$ 768
	Class III Permit (Temporary Discharge Permit)	first permit cycle		9.00	\$ 128	\$ 1,155	New	%	\$ 1,155	100%	2	\$ -	\$ 2,310	\$ 2,310
	Class IV Permit (Hauled Liquid Waste)—Five (5) year permit	first year		6.00	\$ 128	\$ 770	New	%	\$ 770	100%	2	\$ -	\$ 1,540	\$ 1,540
29	Discharge Permit—Annual Permit Fee		[3]											
	Class I Permit (SIU)	annually		14.25	\$ 128	\$ 1,829	New	%	\$ 1,829	100%	4	\$ -	\$ 7,316	\$ 7,316
	Class II Permit (NSIU/NSCIU/Zero-discharge categorical)	annually		3.13	\$ 128	\$ 402	New	%	\$ 402	100%	3	\$ -	\$ 1,205	\$ 1,205
	Class III Permit (Temporary Discharge Permit)	annually		5.00	\$ 128	\$ 642	New	%	\$ 642	100%	2	\$ -	\$ 1,284	\$ 1,284
	Class IV Permit (Hauled Liquid Waste)	annually		4.13	\$ 128	\$ 530	New	%	\$ 530	100%	13	\$ -	\$ 6,892	\$ 6,892
30	Re-inspection/sampling/non-compliance inspection	per inspection		2.25	\$ 128	\$ 289	New	%	\$ 289	100%	4	\$ -	\$ 1,155	\$ 1,155
31	Laboratory analysis cost and rental equipment charges	per analysis		n/a	\$ 128	\$ -	New	%	Actual Cost	%	10	\$ -	\$ -	\$ -
	ENVIRONMENTAL COMPLIANCE													
32	Food Service Establishment/FOG Annual Inspection/ Annual Permit Fee													
	Small Generator(PLACEHOLDER)	annually	[1]	1.25	\$ 128	\$ 160	New	%	\$ 160	100%	100	\$ -	\$ 16,045	\$ 16,045
	Medium Generator (PLACEHOLDER)	annually	[1]	1.60	\$ 128	\$ 205	New	%	\$ 205	100%	106	\$ -	\$ 21,769	\$ 21,769
	Large Generator (PLACEHOLDER)	annually	[1]	2.25	\$ 128	\$ 289	New	%	\$ 289	100%	100	\$ -	\$ 28,881	\$ 28,881
33	Re-inspection/sampling/non-compliance inspection	per inspection		1.50	\$ 128	\$ 193	New	%	\$ 193	100%	20	\$ -	\$ 3,851	\$ 3,851
34	Dental Facility One-Time Compliance Report Fee	per report	[2]	0.50	\$ 128	\$ 64	New	%	\$ 64	100%	4	\$ -	\$ 257	\$ 257

Fee No.	Fee Name	Fee Unit / Type	Notes	Activity Service Cost Analysis			Cost Recovery Analysis				Annual Estimated Revenue Analysis			
				Estimated Average Labor Time Per Activity (hours)	FBHR	Cost of Service Per Activity	Current Fee / Deposit	Existing Cost Recovery %	Recommended Fee Level / Deposit	Recommended Cost Recovery %	Estimated Volume of Activity	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Estimated Revenues at Recommended Fee
	NEW WATER MAIN TESTING													
35	Sampling by City Staff - per site (Charges begin following initial sampling and one(1) resampling event)	per sample		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	-	\$ -	\$ -	\$ -
36	Laboratory analysis cost and rental equipment charges	per sample		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	500	\$ -	\$ 64,179	\$ 64,179
37	Backflow Device Testing	per device		3.00	\$ 128	\$ 385	New	%	\$ 385	100%	200	\$ -	\$ 77,015	\$ 77,015
	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.	per hour		1.00	\$ 128	\$ 128	New	%	\$ 128	100%	-	\$ -	\$ -	\$ -
												-	354,442	354,442

Notes

[1] Placeholder for generator size classification

[2] Penalties. NBS did not evaluate.

APPENDIX B.1

Comparative Fee Survey – City Clerk’s Office

City of Tracy					Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Notes	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
1	Administrative Processing - Medical Leave Bank			NEW	No comparison	\$ 27.57	No comparison	No comparison	No comparison
2	Annual Subscriptions (City Council, Planning Commission)		[5]						
	Agendas (per month)	per month		\$ 41	\$400/ annually paper copy No charge for annual email copy	No comparison	Available Online	Available Online	\$46/ annually
	Disc/ Agenda			\$ 2	No Charge - Email	\$ 5.75	Available Online	Available Online	\$ 30
	Minutes	per page		\$ 0.15		No comparison	Available Online	Available Online	\$ 30
3	Appeals								
	to City Council	each	[2]	\$ 177	No comparison	\$ 454	No comparison	\$ 1,457	\$ 368
	to City Manager	each	[3]	\$ 177					
	by Impartial Hearing Officer	each	[4]	Shared equally by parties		No comparison		No comparison	
4	Document Certification (per document)	document		\$ 18	\$ 24	\$ 6	No comparison	No comparison	No comparison
5	Photocopies								
	Paper Copy*	per page	[5]	\$ 0.15	0.28 pages 1-20/ \$0.10 each add'l	\$ 0.10	No comparison	No comparison	\$0.35 first copy/ \$0.10 each add'l
	Oversized Copy	per page		At cost	\$ 3.28	\$ 14			No comparison
	Maps*	per page		At cost	\$ 18.56	\$ 14			\$ 9
6	Duplicating Recording of Public Meeting								
	Video or Audio	each		\$ 5	\$ 10.92	\$ 6	No comparison	No comparison	No comparison
	DVD of Council Meeting	each		\$ 5	\$ 12.01	\$ 6			
7	Lobbyist								
	Registration	each	[6]	\$ 72	No comparison	No comparison	No comparison	No comparison	No comparison
	Registration	each	[7]	\$ 36					
8	Notary Fee		[9]	\$ 10	\$ 10	\$ 11	No comparison	No comparison	No comparison

APPENDIX B.2

Comparative Fee Survey – Building Safety Division

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
SCHEDULE II: BUILDING AND SAFETY DEPARTMENT: DEPOSITS AND FEES								
I	BUILDING PERMIT FEES							
1	Building Plan Check/Inspection - Residential							
	\$ 500 base fee @ \$500		\$ 24	valuation per square foot (IBC class) - no comparison	\$ 107	valuation per 100 square foot (IBC class) - no comparison	\$ 560	\$2,010 - small res units (permit) \$2,946 - up to 5,000 sq.ft. (permit) \$2,946 - 5,000 s.f.t or greater (deposit)
	each additional \$100 or fraction thereof	each add'l \$100	\$ 3.05		\$108 - \$153		0.47% of valuation	
	\$ 2,000 base fee @ \$2,000		\$ 69	valuation per square foot (IBC class) - no comparison	\$ 209	valuation per 100 square foot (IBC class) - no comparison	\$ 9	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 14.00		\$254 - \$675		0.47% of valuation	
	\$ 25,000 base fee @ 25,000		\$ 392	valuation per square foot (IBC class) - no comparison	\$ 687	valuation per 100 square foot (IBC class) - no comparison	\$ 118	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 10.10		\$700 - \$1,000		0.47% of valuation	
	\$ 50,000 base fee @ \$50,000		\$ 644	valuation per square foot (IBC class) - no comparison	\$ 1,011	valuation per 100 square foot (IBC class) - no comparison	\$ 235	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 7.00		\$1,022 - \$1,531		0.47% of valuation	
	\$ 100,000 base fee @ \$100,000		\$ 994	valuation per square foot (IBC class) - no comparison	\$ 1,757	valuation per 100 square foot (IBC class) - no comparison	\$ 470	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 5.60		valuation x \$0.006787 for each dollar over \$100k + \$1,078		0.47% of valuation	
	\$ 500,000 base fee @ 500,000		\$ 3,234	valuation per square foot (IBC class) - no comparison	valuation x \$0.006787 for each dollar over \$100k + \$1,078	valuation per 100 square foot (IBC class) - no comparison	\$ 2,350	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 4.75		valuation x \$0.006787 for each dollar over \$100k + \$1,078		0.47% of valuation	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
2	Building Plan Check - Residential							
	Up to \$500	base fee @ \$500	\$ 18	valuation per square foot (IBC class) - no comparison	\$ 32	valuation per 100 square foot (IBC class) - no comparison	\$ 476	\$2,010 - small res units (permit) \$2,946 - up to 5,000 sq.ft. (permit) \$2,946 - 5,000 s.f.t or greater (deposit)
	each additional \$ or fraction thereof	each add'l \$100	\$ 2.29		\$32 - \$45		85% of permit fee	
	\$ 2,000	base fee @ \$2,000	\$ 52	valuation per square foot (IBC class) - no comparison	\$ 62	valuation per 100 square foot (IBC class) - no comparison	\$ 8	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 10.50		\$62 - \$200		85% of permit fee	
	\$ 25,000	base fee @ 25,000	\$ 294	valuation per square foot (IBC class) - no comparison	\$ 203	valuation per 100 square foot (IBC class) - no comparison	\$ 100	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 7.58		\$203 - \$296		85% of permit fee	
	\$ 50,000	base fee @ \$50,000	\$ 483	valuation per square foot (IBC class) - no comparison	\$ 299	valuation per 100 square foot (IBC class) - no comparison	\$ 200	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 5.25		\$299 - \$453		85% of permit fee	
	\$ 100,000	base fee @ \$100,000	\$ 745	valuation per square foot (IBC class) - no comparison	\$ 738	valuation per 100 square foot (IBC class) - no comparison	\$ 400	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 4.20		42% of building permit fee		85% of permit fee	
	\$ 500,000	base fee @ 1,000,000	\$ 2,425	valuation per square foot (IBC class) - no comparison	\$ 1,878	valuation per 100 square foot (IBC class) - no comparison	\$ 1,998	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.56		42% of building permit fee		85% of permit fee	
3	Building Plan Check for Identical Building / Repeat Tract House	flat	\$ -	no comparison	no comparison	no comparison	\$ 305	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
4	Building Permit/Inspection - Commercial/Multi-							
	Up to \$500	base fee @ \$500	\$ 24	valuation per square foot (IBC class) - no comparison	\$ 104	valuation per 100 square foot (IBC class) - no comparison	\$ 2	deposits \$4,776 - new building without shell \$15,256 - new building with Interior Improvements \$4,791 - Apartment or Condo \$28,501 - Hotel
	each additional \$100 or fraction thereof	each add'l \$100	\$ 3.05		\$104 - \$181		0.47% of valuation	
	\$ 2,000	base fee @ \$2,000	\$ 69	valuation per square foot (IBC class) - no comparison	\$ 252	valuation per 100 square foot (IBC class) - no comparison	\$ 9	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 14.00		\$252 - \$848		0.47% of valuation	
	\$ 25,000	base fee @ 25,000	\$ 392	valuation per square foot (IBC class) - no comparison	\$ 864	valuation per 100 square foot (IBC class) - no comparison	\$ 118	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 10.10		\$864 - \$1,265		0.47% of valuation	
	\$ 50,000	base fee @ \$50,000	\$ 644	valuation per square foot (IBC class) - no comparison	\$ 1,279	valuation per 100 square foot (IBC class) - no comparison	\$ 235	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 7.00		\$1,279 - \$1,944		0.47% of valuation	
	\$ 100,000	base fee @ \$100,000	\$ 994	valuation per square foot (IBC class) - no comparison	\$ 1,757	valuation per 100 square foot (IBC class) - no comparison	\$ 470	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 5.60		valuation x \$0.006787 for each dollar over \$100k + \$1,078		0.47% of valuation	
	\$ 500,000	base fee @ 500,000	\$ 3,234	valuation per square foot (IBC class) - no comparison	\$ 4,472	valuation per 100 square foot (IBC class) - no comparison	\$ 2,350	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 4.75		valuation x \$0.006787 for each dollar over \$100k + \$1,078		0.47% of valuation	
	\$ 1,000,000	base fee @ 1,000,000	\$ 5,609	valuation per square foot (IBC class) - no comparison	\$ 7,865	valuation per 100 square foot (IBC class) - no comparison	\$ 4,700	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.65		valuation x \$0.006787 for each dollar over \$100k + \$1,078		0.47% of valuation	
	\$ 5,000,000	base fee @ 5,000,000	\$ 20,209	valuation per square foot (IBC class) - no comparison	\$ 46,425	valuation per 100 square foot (IBC class) - no comparison	\$ 23,500	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.65		valuation x \$0.005133 for each dollar over \$100k + \$20,760		0.47% of valuation	
	\$ 10,000,000	base fee @ 10,000,000	\$ 38,459	valuation per square foot (IBC class) - no comparison	\$ 76,290	valuation per 100 square foot (IBC class) - no comparison	\$ 47,000	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.65		valuation x \$0.005133 for each dollar over \$100k + \$20,760		0.47% of valuation	
	\$ 50,000,000	base fee @ 50,000,000	\$ 184,459	valuation per square foot (IBC class) - no comparison	\$ 298,410	valuation per 100 square foot (IBC class) - no comparison	\$ 235,000	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.65		valuation x \$0.005133 for each dollar over \$100k + \$20,760		0.47% of valuation	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
5	Building Plan Check - Commercial/Multi-family/Industrial							
	Up to \$500	base fee @ \$500	\$ 18	valuation per square foot (IBC class) - no comparison	\$ 29	valuation per 100 square foot (IBC class) - no comparison	\$ 2	deposits \$4,776 - new building without shell \$15,256 - new building with Interior Improvements \$4,791 - Apartment or Condo \$28,501 - Hotel
	each additional \$ or fraction thereof	each add'l \$100	\$ 2.29		\$29 - \$73		85% of permit fee	
	\$ 2,000	base fee @ \$2,000	\$ 52	valuation per square foot (IBC class) - no comparison	\$ 105	valuation per 100 square foot (IBC class) - no comparison	\$ 8	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 10.50		\$105 - 373		85% of permit fee	
	\$ 25,000	base fee @ 25,000	\$ 294	valuation per square foot (IBC class) - no comparison	\$ 380	valuation per 100 square foot (IBC class) - no comparison	\$ 100	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 7.58		\$380 - \$561		85% of permit fee	
	\$ 50,000	base fee @ \$50,000	\$ 483	valuation per square foot (IBC class) - no comparison	\$ 712	valuation per 100 square foot (IBC class) - no comparison	\$ 200	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 5.25		\$712 - 866		85% of permit fee	
	\$ 100,000	base fee @ \$100,000	\$ 745	valuation per square foot (IBC class) - no comparison	\$ 1,421	valuation per 100 square foot (IBC class) - no comparison	\$ 400	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 4.20		valuation x \$0.005553 for each dollar over \$100k + \$866		85% of permit fee	
	\$ 500,000	base fee @ 500,000	\$ 2,425	valuation per square foot (IBC class) - no comparison	\$ 3,643	valuation per 100 square foot (IBC class) - no comparison	\$ 1,998	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.56		valuation x \$0.005553 for each dollar over \$100k + \$866		85% of permit fee	
	\$ 1,000,000	base fee @ 1,000,000	\$ 4,207	valuation per square foot (IBC class) - no comparison	\$ 6,419	valuation per 100 square foot (IBC class) - no comparison	\$ 3,995	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 2.74		valuation x \$0.005553 for each dollar over \$100k + \$866		85% of permit fee	
	\$ 5,000,000	base fee @ 5,000,000	\$ 15,157	valuation per square foot (IBC class) - no comparison	\$ 21,866	valuation per 100 square foot (IBC class) - no comparison	\$ 19,975	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 2.74		valuation x \$0.004200 for each dollar over \$3m+ \$16,970		85% of permit fee	
	\$ 10,000,000	base fee @ 10,000,000	\$ 28,844	valuation per square foot (IBC class) - no comparison	\$ 42,866	valuation per 100 square foot (IBC class) - no comparison	\$ 39,950	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 2.74		valuation x \$0.004200 for each dollar over \$3m+ \$16,970		85% of permit fee	
	\$ 50,000,000	base fee @ 50,000,000	\$ 138,344	valuation per square foot (IBC class) - no comparison	\$ 210,866	valuation per 100 square foot (IBC class) - no comparison	\$ 199,750	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 2.74		valuation x \$0.004200 for each dollar over \$3m+ \$16,970		85% of permit fee	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
6	Building Permit/Inspection - TI							
	Up to \$500	base fee @ \$500	\$ 24	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 2	\$1,646 - 500 to 3,000 sq.ft. (permit) \$2,004 - x> 3,000 sq.ft. (deposit) \$1,102 - minor impr. and remodels (permit) \$541 - accessory bldgs less > 500 sq.ft. (permit) \$1,067 - garage up to 720 sq. ft. and no occ (permit) \$462 - Re-roofing (permit)
	each additional \$100 or fraction thereof	each add'l \$100	\$ 3.05				0.47% of valuation	
	\$ 2,000	base fee @ \$2,000	\$ 69	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 9	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 14.00				0.47% of valuation	
	\$ 25,000	base fee @ 25,000	\$ 392	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 118	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 10.10				0.47% of valuation	
	\$ 50,000	base fee @ \$50,000	\$ 644	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 235	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 7.00				0.47% of valuation	
	\$ 100,000	base fee @ \$100,000	\$ 994	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 470	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 5.60				0.47% of valuation	
	\$ 500,000	base fee @ 500,000	\$ 3,234	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 2,350	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 4.75				0.47% of valuation	
	\$ 1,000,000	base fee @ 1,000,000	\$ 5,609	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 4,700	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.65				0.47% of valuation	
	\$ 5,000,000	base fee @ 5,000,000	\$ 20,209	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 23,500	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.65				0.47% of valuation	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
7	Building Plan Check - TI							
	Up to \$500	base fee @ \$500	\$ 18	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 2	\$1,646 - 500 to 3,000 sq.ft. (permit) \$2,004 - x> 3,000 sq.ft. (deposit) \$1,102 - minor impr. and remodels (permit) \$541 - accessory bldgs less > 500 sq.ft. (permit) \$1,067 - garage up to 720 sq. ft. and no occ (permit) \$462 - Re-roofing (permit)
	each additional \$ or fraction thereof	each add'l \$100	\$ 2.29				85% of permit fee	
	\$ 2,000	base fee @ \$2,000	\$ 52	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 8	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 10.50				85% of permit fee	
	\$ 25,000	base fee @ 25,000	\$ 294	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 100	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 7.58				85% of permit fee	
	\$ 50,000	base fee @ \$50,000	\$ 483	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 200	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 5.25				85% of permit fee	
	\$ 100,000	base fee @ \$100,000	\$ 745	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 400	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 4.20				85% of permit fee	
	\$ 1,000,000	base fee @ 500,000	\$ 2,425	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 1,998	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 3.56				85% of permit fee	
	\$ 1,000,000	base fee @ 1,000,000	\$ 4,207	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 3,995	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 2.74				85% of permit fee	
	\$ 5,000,000	base fee @ 5,000,000	\$ 15,157	\$17.50/sq.f.t or contract price	no comparison	valuation per 100 square foot (IBC class) - no comparison	\$ 19,975	
	each additional \$1000 or fraction thereof	each add'l \$1,000	\$ 2.74				85% of permit fee	
II	MISCELLANEOUS MINOR PERMITS							
8	Demolition							
	Residential	each	\$ 150	\$216.64/hour	\$ 298	no comparison	\$50 - \$110	\$ 69
	Commercial	each	\$ 136		\$ 298		\$ 320	
9	Fire Sprinkler - Residential							
	Plan Check	each	\$ 248	\$ 538	no comparison	no comparison	no comparison	\$ 171
	Permit/Inspection	each	\$ 381					\$ 523

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
10	Patio Covers							
	Residential	each	\$ 491			no comparison	\$165 - \$357	\$ 411
	Commercial	each	\$ 6,223					\$ 1,102
11	Pools							
	OTC	each	\$ 374	\$979.27 + \$500 deposit	val based - private \$250 for \$1 - \$1,000 \$350 + 0.124x val \$1,001 - \$10,001 \$550 + 0.0062x over \$10,001 val based - public \$300 for \$1 to \$1,000 \$400 + 0.124x val \$1,001 - \$10,000 \$600 + 0.0062x val over \$10,001	\$271 - \$361	\$246 - \$576	\$ 454
	Special	each	\$ 1,348					
12	Post Fire Pre-permit Inspection							
	Residential	each	\$ 659	no comparison	\$ 93	no comparison	no comparison	no comparison
	Commercial	each	\$ 2,453					
13	Remodel							
	Residential	each	\$ 490	\$84.49 + \$15.08 for each supplemental permit	\$ 300	no comparison	\$ 255	\$ 730
	Commercial	each	\$ 5,951		no comparison		no comparison	\$ 1,102
14	Re-roof							
	Residential	each	\$ 184	\$216.64/hour	\$ 175	no comparison	\$ 112	\$ 289
	Commercial	each	\$ 1,098				\$112 first 10 squares \$38 each add'l 10 squares	\$ 462
15	Sign Permit	each	\$ 854	\$ 22	Non illuminated \$50 - \$300 Illuminated \$90 - \$600	\$271, \$90 add'l branch circuits		\$ 265
16	Stucco Siding	each	\$ 256				\$ 112	
17	Temporary Office Trailers or Storage Units	each	\$ 545	\$10/sq.ft.	no comparison	no comparison	no comparison	\$350 - \$1,000
18	Walls	each	\$ 5,365	\$27/l.f. (wall not exceeding 8 ft. high) \$35/l.f. (wall exceeding 8 ft. high)	no comparison	no comparison	\$395 1st l.f.; \$128 each add'l 100 l.f.	\$ 1,102

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
III	ELECTRICAL PERMIT FEES							
20	Base Permit	per project	\$ -	\$ 84	no comparison	no comparison	no comparison	\$ 200
	PER UNIT FEE SCHEDULE:							
21	Receptacles, switches, lighting and outlets. For receptacles, switches and lighting or other outlets.							
	1st 20 - each	per circuit	\$ 66	\$ 2	no comparison	\$271/ 1st 10	\$100 1st circuit	no comparison
	Additional outlets - each	per circuit	\$ -	\$ 1		\$90/each add'l 10	\$ 12	
22	For the Installation, Alteration, or Relocation of Each Electrical Service: 600 VOLTS OR LESS							
	First 200 Ampere Capacity with One Meter Socket/Base	each	\$ 70	\$ 28	no comparison	\$ 271	\$ 79	\$ 106
	Each Additional 100 Ampere Capacity or Fraction Thereof	each	\$ -	\$56.23/200 to 1,000 amperes in rating		\$316/201 to 1,000 amperes in rating		
	Each Additional Meter Socket/Base	each	\$ -					
	OVER 600 VOLTS							
	First 200 KVA Capacity w/One Meter Socket/Base	each	\$ -	\$ 112	no comparison	\$ 496	no comparison	no comparison
	Each Additional 100 KVA Capacity	each	\$ -					
23	Portable Electrical Generator - Temporary Use	per project	\$ 99	\$22.49/carnivals and circuses	no comparison		no comparison	no comparison
24	TEMPORARY POWER SERVICE:							
	Up to 100 amps/10 poles	each	\$ 66	\$ 22	no comparison	\$ 225	no comparison	no comparison
	More than 100 amps/11 poles	each	\$ -					
25	Solar Systems	each						
	Solar - Residential (Up to 15 kW)		n/a	\$4.48 - up to and including 1 (each)	\$ 300	\$271 - up to and including 1 (each)	no comparison	no comparison
	Per kW above 15kW		n/a	\$11.23 - Over 1 and not over 10 (each)	\$500 + \$15 per kw	\$316 - Over 1 and not over 10 (each)		
	Solar - Commercial (Up to 50 kW)		n/a	\$22.48 - Over 10 and not over 50 (each)	\$ 1,000	\$361 - Over 10 and not over 50 (each)		
	Per kW between 51kW - 250kW		n/a		\$1,000 + \$7 per kw			
	Per kW above 250kW		n/a	\$44.98 - Over 50 and not over 100	\$2400 + \$5 per kw	\$451 - Over 50 and not over 100		
IV	MECHANICAL PERMIT AND PLAN CHECK FEES							
26	For the issuance of each permit	each	\$ -	\$ 84	no comparison	no comparison	no comparison	\$ 200
27	Residential HVAC, new, or change out, including duct system.	each	\$ 144	\$ 13	\$ 175	\$ 180	\$ 75	\$ 165

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
28	Repair or Replace existing system	each	\$ 143	\$13.48/ repair of heating appliance/refrigeration/cooling/absorption	no comparison	\$ 271	no comparison	no comparison
29	For the installation or relocation of each wall heater, floor furnace, suspended, or floor mounted unit heater	each	\$ 134	\$ 13	no comparison	\$ 225	no comparison	\$ 100
30	For the installation, relocation or alteration of comfort cooling and heating units or individual comfort cooling or heating units.	each	\$ -	\$ 13	\$ 75	\$ 271	no comparison	\$ 100
31	For each new duct system	each	\$ 150	\$ 10	\$ 222	\$ 225	no comparison	\$ 126
32	For the installation, alteration, or addition to each commercial range hood(s), including ducts, blower(s), or fans attached thereto for type I, or II hoods.	each	\$ 198	\$ 10	no comparison	\$ 451	no comparison	no comparison
33	For the installation of each domestic type vent fan or range hood, including attached duct.	each	\$ -	\$ 10	no comparison	\$ 225	no comparison	no comparison
34	For the installation or relocation of each boiler or compressor to and including three horse power or each absorption system to and including 100,000 B.T.U.	each	\$ -	\$ 13	no comparison	\$ 271	no comparison	no comparison
35	For the installation or relocation of each boiler or compressor to and including three horse power or each absorption system over 100,000 B.T.U.	each	\$ -	\$24.73 - \$33.76	no comparison	\$ 271	no comparison	no comparison
36	Swimming pool Heating Systems - heater/boiler	each	\$ -	\$ 979	no comparison	\$ 361	\$909 - \$1,132	no comparison
37	For the installation of each fire damper	each	\$ -	\$ 10	no comparison	\$ 180	no comparison	no comparison
38	For the installation, relocation, or alteration of one metal chimney serving a fireplace or similar appliances	each	\$ -	\$ 84	no comparison	\$ 180	\$ 137	\$ 100
V	PLUMBING PERMIT AND PLAN CHECK FEES							
39	For the issuance of each permit	each	\$ 40	\$ 84	no comparison	no comparison	no comparison	\$ 200

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
40	For 10 or less plumbing fixtures or trap, including water, waste, and vent piping	each	\$ 49	\$ 10	no comparison	\$ 135	no comparison	no comparison
41	Each additional plumbing fixture(s)	each	\$ 11	\$ 10	no comparison	\$ 135	no comparison	no comparison
42	10 gas outlets, includes repairs, new work and line replacements	each	\$ 45	\$7.51 per system up to 5 \$1.51 per system over 5	no comparison	no comparison	no comparison	\$ 100
43	For each building sewer or building lateral. Includes new lines, backwater valve, line abandonment and each mobile home sewer	each	\$ 67	\$ 22	no comparison	\$ 271	no comparison	no comparison
44	For each interceptor (sand/grease) and each industrial waste pre-treatment interceptor	each	\$ 21	\$ 11	no comparison	\$ 496	no comparison	\$0.81/ sq.ft.
45	Roof rain water system	each	\$ 11	\$ 11	no comparison	\$ 135	no comparison	no comparison
46	For each water supply system installation, alteration, replacement of water piping and water treatment equipment	each	\$ 41	\$ 10	no comparison	\$ 225	no comparison	no comparison
47	Drain and vent piping. Includes new systems, repairs, replacement lines, pool drains and separation tanks.	each	\$ 72	\$ 11	no comparison	\$ 225	no comparison	no comparison
48	Backflow prevention devices and vacuum breakers.	each	\$ 70	\$ 10	\$ 74	\$ 271	no comparison	no comparison
50	Water heater (new/replacement)							
	Residential	each	\$ 45	\$ 11	\$ 75	\$ 75	\$ 75	no comparison
	Commercial	each	\$ 46					
51	Swimming pool Heating Systems - plumbing / drain and vent	each	\$ 41	\$ 67	no comparison	\$ 180	no comparison	no comparison
VI	ADDITIONAL PLAN REVIEW / INSPECTION SERVICES							
54	Accessibility Hardship Review	each	New	no comparison	\$ 419	no comparison	no comparison	\$193/hour
55	Inspections outside of normal business hours (min 4 hours)							
	First 4 Hours	per project	\$ 498	no comparison	\$282/ hour - 2.5 hr min	\$180/hour	\$ 670	\$224/hour
	Each additional hour	hourly	\$ 124.50					

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood [3,4,5]	Stockton	Livermore	Manteca	Modesto [1,2]
56	Reinspection fee (min 1/2 hour)							
	First 1/2 Hour	per project	\$ 42	no comparison	\$187/hour	\$180/hour	\$110/unit	\$178/hour
	Each additional 1/2 hour	hourly	\$ 42					
57	Plan review for which no fee is specifically indicated (min 1 hour)							
	First 1 Hour	per project	\$ 42	no comparison	no comparison	\$180/hour	no comparison	\$178/hour
	Each additional hour	hourly	\$ 42				\$ 149	
59	Strong Motion Instrumentation Program (SMIP)	State Fee		no comparison	.00028 of total valuation fee - commercial .00013 of total valuation fee - residential	no comparison	.00028 of total valuation fee - commercial .00013 of total valuation fee - residential	no comparison
60	Reissuance of Inspection Card	each	\$ -	no comparison	no comparison	no comparison	\$ 327	no comparison
61	Special Inspection	hourly	\$ 83	no comparison	\$ 322	\$ 180	\$ 211	\$ 178
62	Occupancy Inspection	each	\$ 83	no comparison	\$ 161	no comparison	no comparison	no comparison
64	Hourly Plan Review	each	New	no comparison	no comparison	\$ 180	no comparison	\$178-\$193
66	Record Retention		\$3/page; \$0.50 per page under 8.5 X 11	no comparison	0.10 per page	no comparison	no comparison	no comparison

APPENDIX B.3

Comparative Fee Survey – Engineering Division

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
1	Agreement Processing							
	Inspection Improvement Agreement	Per agreement	\$ 7,378	No comparison	\$5,000 Development	No comparison	No comparison	No comparison
	Subdivision Improvement Agreement	Per agreement	\$ 7,378		\$ 1,022			
	Deferred Improvement Agreement	Per agreement	\$ 7,378		\$5,000 Development			
	Off-site Improvement Agreement	Per agreement	\$ 7,378					
	Park Improvement and Reimbursement Agreement	Per agreement	\$ 7,378					
2	Grading Plan Check							
	10,000 base fee	base fee	\$ 2,890	3% of the estimated cost of grading and aaoc. Improvements	No comparison	\$ 631	No comparison	Based on cost estimate \$2,2000 - \$20,550 deposit
	each additional 10,000 CY	each add'l	\$ 158			No comparison		
	100,000 base fee	base fee	\$ -			\$ 721		
	each additional 10,000 CY	each add'l	\$ 134			No comparison		
	200,000 base fee	base fee	\$ -			\$ 992		
	each additional 10,000 CY	each add'l	\$ 105			\$ 135		
3	Grading Permit and Inspection							
	Residential or Commercial Lots (Up to 5)	per project	\$ 1,634	3.5% of estimated cost of grading and assoc. improvements	No comparison	No comparison	\$ 35	\$ -
	Subdivisions (5 lots or more)	per project	\$ 4,129					No comparison
	Additional Plan Review Required by multiples changes, additions, or revisions after initial review completed	hourly	\$ 118					No comparison
	SUBDIVISIONS							
4	Tentative Subdivision Map	see planning	see planning	\$2,995 plus \$10 per lot	No comparison	\$ 13,935	\$944 - \$1,068	\$ 4,394
5	Vesting Tentative Subdivision Map	see planning	see planning	No comparison	No comparison	No comparison	No comparison	No comparison
6	Final Parcel Map Review	per review	\$ 2,677	\$2,995 plus \$30 per lot	\$ 3,193	Actual costs	No comparison	\$ 1,704
7	Final Subdivision Map Review	per review	\$ 2,171	\$2,995 plus \$30 per lot	No comparison	Actual costs	No comparison	\$ 2,735
8	Map Amendment Review	per review	\$ 1,333	No comparison	No comparison	\$ 2,730	No comparison	No comparison
9	Certification of Correction	per review	\$ 4,070	\$ 142	\$ 1,815	No comparison	No comparison	\$ 316
10	Certificate of Compliance - Lot Line Adjustment	per review	\$ 3,185	No comparison	\$ 1,792	\$ 3,215	\$ 1,231	\$ 680

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
	PUBLIC IMPROVEMENTS							
11	Inspection Improvement Agreement	per agreement	\$ 7,378	No comparison	No comparison	No comparison	No comparison	No comparison
12	SIA, DIA, OIA, PIRA, Any Amendment	per amendment		No comparison	No comparison	No comparison	No comparison	No comparison
13	Plan Check							
	\$ 2,000	base fee	\$ 116	\$ 50	\$ 189	No comparison	\$ 60	\$ 2,000
	each additional \$1,000 or fraction thereof	each	\$ 58	\$ 25	\$ 55		\$ 30	No comparison
	\$ 25,000	base fee	\$ 1,450	\$ 625	\$ 1,454		\$ 750	\$ 2,000
	each additional \$1,000 or fraction thereof	each	\$ 58	\$ 25	\$ 55		\$ 30	No comparison
	\$ 50,000	base fee	\$ 2,900	\$ 1,250	\$ 2,829		\$ 1,500	\$ 4,000
	each additional \$1,000 or fraction thereof	each	\$ 58	\$ 25	\$ 55		\$ 30	No comparison
	\$ 100,000	base fee	\$ 5,800	\$ 2,500	\$ 3,273		\$ 3,000	\$ 6,750
	each additional \$1,000 or fraction thereof	each	\$ 58	\$ 25	\$ 30		\$ 30	No comparison
	\$ 500,000	base fee	\$ 29,000	\$ 12,500	\$ 15,273		\$ 5,100	\$ 11,350
	each additional \$1,000 or fraction thereof	each	\$ 58	\$ 25	\$ 30		\$ 10	No comparison
	\$ 1,000,000	base fee	\$ 35,000	\$ 22,500	\$ 20,280		\$ 10,200	\$ 20,550
	each additional \$1,000 or fraction thereof	each	\$ 35	\$ 23	\$ 30		\$ 10	No comparison
	\$ 5,000,000	base fee	Actual Cost	\$ 100,000	\$ 100,280		\$ 51,000	\$ 20,550
	each additional \$1,000 or fraction thereof	each	Actual Cost	\$ 20	\$ 20		\$ 10	No comparison
14	Inspection (\$250,000)	per project	% of Imp. Const. Cost.	\$ 9,500	\$ 8,750	No comparison	\$ 13,609	No comparison
15	As built, review after construction	per lot	\$ 35	No comparison	\$ 117	No comparison	No comparison	\$ 178
16	MICRO IMAGING FEES							
	11" X 17" and smaller (B&W or Grayscale with 2" field index)	each	\$ 0.08	No comparison	No comparison	No comparison	No comparison	No comparison
	Larger than 11" X 17" (B&W or Grayscale with a two-field index)	each	\$ 0.88					
	11" X 17" and smaller (Color with two-field index)	each	\$ 0.15					
	18" X 24" Color document with a two-field index	each	\$ 0.53					
	24" X 36" Color document with a two-field index	each	\$ 2.00					
17	Segregation Of Assessment	per lot	\$ 47	No comparison	\$ 908	No comparison	No comparison	No comparison
18	Record of Survey	per lot	\$ 349	No comparison	No comparison	No comparison	\$ 102	No comparison
24	Street Easement Abandonment	per lot	\$ 1,699	Hourly rate	\$ 2,797	No comparison	\$ 638	\$ 2,356

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
25	ENCROACHMENT PERMITS							
	Encroachment Base Fee	base fee	\$ 413	\$ 71	\$ 523	No comparison	\$159 - \$305	No comparison
	Price per square foot	per sq. ft.	\$ 19	No comparison	\$2 per foot beyond 50 l.f.		\$89/day	
	OR, Price per hour	per hr.	\$ 64		\$ 180			
	Sidewalks, plus whichever is less	base fee	\$ 65	\$ 71	\$ 523	No comparison	\$159 - \$305	\$ 231
	Price per square foot	per sq. ft.	\$ 19	No comparison	\$1 per ft. beyond 12 l.f.		\$29/ 20 l.f.	No comparison
	OR, Price per hour	per hr.	\$ 64		\$ 0.02		\$ 180	
	Driveways, Curbs, Plus whichever is less	base fee	\$ 64	\$ 71	\$ 523	No comparison	\$159 - \$305	\$ 231
	Price per hour	per hr.	\$ 59	\$ 0.16	\$2 per foot beyond 50 l.f.		\$ 180	\$29/ 20 l.f.
	Trees, Utility Boxes/per hour (1 hour minimum)	base fee	\$ 64	\$ 71	\$ 523	No comparison	Deposit Required	\$ 273
	Price per hour	per hr.	\$ 97	Hourly rate	\$3 per ft. beyond 50 l.f.			\$ 180
	Miscellaneous Encroachment Permit		\$ 130	Hourly rate	\$ 523	\$ 180	Deposit Required	No comparison
	Plus hourly rate for Inspection and Engineering Review				No comparison			
21	OVERSIZE LOAD PERMIT							
	Single Permit	per permit	\$ 19	\$ 16	\$ 16	No comparison	\$ 16	No comparison
	Annual or Blanket Permit (fix route)	annual	\$ 106	No comparison	\$ 90	No comparison	\$ 90	No comparison
22	BUILDING MOVING OR OVERSIZED LOAD							
	Class B	per permit	\$ 675	No comparison	\$ 42	No comparison	No comparison	No comparison
	Other	per hr.	Varies					
23	REPRODUCTION, MAP AND DOCUMENT SALES							
	Standard Plans, Standard Specs, and Design Standards	per doc	\$ 18	\$ 19	No comparison	No comparison	No comparison	No comparison
	Parks Manual	per doc	\$ 88					
	Storm Drainage Master Plans	per doc	\$ 24					
	Subdivision Maps	per doc	\$ 6					
	Reproduction Fees	per sheet	\$ 2					

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
	NEW ADDRESS MAPPING FEES							
24	Single-family	per lot	\$ 75	\$180 Subdivisions; \$45 Secondary Units	No comparison	No comparison	No comparison	No comparison
25	Multi-family projects (4 units or less)	per lot	\$ 75		No comparison	No comparison	No comparison	No comparison
26	Multi-family projects (5 units or more)							
	per lot	per lot	\$ 75		No comparison	No comparison	No comparison	No comparison
	per dwelling unit	dwelling unit	\$ 38		No comparison	No comparison	No comparison	No comparison

APPENDIX B.4

Comparative Fee Survey – Planning Division

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
1	Adult Business Use Permit	per project	per cost recovery agrmt.	\$ 4,256	No comparison	No comparison	No comparison	\$ 325
2	Annexation	per project	\$ 12,386	\$5,800 deposit		\$ 26,395	\$ 10,300	\$ 5,084
	Appeal to City Council	per appeal	\$ 326	\$ 325	\$20,000 deposit	\$ 3,597	\$ 3,083	\$ 368
	Appeal to Planning Commission	per appeal	\$ 326					
3	Conditional Use Permit	per permit	\$3,981 - \$6,252	\$500/ per unit up to \$2,200 deposit	Actual cost	\$ 5,181	\$ 9,247	\$846 - \$4,394
4	Conditional Use Permit (Non-Profit Organizations)	per permit	\$413 - \$644	\$217 Daycare SFR	No comparison	No comparison	No comparison	No comparison
5	Development Review							
	Class A	per application	\$ 4,617	No comparison	\$ 1,000	No comparison	No comparison	No comparison
	Class B	per application	\$ 3,281					
6	Ellis Specific Plan Pattern Book Certification	per request	\$ 3,281	No comparison	No comparison	No comparison	No comparison	No comparison
7	ENVIRONMENTAL							
	Environmental Assessment	per request	\$ 118	No comparison	No comparison	No comparison	No comparison	No comparison
	Environmental Initial Study	per study	\$ 1,675	No comparison	\$ 3,000	No comparison	\$14,498 - \$21,737	\$ 325
	Negative Declaration	per neg. declaration	\$ 1,675	\$3,500 deposit \$4,900 mitigated	\$ 1,500	\$ 5,796	No comparison	\$ 5,000
	Environment Impact Report	per project	per cost recovery agrmt.	consultant cost plus 25% of City Admin.	25% of consultant contract	\$ 8,424	\$ 22,532	\$ 10,000
8	General Plan Amendment	per project	per cost recovery agrmt.	No comparison	\$ 5,000	\$ 17,348	\$ 13,172	\$ 5,231
9	Lot Line Adjustment	per LLA	\$ 481	\$ 723	\$ 1,739	\$ 3,215	\$ 2,200	\$ 680

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
10	MICRO-IMAGING FEES							
	11" X 17" and smaller (B&W or Grayscale with 2" field index)	each	\$ 0.08	No comparison	No comparison	No comparison	No comparison	No comparison
	Larger than 11" X 17" (B&W or Grayscale with a two-field index)	each	\$ 0.88					
	11" X 17" and smaller (Color with two-field index)	each	\$ 0.15					
	18" X 24" Color document with a two-field index	each	\$ 0.53					
	24" X 36" Color document with a two-field index	each	\$ 2.00					
11	Noise Ordinance Variation	per project	\$ 4,719	No comparison	No comparison	No comparison	No comparison	No comparison
12	Planned Unit Development	per PUD	\$ 9,260	No comparison	\$ 3,000	\$ 11,601	\$12,525 - \$14,184	No comparison
13	Planned Unit Development Amendment	per amend.	\$ 5,308	\$2,200 deposit	.02 of all building permits	\$ 10,478	\$3,927 - \$7,834	No comparison
14	Planning Commission Determination	per determ.	\$ 1,186	\$900 deposit	\$ 1,000	\$ 7,762	\$ 557	\$ 105
	PLANNING DIVISION APPLICATION FEES							
15	Residential Growth Allotment	per RGA	\$ 1,969	\$ 3,057	No comparison	No comparison	No comparison	No comparison
16	Sign Permit							
	Master Sign Program	per program	\$ 1,194	\$2,600 deposit	No comparison	\$ 1,382	\$ 1,630	\$ 265
	Sign Permit	per permit	\$ 538	\$ 272		\$ 510	No comparison	\$ 265
17	Specific Plan Amendment							
	Minor	per project	\$ 6,016	\$5,800 deposit	\$20,000 deposit	No comparison	\$ 5,683	\$ 2,899
	Major	per project	per cost recovery agrmt.				\$ 8,481	\$ 5,231

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
18	Temporary Use Permit	per permit	\$ 85	\$59 - \$746	\$ 100	\$ 500	\$ 404	No comparison
19	TENTATIVE MAP							
	Parcel Map	map	\$ 8,611	\$ 1,738	\$ 1,000		\$ 5,420	
	5 - 100 Lots	lot number	\$ 11,796	No comparison	\$3,000 - \$4,500	\$ 13,935	\$ 12,181	\$ 2,622
	Over 100 Lots	lot number	\$ 18,402		\$10,000 deposit; cost for recovery		\$ 14,592	
20	Time Extension	per request	\$ 495	\$ 1,220	No comparison	No comparison	\$ 3,521	\$ 105
21	Variance	per variance	\$ 793	\$1,700 deposit; \$838 admin. Variance	\$ 3,000	\$ 10,819	\$ 10,726	\$ 2,155
22	Reasonable Accommodation (Accessibility)	per variance	New	No comparison	No comparison	No comparison	No comparison	\$ 193
23	ZONING							
	Zone Change	per change	\$ 3,008	No comparison	\$ 5,000	\$ 10,008	\$ 9,295	\$ 3,550
	Zone Text Amendment	per amendment	\$ 2,949		No comparison		\$ 11,573	
	Zoning Research Letter	per letter	\$ 94		\$ 1,000		\$ 219	
24	General Plan Zoning Map	per map		No comparison	No comparison	No comparison	No comparison	No comparison
25	Third and subsequent review	per submittal	New	\$45/ hr.	\$ 187	No comparison	\$197/hr.	No comparison
26	General Plan Maintenance and Update (PLACEHOLDER)		New	\$ 302	.0015 of permit valuation	No comparison	No comparison	\$0.26/\$1,000 of valuation
	BUILDING PLAN CHECK by PLANNING							
28	Single Family							
	Miscellaneous Minor Improvements	per project	New	No comparison	\$229/hr.	No comparison	\$ 111	\$ 75
	Plot Plan / Production Plan Review	per project	New				\$ 48	
	Custom Home	per project	New				\$ 408	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
29	Multi-family/ Commercial/ Industrial							
	New Building / Shell project	per project	New	No comparison	\$229/hr.	No comparison	\$ 1,038	\$ 75
	Tenant improvement	per project	New				\$ 249	

APPENDIX B.5

Comparative Fee Survey – Community Facilities Division

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
1	Administration							
	Special Event Application Review							
	For Non-profit Organization	per application	\$ 82	\$ 53	\$ 55	no comparison	no comparison	\$ 25
	For Commercial Organization	per application	\$ 165					\$ 275
	COMMUNITY CENTER RENTALS							
2	Main Hall (5,300 sq. ft.) Weekday Only - 4 hour minimum							
	For non-profit classification	per hour	\$ 44	\$ 140	no charge	Resident: \$120 Non-Resident: \$145	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 75	Resident: \$201 Non-Resident: \$221	\$ 35		Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 107	\$ 261	\$ 35		Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
3	Conference Room A or B (250 sq. ft.) Weekday Only - 2 hour minimum							
	For non-profit classification	per hour	\$ 9	\$ 70	no charge	Resident: \$80 Non-Resident: \$90	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 14	Resident: \$100 Non-Resident: \$110	\$ 35		Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 19	\$ 130	\$ 35		Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
4	Entire Facility (6,200 sq. ft.) - 4 hour minimum							
	Weekday Rates							
	For non-profit classification	per hour	\$ 49	\$ 140	no charge	Resident: \$120 Non-Resident: \$145	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 87	Resident: \$201 Non-Resident: \$221	\$ 35		Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 123	\$ 261	\$ 35		Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	Weekend Rates							
	For non-profit classification	per hour	\$ 73	\$ 188	no charge	Resident: \$120 Non-Resident: \$145	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 125	Resident: \$269 Non-Resident: \$295	\$ 35		Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 177	\$ 349	\$ 35		Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
5	Additional Fees							
	Extra Dumpster disposal fee -per dumpster/rental	per dumpster	\$ 110	no comparison	no comparison	no comparison	no comparison	no comparison
6	Deposits							
	Main Hall	deposit	\$ 472	Refundable Damage Deposit:	\$ 1,000	\$ 250	\$500 - \$600	50% of rent total, not less than \$100
	Conference Room A or B	deposit	\$ 236	Non-Alcohol Event: \$250	50% of total rental amount		\$500 - \$600	
	Entire Facility	deposit	\$ 472	Alcohol Event: \$500	\$ 1,000		\$500 - \$600	
	Alcohol Deposit	deposit	\$ 472	Kitchen Cleaning: \$200	\$50 + 15% of gross receipts		\$ 800	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	TRACY SPORTS COMPLEX MEETING ROOM RENTALS							
7	TSC Meeting Room (700 sq. ft.) - 2 hour minimum							
	For non-profit classification	per hour	\$ 18	no comparison	no comparison	Resident: \$50 Non-Resident: \$65	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 32				Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 45				Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
8	Deposits							
	Meeting Room	deposit	\$ 259	Refundable Damage Deposit: Non-Alcohol Event: \$250 Alcohol Event: \$500 Kitchen Cleaning: \$200	no comparison	\$ 250	\$500 - \$600	50% of rent total, not less than \$100
	Alcohol Deposit	deposit	\$ 259				\$ 800	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	TRACY TRANSIT STATION							
9	Room 103 or 104 (590 sq. ft.)							
	Weekday Rate (2 hr. min)							
	For non-profit classification	per hour	\$ 22	\$ 17	\$ 35	Resident: \$50 Non-Resident: \$65	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 39	Resident: \$24 Non-Resident: \$26.25			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum	
	For commercial classification	per hour	\$ 55	\$ 31			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum	
	Weekend Rate (2 hr. min)							
	For non-profit classification	per hour	\$ 33	\$ 17	\$ 35	Resident: \$50 Non-Resident: \$65	\$ 1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 58	Resident: \$24 Non-Resident: \$26.25			Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	
	For commercial classification	per hour	\$ -	\$ 31			Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
10	Rooms 103 and 104 (Combined 1,180 sq. ft.)							
	Weekday Rate (2 hr. min)						Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum	
	For non-profit classification	per hour	\$ 43	\$ 34	\$ 35	Resident: \$120 Non-Resident: \$145	Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 39	Resident: \$48.25 Non-Resident: \$51			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum	
	For commercial classification	per hour	\$ 111	\$ 60				
	Weekend Rate (2 hr. min)							
	For non-profit classification	per hour	\$ 65	\$ 34	\$ 35	Resident: \$120 Non-Resident: \$145	\$ 1,100 Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 117	Resident: \$48.25 Non-Resident: \$51			Resident Friday Evening: \$350 Weekend: \$1,100	
	For commercial classification	per hour	\$ 166	\$ 60			Non-Resident Friday Evening: \$750 Weekend: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
11	Room 105 (931 sq. ft.) Weekday Rate (2 hr. min)							
	For non-profit classification	per hour	\$ 34	\$ 17	\$ 35	Resident: \$80 Non-Resident: \$90	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 60	Resident: \$26.25 Non-Resident: \$31			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 86	\$ 31			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	Weekend Rate (2 hr. min)							
	For non-profit classification	per hour	\$ 52	\$ 17			\$ 1,100	
	For private classification	per hour	\$ 91	Resident: \$26.25 Non-Resident: \$31	\$ 35	Resident: \$80 Non-Resident: \$90	Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For commercial classification	per hour	\$ 129	\$ 31			Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
12	Entire Facility (4,445 sq. ft.)							
	Weekday Rate (4 hr. min)							
	For non-profit classification	per hour	\$ 101	\$ 54	\$ 275	Resident: \$120 Non-Resident: \$145	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 177	Resident: \$78 Non-Resident: \$85			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 252	101			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	Weekend Rate (4 hr. min)							
	For non-profit classification	per hour	\$ 151	\$ 54			\$ 1,100	
	For private classification	per hour	\$ 266	Resident: \$78 Non-Resident: \$85	\$ 275	Resident: \$120 Non-Resident: \$145	Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For commercial classification	per hour	\$ 379	\$ 101			Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	
13	Deposits							
	All conference rooms	deposit	\$ 259	Refundable Damage Deposit:	50% of total rental amount		\$500 - \$600	
	Lobby or Entire facility	deposit	\$ 519	Non-Alcohol Event: \$250 Alcohol Event: \$500	50% of total rental amount	\$ 250	\$500 - \$600	50% of rent total, not less than \$100
	Alcohol Deposit	deposit	\$ 519	Kitchen Cleaning: \$200	\$50 + 15% of gross receipts		\$ 800	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	TRACY CIVIC CENTER RENTAL							
14	Council Chambers (3,500 sq. ft.)							
	Weekday Rate (4 hr. min)							
	For non-profit classification	per hour	\$ 25	no comparison	\$ 35	no comparison	Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 57				Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 98				Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	Weekend Rate (4 hr. min)							
	For non-profit classification	per hour	\$ 43	no comparison	\$ 35	no comparison	\$ 1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For private classification	per hour	\$ 103				Resident Friday Evening: \$350 Weekend: \$1,100	
	For commercial classification	per hour	\$ 148				Non-Resident Friday Evening: \$750 Weekend: \$1,200 Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	
15	Conference Room #109 (500 sq. ft.)							
	Weekday Rate (2 hr. min)						Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For non-profit classification	per hour	\$ 18	\$ 17	\$ 35	Resident: \$50 Non-Resident: \$65	Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For private classification	per hour	\$ 32	Resident: \$24 Non-Resident: \$26.25			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	
	For commercial classification	per hour	\$ 47	\$ 31				

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	Weekend Rate (2 hr. min)							
	For non-profit classification	per hour	\$ 28	\$ 17			\$ 1,100	
	For private classification	per hour	\$ 48	Resident: \$24 Non-Resident: \$26.25	\$ 35	Resident: \$50 Non-Resident: \$65	Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For commercial classification	per hour	\$ 69	\$ 31			Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	
16	Conference Room #203 (825 sq. ft.)							
	Weekday Rate (2 hr. min)							
	For non-profit classification	per hour	\$ 31	\$ 34			Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	
	For private classification	per hour	\$ 54	Resident: \$48.25 Non-Resident: \$51.00	\$ 35	Resident: \$50 Non-Resident: \$65	Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For commercial classification	per hour	\$ 77	\$ 60			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	Weekend Rate (2 hr. min)							
	For non-profit classification	per hour	\$ 47	\$ 34			\$ 1,100	
	For private classification	per hour	\$ 81	Resident: \$48.25 Non-Resident: \$51.00	\$ 35	Resident: \$50 Non-Resident: \$65	Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For commercial classification	per hour	\$ 116	\$ 60			Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	
17	Lobby and Both Conference Rooms							
	Weekday Rate (4 hr. min)							
	For non-profit classification	per hour	\$ 49	\$ 34			Weekday: \$15 - \$35 Weekday Evening: \$50 - \$100, \$50/hour after 2 hour minimum Friday Evening: \$350 Weekend & Holidays: \$1,100	
	For private classification	per hour	\$ 86	Resident: \$48.25 Non-Resident: \$51.00	\$ 35	Resident: \$120 Non-Resident: \$145	Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For commercial classification	per hour	\$ 123	\$ 60			Resident Weekday: \$25 - \$45 Weekday Evening: \$140 - \$220, \$50/hour after 4 hour minimum Non-Resident Weekday: \$35 - \$55 Weekday Evening: \$180 - \$260, \$50/hour after 4 hour minimum Friday Evening: \$750 Weekend & Holidays: \$1,200	

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	Weekend Rate (4 hr. min)							
	For non-profit classification	per hour	\$ 50	\$ 34			\$ 1,100	
	For private classification	per hour	\$ 89	Resident: \$48.25 Non-Resident: \$51.00	\$ 35	Resident: \$120 Non-Resident: \$145	Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	\$59 - \$205 for the first 2 hours, \$95 - \$339 for 4 hours, each add'l hour \$20 - \$69
	For commercial classification	per hour	\$ 184	\$ 60			Resident Friday Evening: \$350 Weekend: \$1,100 Non-Resident Friday Evening: \$750 Weekend: \$1,200	
	SPECIAL EVENTS IN CIVIC CENTER PARK							
18	Full service coordination (May through October)	flat	\$ 1,844	no comparison	no comparison	no comparison	no comparison	no comparison
19	Deposits							
	All conference rooms	deposit	\$ 259	Refundable Damage Deposit: Non-Alcohol Event: \$250 Alcohol Event: \$500 Kitchen Cleaning: \$200	typically 50% of total rental amount	no comparison	\$500 - \$600	no comparison
	Entire facility	deposit	\$ 519				\$500 - \$600	
	Alcohol Deposit	deposit	\$ 519				\$ 800	
	PARK AND PICNIC AREAS							
20	Up to 50 people - 4 hour minimum							
	For non-profit classification	per hour	\$ 16	1-25 capacity: \$6.75 - \$10 26-50 capacity: \$14	\$55 - \$200	40 or less Residents: \$75 Non-Residents: \$100 41-50 Residents: \$150 Non-Residents: \$175	Residents: \$40 - \$80 full day, \$30 - 50 for 5 hours Non-Residents: \$60 - \$150 full day, \$45 - \$100 for 5 hours	\$386 for 4 hours, \$963.50 each add'l hour
	For commercial non-profit classification	per hour	\$ 16	1-25 capacity: \$6.75 - \$10 26-50 capacity: \$14				
	For private classification	per hour	\$ 28	1-25 capacity: \$9.75 - \$14.50 26-50 capacity: \$20 Non-Resident 1-25 capacity: \$12.50 - \$18.75 26-50 capacity: \$26				
	For commercial classification	per hour	\$ 41	1-25 capacity: \$12.50 - \$18.75 26-50 capacity: \$26				

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
21	51 to 100 people - 4 hour minimum							
	For non-profit classification	per hour	\$ 23	\$ 29	\$55 - \$200	Residents: \$150 Non-Residents: \$175	Residents: \$40 - \$80 full day, \$30 - 50 for 5 hours Non-Residents: \$60 - \$150 full day, \$45 - \$100 for 5 hours	\$386 for 4 hours, \$963.50 each add'l hour
	For private classification	per hour	\$ 41	Resident: \$40.75 Non-Resident: \$52.75				
	For commercial classification	per hour	\$ 59	\$ 53				
22	Over 100 people - 4 hour minimum							
	For non-profit classification	per hour	\$ 31	\$ 60	\$55 - \$200	Residents: \$200 Non-Residents: \$225	Residents: \$40 - \$80 full day, \$30 - 50 for 5 hours Non-Residents: \$60 - \$150 full day, \$45 - \$100 for 5 hours	\$386 for 4 hours, \$963.50 each add'l hour
	For private classification	per hour	\$ 54	Resident: \$87 Non-Resident: \$95				
	For commercial classification	per hour	\$ 77	\$ 113				
23	Inflatable Structures Administrative Fee (All Classifications: Fee is applied to all approved inflatable requests to accompany a park rental)	day/structure	\$ 55	no comparison	no comparison	Residents: \$50 Non-Residents: \$60	no comparison	no comparison
24	Non-Profit Org (\$100 max) Non-profit classification	per rental	\$ 123	no comparison	no comparison	no comparison	no comparison	no comparison
25	Deposits							
	Less than 50, traditional activity	deposit	\$ -	no comparison	\$100 - Picnic Site Deposit \$1,000 - Venue Rental Deposit	\$100 - Picnic Deposit	\$ 50	50% of rental fee
	50-100; or less than 5 non-traditional	deposit	\$ 124					
	101-200 attendees	deposit	\$ 246					
	201- 300 attendees	deposit	\$ 369					
	301 and above attendees	deposit	\$ 615					
26	Parking Lot Rental (Locations and Availability at City Discretion - 10 hr. max)							
	Base Fee (plus use fee, see below)	deposit	\$ 121	no comparison	\$500 - \$1,500	no comparison	no comparison	no comparison
	Use Fee							
	For non-profit classification	per space	\$ 2		\$5 - \$10			
	For private classification	per space	\$ 5					
	For commercial classification	per space	\$ 6					
27	Mobile Stage Rental							
	"A" Set Up (36' x 14') for non-profit	per space	\$ 384	\$211 - \$279	\$ 800	no comparison	no comparison	no comparison
	Deposits							
	All stage rentals	per space	\$ 519	\$ 500	\$ 500	no comparison	no comparison	no comparison

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	TENNIS COURT RENTALS							
28	Non-Profit							
	Youth League	per hr./ court	\$ 6	no comparison	no comparison	no comparison	no comparison	no comparison
	Youth Tournament	per hr./ court	\$ 12					
	Adult League	per hr./ court	\$ 6					
	Adult Tournament	per hr./ court	\$ 14					
29	Private							
	Private Use	per hr./ court	\$ 6	no comparison	no comparison	no comparison	no comparison	no comparison
	League	per hr./ court	\$ 8					
	Tournament	per hr./ court	\$ 18					
30	Commercial							
	Private Use	per hr./ court	\$ 12	no comparison	no comparison	no comparison	no comparison	no comparison
	League	per hr./ court	\$ 12					
	Tournament	per hr./ court	\$ 18					
	LIGHTS							
31	Non-Profit							
	Youth League	per hr./ court	\$ 6	no comparison	no comparison	no comparison	no comparison	no comparison
	Youth Tournament	per hr./ court	\$ 8					
	Adult League	per hr./ court	\$ 6					
	Adult Tournament	per hr./ court	\$ 12					
32	Private							
	Private Use	per hr./ court	\$ 6	no comparison	no comparison	no comparison	no comparison	no comparison
	League	per hr./ court	\$ 12					
	Tournament	per hr./ court	\$ 14					
33	Commercial							
	Private Use	per hr./ court	\$ 6	no comparison	no comparison	no comparison	no comparison	no comparison
	League	per hr./ court	\$ 12					
	Tournament	per hr./ court	\$ 14					
34	Deposits - Tennis Court Rental	per day/ court	\$ 61	no comparison	no comparison	no comparison	no comparison	no comparison

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	LOLLY HANSEN SENIOR CENTER RENTAL							
35	Multi-Purpose Room (3,500 sq. ft.)							
	For non-profit classification	per hour	\$ 16	\$ 38	\$ 35	no comparison	no comparison	\$485 for 4 hours, \$28 for each add'l hour
	For private classification	per hour	\$ 28	Resident: \$54 Non-Resident: \$60				
36	Arts and Crafts Room (739 sq. ft.)							
	For non-profit classification	per hour	\$ 6	\$ 30	\$ 35	no comparison	no comparison	\$485 for 4 hours, \$28 for each add'l hour
	For private classification	per hour	\$ 11	Resident: \$43.50 Non-Resident: \$47.75				
37	Entire Facility (5,819 sq. ft.)							
	For non-profit classification	per hour	\$ 32	Fri-Sat first 5 hours: \$84/hr each add'l hour: \$75/hr Sun-Thur \$60/hr Resident FRI-SAT first 5 hours: \$120/hr each add'l hour: \$108/hr	\$ 35	no comparison	no comparison	\$485 for 4 hours, \$28 for each add'l hour
	For private classification	per hour	\$ 57	SUN-THUR \$86/hr ----- Non-Resident FRI-SAT first 5 hours: \$132/hr each add'l hour: \$119/hr SUN-THUR				
	MOU - Hrs. provided to non-profits/gov.	per hour	\$ -	no comparison	no comparison	no comparison	no comparison	no comparison
38	Deposits							
	Multi-purpose room	per rental	\$ 224	Refundable Damage Deposit: Non-Alcohol Event: \$250 Alcohol Event: \$500 Kitchen Cleaning: \$200	no comparison	no comparison	no comparison	50% of the rental fee
	Arts and Crafts Room	per rental	\$ 224					
	Entire Facility	per rental	\$ 472					
	Alcohol Deposit	per rental	\$ 472					

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	SPORT FACILITIES (TBP, TSC, PLASENCIA FIELDS, TIAGO, GALLI & BLAND, VETERANS & LEGACY FIELDS)							
39	League/Individual (TBP, Tiago, Galli, Bland Fields)							
	For non-profit youth classification	hr./field	\$ 9	\$ 9	\$8/hr/field for 1/2 field \$15/hr/field for full field	\$ 16	\$ 12	Synthetic fields: \$27 Grass fields: \$20
	For non-profit adult classification	hr./field	\$ 14	\$ 9	\$12/hr/field for 1/2 field \$25/hr/field for full field	\$ 26		Synthetic fields: \$27 Grass fields: \$20
	For private classification	hr./field	\$ 25	Resident: \$13 Non-Resident: \$14.25	\$12/hr/field for 1/2 field \$25/hr/field for full field	\$ 26		Synthetic fields: \$32 - \$37 Grass fields: \$25 - \$30
	For commercial classification	hr./field	\$ 35	\$ 16	\$12/hr/field for 1/2 field \$25/hr/field for full field	\$ 26		Synthetic fields: \$32 - \$37 Grass fields: \$25 - \$30
40	League/Individual (TSC, Plascencia Fields, Veterans, Legacy Fields)							
	For non-profit youth classification	hr./field	\$ 11	\$ 9	\$8/hr/field for 1/2 field \$15/hr/field for full field	\$ 19	\$ 12	Synthetic fields: \$27 Grass fields: \$20
	For non-profit adult classification	hr./field	\$ 17	\$ 9	\$12/hr/field for 1/2 field \$25/hr/field for full field	\$ 29		Synthetic fields: \$27 Grass fields: \$20
	For private classification	hr./field	\$ 25	Resident: \$13 Non-Resident: \$14.25	\$12/hr/field for 1/2 field \$25/hr/field for full field	\$ 29		Synthetic fields: \$32 - \$37 Grass fields: \$25 - \$30
	For commercial classification	hr./field	\$ 35	\$ 16	\$12/hr/field for 1/2 field \$25/hr/field for full field	\$ 29		Synthetic fields: \$32 - \$37 Grass fields: \$25 - \$30
41	Lights Fee - League/Individual							
	For non-profit youth classification	hr./field	\$ 9	\$ 9	\$ 20	\$ 22	\$ 30	\$ 15
	For non-profit adult classification	hr./field	\$ 12	\$ 9				
	For private classification	hr./field	\$ 15	Resident: \$13 Non-Resident: \$14.25				
	For commercial classification	hr./field	\$ 22	\$ 16				
NEW	Non profit verification charge	each	NEW	no comparison	no comparison	no comparison	no comparison	no comparison
43	Deposit for Baseball/Softball Bases	per rental	\$ 275	\$250 - \$500	no comparison	no comparison	no comparison	\$ 400
44	Storage Container License (per sq.ft. of ground space)	sq. ft.	\$ 0.46	no comparison	no comparison	no comparison	no comparison	no comparison

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
45	Daily Fee ~ Tournaments - Standard Fields							
	Non-Profit Youth Classification	hr./ field	\$ 74	Entire Facility: \$229 Ball/Soccer Fields - First Field: \$18	\$12/hr/field for 1/2 field \$20/hr/field for full field			
	Non-Profit Adult Classification	hr./ field	\$ 119	Entire Facility: \$229 Ball/Soccer Fields - First Field: \$18	\$18/hr/field for 1/2 field \$30/hr/field for full field			
	Private Classification	hr./ field	\$ 148	Resident Entire Facility: \$328 Ball/Soccer Fields - First Field: \$26 ----- Non-Resident Entire Facility: \$360 Ball/Soccer Fields - First Field: \$28.50	\$18/hr/field for 1/2 field \$30/hr/field for full field	\$ 34	no comparison	Rentals are only available for the entire complex Weekday: \$2,464 Weekend Daily: \$4,360 Two day entire complex tournament fee: \$6,740
	Commercial Classification	hr./ field	\$ 148	Entire Facility: \$426 Ball/Soccer Fields - First Field: \$33.75	\$18/hr/field for 1/2 field \$30/hr/field for full field			
46	Lights Fee ~ Tournaments							
	Non-Profit Youth Classification	hr./ field	\$ 9					
	Non-Profit Adult Classification	hr./ field	\$ 12					
	Private Classification	hr./ field	\$ 12	\$27 - \$33.75	\$ 20	\$ 30	no comparison	\$ 15
	Commercial Classification	hr./ field	\$ 12					
47	Gate Fee ~ Tournaments							
	All Classifications	per tournament	\$ 114	no comparison	no comparison	no comparison	no comparison	no comparison
48	On-site Staffing for Sports Complex Use							
	Non-Profit Youth Classification	hr./ complex	\$ 31					
	Non-Profit Adult Classification	hr./ complex	\$ 31					
	Private Classification	hr./ complex	\$ 31	Hourly Rate plus Benefits	\$ 20	no comparison	no comparison	no comparison
	Commercial Classification	hr./ complex	\$ 31					
49	Softball Field Preparations							
	A Prep - Light Watering	per prep	\$ 6	\$ 20	\$ 20	\$ 22		
	B Prep - Light Watering, Minor Dragging	per prep	\$ 18	\$ 20	\$ 20	\$ 22	no comparison	\$30 - \$35
	C Prep - Full Field Preparation	per prep	\$ 48	\$ 34	\$ 20	\$ 45		
	Use of Temporary Outfield Fencing	per field	\$ 124	no comparison	no comparison	no comparison		no comparison

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto [2]
	JOE WILSON COMMUNITY POOL RENTALS							
50	Any Size Groups, When Organization Provides Own Lifeguards & Includes 1 Senior Lifeguard							
	Non-Profit Classification		\$ 80	\$ 25	\$195/first 1.5 hours, \$50 for each add'l 30 mins	\$60 - \$90	no comparison	\$ 120
51	Up to 50 People, Includes 1 Senior Lifeguard & 1 Lifeguard							
	Non-Profit Classification	per hr.	\$ 97	\$25/reservation	\$195/first 1.5 hours, \$50 for each add'l 30 mins	Resident: \$200 - \$225/first 2 hours, \$100 - \$110 each add'l hour Non-Resident: \$210 - \$235/first 2 hours, \$110 - \$120 each add'l hour	Resident: \$120/first 2 hours, \$60 each add'l hour Non-Resident: \$145/first 2 hours, \$60 each add'l hour	\$120 for 2 hours
	Private Classification	per hr.	\$ 108					
	Commercial Classification	per hr.	\$ 119					
52	Up to 75 People, Includes 1 Senior Lifeguard & 2 Lifeguards							
	Non-Profit Classification	per hr.	\$ 114	\$25/reservation	\$195/first 1.5 hours, \$50 for each add'l 30 mins	no comparison	Resident: \$150/first 2 hours, \$60 for each add'l hour Non-Resident: \$180/first 2 hours, \$60 each add'l hour	\$120 for 2 hours
	Private Classification	per hr.	\$ 125					
	Commercial Classification	per hr.	\$ 136					
53	Up to 100 People Max, Includes 1 Senior Lifeguard & 3 Lifeguards							
	Non-Profit Classification	per hr.	\$ 131	\$25/reservation	\$195/first 1.5 hours, \$50 for each add'l 30 mins	no comparison	Resident: \$150/first 2 hours, \$60 for each add'l hour Non-Resident: \$180/first 2 hours, \$60 each add'l hour	\$120 for 2 hours
	Private Classification	per hr.	\$ 142					
	Commercial Classification	per hr.	\$ 154					
54	Deposits							
	All Classifications, All Group Sizes	per rental	\$ 171	no comparison	\$ 100	no comparison	\$ 50	no comparison
55	Extra lifeguard	hr./ lifeguard	\$ 17	no comparison	only provides up to 4 lifeguards; cost included in pool rental	no comparison	no comparison	no comparison
	PARADES ON DOWNTOWN STREETS							
56	Short Parade Route	per parade	\$ 1,137	no comparison	\$ 373	no comparison	no comparison	no comparison
57	Standard Parade Route	per parade	\$ 1,422					
58	Long Parade Route	per parade	\$ 1,820					

Notes

- [1] Pool rentals through YMCA of San Joaquin County
[2] Tennis Court Rental fees vary. Must call the City of Modesto for rates.

APPENDIX B.6

Comparative Fee Survey – Recreation Division

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	ADMINISTRATION							
1	Advertising Fee for Activity Guide							
	Full Page, back cover	per advertisement	\$ 1,099	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Full Page, inside back cover	per advertisement	\$ 550					
	½ Page, inside	per advertisement	\$ 385					
	¼ Page, inside	per advertisement	\$ 220					
2	Program Transaction Fee							
	Applied to withdrawal, refund, credit or transfer	per transaction	\$ 5	no comparison available	no comparison available	no comparison available	no comparison available	2.4% service fee
3	Facility Rental Application Processing Fee							
	Applied to all rental Request & special event permit requests	per transaction	\$ 38	\$ 53	\$ 55	no comparison available	no comparison available	\$ 25
4	Early Registration Discount							
	To be used based on staff's assessment of need, and based on participant levels	per registration	\$ (10)	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
5	Online Registration Discount							
	To be used based on staff's assessment of need, and based on participant levels	per registration	\$ (10)	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
6	Sibling Registration Discount							
	To be used based on staff's assessment of need, and based on participant levels	per registration	10%	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
7	Range of Fee Increase for Contract Classes							
	To be used based on staff's assessment of need, and negotiations with contract instructors	per registration	20%	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
8	SPECIAL INTEREST							
	Baby Sitter Training							
	Resident	per 2-day session	\$ 85	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 2-day session	\$ 93					
	Cardio Kick Boxing							
	Resident	per 6-week session	\$ 55	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 6-week session	\$ 55					
	Cheer Prep							
	Resident	per 4-week session	\$ 49	\$ 72	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 55	\$ 89				
	Cheer-Preschool							
	Resident	per 4-week session	\$ 49	\$ 72	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 55	\$ 89				
	Dog Obedience-Advanced							
	Resident	per 7-week session	\$ 104	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 7-week session	\$ 115					
	Dog Obedience-Basic							
	Resident	per 7-week session	\$ 126	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 7-week session	\$ 140					
	Kidz Love Soccer Mommy/Daddy							
	Resident	per 6-week session	\$ 84	Weekday: \$96 Weekend: \$123	no comparison available	no comparison available	no comparison available	\$104 for 9 sessions \$83 for 7 sessions
	Non-Resident	per 6-week session	\$ 92	Weekday: \$100 Weekend: \$128				

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Kids Love Soccer Pre-soccer							
	Resident	per 6-week session	\$ 84	Weekday: \$96 Weekend: \$123	no comparison available	no comparison available	no comparison available	\$104 for 9 sessions \$83 for 7 sessions
	Non-Resident	per 6-week session	\$ 92	Weekday: \$100 Weekend: \$128				
	Kidz Love Soccer Soccer 1							
	Resident	per 6-week session	\$ 84	Weekday: \$96 Weekend: \$123	no comparison available	no comparison available	no comparison available	\$104 for 9 sessions \$83 for 7 sessions
	Non-Resident	per 6-week session	\$ 92	Weekday: \$100 Weekend: \$128				
	Kidz Love Soccer Soccer 2							
	Resident	per 6-week session	\$ 84	Weekday: \$96 Weekend: \$123	no comparison available	no comparison available	no comparison available	\$104 for 9 sessions \$83 for 7 sessions
	Non-Resident	per 6-week session	\$ 92	Weekday: \$100 Weekend: \$128				
	Tennis Camp - Teens							
	Resident	per 1-week session	\$ 165	\$ 99	Free	\$ 228	\$ 52	\$50 for 4 sessions
	Non-Resident	per 1-week session	\$ 181	\$ 103		\$ 251	\$ 62	
	Zumba							
	Resident	per month	\$ 55	\$ 48	no comparison available	no comparison available	Virtual: \$10/mo	\$50 for 15 sessions
	Non-Resident	per month	\$ 60	\$ 52				
	Tae Kwon Do Teens							
	Resident	per 10-week session / 1-day class per week	\$ 89	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 10-week session / 1-day class per week	\$ 98					
	Tai Chi Beginning							
	Resident	per 9-week session	\$ 68	\$ 10	\$ 10	no comparison available	2x per week: \$8/mo 3x per week: \$12/mo	no comparison available
	Non-Resident	per 9-week session	\$ 75	\$ 11				

City of Tracy
Recreation Division - User Fee Study FY 2021
Fee Comparison

Appendix B.6

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Young Authors							
	Resident	per 4-week session	\$ 66	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 73					
	Mother Goose							
	Resident	per 4-week session	\$ 66	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 73					
	Athletic Perfection Rolls							
	Resident	per 4-week session	\$ 66	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 73					
	On-Line Drivers Training							
	Resident	per class	\$ 75	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per class	\$ 84					
	PiYo							
	Resident	per month	\$ 53	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per month	\$ 58					
	KidSAFE							
	Resident	per 10-week session	\$ 99	no comparison available	no comparison available	\$ 253	no comparison available	no comparison available
	Non-Resident	per 10-week session	\$ 109			\$ 278		
	LEGO Camp (Half Day)							
	Resident	per week	\$ 189	\$ 195	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per week	\$ 208	\$ 224				
	Tennis-Adult							
	Resident	per 4-week session	\$ 55	\$ 99	Free	\$35 - \$140 depending on time of year	\$ 60	\$50 for 4 sessions
	Non-Resident	per 4-week session	\$ 60	\$ 103			\$ 70	
	Tennis-Tiny Tots							
	Resident	per 4-week session	\$ 48	\$ 99	Free	\$35 - \$140 depending on time of year	\$ 60	\$35 for 4 sessions
	Non-Resident	per 4-week session	\$ 53	\$ 103			\$ 70	
	Tennis-Youth							

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Resident	per 4-week session	\$ 55	\$ 99	Free	\$35 - \$140 depending on time of year	\$ 60	\$35 for 4 sessions
	Non-Resident	per 4-week session	\$ 60	\$ 103			\$ 70	
	Yoga-Adults							
	Resident	per month	\$ 35	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per month	\$ 38					
	Yoga-Seniors							
	Resident	per month	\$ 33	no comparison available	\$ 25	no comparison available	no comparison available	No charge
	Non-Resident	per month	\$ 36					
	Action Gymnastics							
	Resident	per 8-week session	\$ 82	\$ 72	\$ 60	no comparison available	no comparison available	no comparison available
	Non-Resident	per 8-week session	\$ 91	\$ 89				
	Action Gymnastics Parent/Tot Beginner							
	Resident	per 4-week session	\$ 27	\$ 72	\$ 42	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 31	\$ 89				
	Action Gymnastics Parent/Tot Advanced							
	Resident	per 4-week session	\$ 33	\$ 72	\$ 42	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 36	\$ 89				
	Zumba							
	Resident	per month	\$ 88	\$ 48	no comparison available	\$ 45	no comparison available	\$50 for 15 sessions
	Non-Resident	per month	\$ 97	\$ 52		\$ 50		
	Zumba Drop In for Seniors							
	Resident	per class	\$ 5	no comparison available	no comparison available	no comparison available	no comparison available	\$ 1
	Non-Resident	per class	\$ 5					
	Tai Chi							
	Resident	per month	\$ 44	\$ 10	\$ 10	no comparison available	no comparison available	no comparison available
	Non-Resident	per month	\$ 48	\$ 11				

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Tai Chi-Seniors							
	Resident	per 4-week session	\$ 22	no comparison available	no comparison available	\$ 56	no comparison available	No Charge
	Non-Resident	per 4-week session	\$ 24			\$ 62		
	Basic Gardening							
	Resident	per class	\$ 27	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per class	\$ 31					
	Camps-Biology Camp							
	Resident	per week	\$ 220	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per week	\$ 242					
	Camps-Build a Robot							
	Resident	per week	\$ 198	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per week	\$ 218					
	Camps-KidSAFE							
	Resident	per 3-week session	\$ 99	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 3-week session	\$ 109					
	Computer Tech Camp							
	Minimum							
	Resident	per 5-day session	\$ 148	no comparison available	no comparison available	\$ 253	no comparison available	no comparison available
	Non-Resident	per 5-day session	\$ 164			\$ 278		
	Maximum							
	Resident	per 5-day session	\$ 203	no comparison available	no comparison available	\$ 253	no comparison available	no comparison available
	Non-Resident	per 5-day session	\$ 224			\$ 278		
	Tae Kwon Do Tots							
	Resident	per 4-week session	\$ 47	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 52					

City of Tracy
Recreation Division - User Fee Study FY 2021
Fee Comparison

Appendix B.6

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Beginner Tennis Summer Camp							
	Resident	per 1-week session	\$ 55	\$ 99	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 1-week session	\$ 60	\$ 103				
	Special Interest (Contractor)							
	Camps - Fencing							
	Resident	per 1-week session	\$ 252	no comparison available	1 class/week \$119 2 classes/week \$169 3 classes/week \$229 Drop in \$35	no comparison available	no comparison available	no comparison available
	Non-Resident	per 1-week session	\$ 277					
	Camps - Skyhawk's Sports							
	Resident	per week	\$ 175	\$ 200	no comparison available	\$ 162	no comparison available	no comparison available
	Non-Resident	per week	\$ 192	\$ 237		\$ 178		
	Camps - Tennis							
	Resident	per week	\$ 165	\$ 99	Free	\$ 228	no comparison available	no comparison available
	Non-Resident	per week	\$ 181	\$ 103		\$ 251		
	Fencing for Beginners							
	Resident	per 4-week session	\$ 99	no comparison available	1 class/week \$119 2 classes/week \$169 3 classes/week \$229 Drop in \$35	no comparison available	no comparison available	no comparison available
	Non-Resident	per 4-week session	\$ 109					
	Leaders in Training: Jr Rec Leaders							
	Resident	per 2-day session	\$ 82	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per 2-day session	\$ 91					
	Youth & Teens							
	Teen Events							
	Minimum							
	Resident	per person	\$ 5	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per person	\$ 22					
	Maximum							
	Resident	per person	\$ 5	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per person	\$ 22					

City of Tracy
Recreation Division - User Fee Study FY 2021
Fee Comparison

Appendix B.6

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Girls Retreat							
	Resident	per person	\$ 11	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per person	\$ 11					
	Girl Talk Camp							
	Resident	per week	\$ 55	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per week	\$ 60					
	Teen Camps							
	Resident	per week	\$ 77	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per week	\$ 85					
	Extreme Sports Day (competition registration)							
	Resident	per person	\$ 11	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per person	\$ 11					
	Fashion Show							
	Resident	per person	\$ 11	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per person	\$ 11					
9	S.A.F.E (Teen After Schools Program)							
	Teen After School Program							
	Minimum	per membership/ per school year	\$ 55	no comparison available	After School Program \$35/week \$130/mo	no comparison available	Monthly: \$160 Weekly: \$60 Daily - \$30	no comparison available
	Maximum	per membership/ per school year	\$ 110					
	Per Scrapbooking Class	per class	\$ 5	no comparison available	Day Camp: \$20-\$100	no comparison available	no comparison available	no comparison available
	Per Cooking Class	per class	\$ 5	no comparison available		no comparison available	no comparison available	no comparison available
10	Mobile recreation (Roll'n Rec)	per person	\$ -	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	YOUTH DEVELOPMENT							
11	Monthly ROC (Recreation on Campus After School)							
	Minimum	per regular/ per month	\$ 198	no comparison available	\$ 130	no comparison available	no comparison available	no comparison available
	Maximum	per regular/ per month	\$ 264					
12	ROC (Recreation on Campus After School) - Late Pick-Up							

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City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Minimum	per minute	\$ 1	no comparison available	\$15 per 15 min	no comparison available	no comparison available	no comparison available
	Maximum	per half hour	\$ 33					
13	Daily ROC (Recreation on Campus After School)							
	Minimum	per day	\$ 16	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Maximum	per day	\$ 26					
14	Hourly ROC (Recreation on Campus After School)							
	Minimum	per hour/ per month	\$ 115	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Maximum	per hour/ per month	\$ 158					
15	Summer Camp (Full Day) 7am-6pm							
	Minimum	per week	\$ 154	no comparison available	\$ 80	no comparison available	5-day week: \$175 4-day week: \$150	no comparison available
	Maximum	per week	\$ 211					
16	Summer Camp Extended Care Fees (7am-9am, 3pm-6pm)	per week	\$ 38	no comparison available	no comparison available	\$50 Resident \$55 Non-Resident	\$ 60	no comparison available
17	Summer Camp 9am-3pm ONLY	per week	\$ 165	\$212 Resident \$233 Non-Resident	\$ 80	no comparison available	no comparison available	no comparison available
18	Summer Camp (Half Day) - 9am-12pm or 1pm-4pm							
	Minimum	per week	\$ 71	\$ 250	\$ 40	\$180 Resident \$198 Non-Resident	no comparison available	No charge for ages 5-12
	Maximum	per week	\$ 99	\$ 261				

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
19	SENIORS							
	Senior Health & Wellness							
	Wii Jubilee Fitness	per class	\$ -	no comparison available	Senior Membership 50+ \$25 annually	Senior Drop In Pass: \$10 10 Visit Pass: \$20	no comparison available	\$1 for Fitness and Daily drop-in classes Senior Activity Card available for purchase
	Power Walk	per class	\$ -					
	Senior Fitness							
	Daily Drop-In	per class	\$ 1					
	25 - Visit Pass	per pass	\$ 22					
	Senior Self Defense	per class	\$ 1					
	Senior Indoor Tennis	per class	\$ 1					
	5 Visit - Ballroom Dance Pass	per pass	\$ 22					
	Senior Arts & Music							
	12 Visit Drop-In Activities Card	per card	\$ 22	no comparison available	Senior Membership 50+ \$25 annually	Senior Drop In Pass: \$10 10 Visit Pass: \$20	no comparison available	\$1 for Fitness and Daily drop-in classes Senior Activity Card available for purchase
	Arts & Craft Class	per class	\$ -					
	Arts & Craft Project							
	Minimum	per project	\$ 5					
	Maximum	per project	\$ 11					
	Painting	per class	\$ -					
	Scrapbooking	per class	\$ -					
	Needle Art	per class	\$ -					
	Jewelry Making	per class	\$ 11					
	Card Making	per class	\$ 2					
	Line Dancing	per class	\$ 2					
	Country Jams	per class	\$ 2					
	Senior Recreation							
	Tea Social	per class	\$ -	no comparison available	Senior Membership 50+ \$25 annually	Senior Drop In Pass: \$10 10 Visit Pass: \$20	no comparison available	\$1 for Fitness and Daily drop-in classes Senior Activity Card available for purchase
	Bingo	per class	\$ -					
	Social Recreation Programs	per class	\$ -					
	Table Games	per class	\$ -					
	Ping Pong	per class	\$ -					

City of Tracy
Recreation Division - User Fee Study FY 2021
Fee Comparison

Appendix B.6

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Senior Special Events							
	Senior Special Events							
	Minimum	per event, per person	\$ 5	no comparison available	Senior Membership 50+ \$25 annually	Senior Drop In Pass: \$10 10 Visit Pass: \$20	no comparison available	\$1 for Fitness and Daily drop-in classes Senior Activity Card available for purchase
	Maximum	per event, per person	\$ 22					
	Booth for Special Events							
	Non-Profit	per event	\$ 27					
	For-Profit	per event	\$ 55					
	Fashion Show	per class	\$ -					
	Tea Social	per class	\$ -					
	Grandparents & Me Picnic	per person	\$ 5					
	Halloween Bash	per person	\$ 5					
	Lunch & a Movie	per person	\$ 5					
	Spring Time in Paris	per person	\$ 5					
	Senior Trips							
	Bus Trips							
	Resident	per person	\$ 33	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Non-Resident	per person	\$ 36					
	Senior Social Services							
	Lunch Program	per month	\$ -	no comparison available	Senior Membership 50+ \$25 annually	Senior Drop In Pass: \$10 10 Visit Pass: \$20	no comparison available	\$3 donation
	AARP Programs	per month	\$ -					\$ 15
	Other Services	per month	\$ -					Senior Activity Card available for purchase
	Clubs	per month	\$ -					no comparison available

City of Tracy
Recreation Division - User Fee Study FY 2021
Fee Comparison

Appendix B.6

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	ATHLETICS							
20	Adult Sports							
	Adult Slow Pitch Leagues							
	Minimum	per team	\$ 308	no comparison available	\$38 per team, per game	no comparison available	no comparison available	no comparison available
	Maximum	per team	\$ 571					
	Adult/Youth Fast Pitch Leagues							
	Minimum	per team	\$ 495	no comparison available	\$43 per team, per game	no comparison available	no comparison available	no comparison available
	Maximum	per team	\$ 659					
	Adult/Youth Softball Tournament							
	Minimum	per team	\$ 275	\$ 760	\$180 per team	no comparison available	no comparison available	no comparison available
	Maximum	per team	\$ 550					
	Adult Softball Protest Fee	per protest	\$ 27	no comparison available	\$ 25	no comparison available	no comparison available	no comparison available
	Adult Flag Football League							
	Minimum	per team	\$ 440	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Maximum	per team	\$ 659					
	Adult Kick Ball League							
	Minimum	per team	\$ 302	no comparison available	\$ 160	no comparison available	no comparison available	no comparison available
	Maximum	per team	\$ 440					
21	Youth Sports							
	Youth Basketball League (Youth Hoops)							
	Minimum - Resident	per player	\$ 82	\$ 132	\$7.50 per player, per game	\$ 67	no comparison available	\$ 20
	Maximum - Resident	per player	\$ 88					
	Minimum - Non-Resident	per player	\$ 91	\$ 145		\$ 74	no comparison available	
	Maximum - Non-Resident	per player	\$ 97					
	Jr. Giants Youth (Free Program)	per player	\$ -	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	49er Prep Flag Football (Free Program)	per player	\$ -	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Youth Sports Camps							
	Minimum - Resident	per player	\$ 66	\$ 173	\$7.50 per player, per game	\$ 93	no comparison available	no comparison available
	Maximum - Resident	per player	\$ 88					
	Minimum - Non-Resident	per player	\$ 66	\$ 190		\$ 102	no comparison available	
	Maximum - Non-Resident	per player	\$ 97					

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Flag Football League							
	Minimum - Resident	per player	\$ 82	no comparison available	\$7.50 per player, per game	\$ 162	\$ 90	no comparison available
	Maximum - Resident	per player	\$ 99					
	Minimum - Non-Resident	per player	\$ 82			\$ 178	\$ 100	
	Maximum - Non-Resident	per player	\$ 109					
	AQUATICS							
22	General Recreation Swim							
	Individual Entrance Fee							
	Minimum	per person	\$ 2	Family Swim (max 6 ppl): \$25 per group	no comparison available	MON-FRI Under 48" Res \$4/NR \$5 Over 48" Res \$6/NR \$7 Senior/Military Res \$5/NR \$6 Sat-Sun	no comparison available	Family Swim Youth \$1 Adult \$2 Senior \$1.25 Disabled \$1.25
	Maximum	per person	\$ 5			Under 48" Res \$6/NR \$7 Over 48" Res \$8/NR \$9 Senior/Military Res \$7/NR \$8		
	10 Visit Pass					20 visits		
	Minimum	per pass	\$ 15			Under 48" Res \$80/NR \$100 Over 48" Res \$120/NR \$140 Senior/Military Res \$100/NR \$120		
	Maximum	per pass	\$ 45					

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
23	Swim Lessons							
	Parent/Tot	per parent, per tot	\$ 55	\$39 Resident \$43 Non-Resident	\$ 70	\$80 Resident \$90 Non-Resident	\$65 Resident \$75 Non-Resident	\$35 for 8 sessions
	Learn To Swim							
	Minimum - Resident	per person	\$ 26	\$ 57		\$ 80	\$ 65	
	Maximum - Resident	per person, per 2 week session	\$ 66					
	Minimum - Non-Resident	per person	\$ 29	\$ 63		\$ 90	\$ 75	
	Maximum - Non-Resident	per person, per 2 week session	\$ 66					
24	Water Aerobics							
	Drop-In							
	Minimum	per person	\$ 4	6 weeks class \$65 Resident \$72 Non-Resident	no comparison available	no comparison available	no comparison available	\$60 for 10 week session \$48 for 8 week session
	Maximum	per person	\$ 8					
	10 Visit Pass							
	Minimum	per pass	\$ 35					
	Maximum	per pass	\$ 75					
	Senior Water Exercise							
	Drop-In	per person	\$ 4	no comparison available	no comparison available	no comparison available	no comparison available	No charge
	10 Visit Pass	per pass	\$ 22					no comparison available
25	Lap Swimming							
	Individual Entrance Fee							
	Minimum	per person	\$ 3	\$ 5	no comparison available	Tu/Thur: \$24 MWF: \$30	no comparison available	No charge
	Maximum	per person	\$ 5					
	10 Visit Pass							
	Minimum	per pass	\$ 25	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Maximum	per pass	\$ 45					
26	Other Classes/Programs							
	Introduction to Lifesaving							
	Minimum - Resident	per 2-week session	\$ 55	\$ 94	no comparison available	no comparison available	no comparison available	no comparison available
	Maximum - Resident	per 2-week session	\$ 60					
	Minimum - Non-Resident	per 2-week session	\$ 61	\$ 104				
	Maximum - Non-Resident	per 2-week session	\$ 66					

City of Tracy
Recreation Division - User Fee Study FY 2021
Fee Comparison

Appendix B.6

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Swim Camp							
	Minimum - Resident	per 2-week session	\$ 75	\$ 124	no comparison available	no comparison available	no comparison available	no comparison available
	Maximum - Resident	per 2-week session	\$ 100					
	Minimum - Non-Resident	per 2-week session	\$ 83	\$ 136				
	Maximum - Non-Resident	per 2-week session	\$ 110					
	Diving							
	Minimum - Resident	per 2-week session	\$ 55	6 week class	no comparison available	no comparison available	no comparison available	\$50 for 6 sessions
	Maximum - Resident	per 2-week session	\$ 60	Beginning/Intermediate \$101 Resident \$111 Non-Resident				
	Minimum - Non-Resident	per 2-week session	\$ 61	Advanced \$152 Resident \$167 Non-Resident				
	Maximum - Non-Resident	per 2-week session	\$ 66					
	Basic Water Polo							
	Minimum - Resident	per 2-week session	\$ 55	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available
	Maximum - Resident	per 2-week session	\$ 60					
	Minimum - Non-Resident	per 2-week session	\$ 61					
	Maximum - Non-Resident	per 2-week session	\$ 66					
	Lifeguard Training							
	Resident	per 1-week session	\$ 230	\$ 86	no comparison available	\$ 250	no comparison available	\$70 for 5 sessions
	Non-Resident	per 1-week session	\$ 253	\$ 94		\$ 275		

City of Tracy
Recreation Division - User Fee Study FY 2021
Fee Comparison

Appendix B.6

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton [1]	Livermore	Manteca	Modesto
	Private Swim Lesson (one ½-hour session)							
	Minimum - Resident	per 2-week session	\$ 50	\$ 84	no comparison available	\$ 200	\$ 130	\$110 for 8 sessions
	Maximum - Resident	per 2-week session	\$ 110					
	Minimum - Non-Resident	per 2-week session	\$ 55	\$ 93		\$ 210	\$ 140	
	Maximum - Non-Resident	per 2-week session	\$ 121					
	SPECIAL EVENTS							
27	Event Ticket							
	Minimum	per person	\$ 18	\$53 non-refundable application fee	\$55 non-refundable application fee	no comparison available	no comparison available	\$25 application fee
	Maximum	per person	\$ 40					
28	Event Booth Fee							
	Minimum	per booth	\$ 25					
	Maximum	per booth	\$ 150					
29	Contest Entry Fee							
	Minimum	per entry	\$ 25					
	Maximum	per entry	\$ 40					

[Notes]

[1] Aquatics program through YMCA of San Joaquin County

APPENDIX B.7

Comparative Fee Survey – Police Department

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
1	Alarm Permit; False Alarms							
	Alarm User permit	per permit	\$ 24	No comparison	\$ 60	No comparison	No comparison	No comparison
2	False alarm costs (plus penalties):							
	4th response	each	\$ 35					
	5th response	each	\$ 65	\$ 71	\$ 93	No comparison	No comparison	No comparison
	6th response	each	\$ 83					
	7th response	each	\$ 94					
3	Bicycles							
	License and registration	per 3 years	\$ 7	No charge	\$ 11	No comparison	No comparison	No comparison
	Renewal	per 3 years	\$ 4					
4	Bingo							
	License	each	\$ 59	\$ 63	\$ 76	\$ 300	No comparison	\$ 29
	Renewal	each	\$ 12		No comparison	No comparison		\$ 14
5	Cardrooms							
	License and renewal	each	\$ 29	No comparison	\$ 234	\$ 263	No comparison	No comparison
	Dealer/work permit	each	\$ 71	No comparison	\$ 104	\$ 205	No comparison	No comparison
	Department of Justice Fee	per permit	\$ 32	Actual cost		No comparison		
6	Citation Sign-off for Agencies outside the City	per citation	\$ 18	\$ 38	\$ 33	\$ 25	No comparison	No comparison
7	Clearance Letter (for immigration or other clearance letter, Plus	per letter	\$ 18	\$ 27	\$ 23	\$ 71	No comparison	No comparison
8	Crime Report Copy							
	Per page, Bulletin Entry	per page	\$ 0.15	No charge - Victim \$10.25 - Non-Victim	\$ 0.10	\$ 10	No comparison	\$ 0.10
9	DUI							
	Accident response and investigation	actual cost	\$ 12,000	Actual cost	\$249 - \$1,098	Actual cost	No comparison	\$1,900
	Arrest and report	actual cost	\$ 1,000					

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
10	Concealed Weapons							
	Permit	per permit	\$ 100	No comparison	No comparison	No comparison	No comparison	No comparison
	Department of Justice Live Scan Fee	per permit	\$ 95	\$ 43				
	Renewal	per renewal	\$ 25	No comparison				
	Department of Justice Fee - Payable to DOJ	per permit	\$ 52	No comparison				
	Amended License	per amendment	\$ 10	No comparison				
11	Traffic collision report (for other than victim)	per report	\$ 10	\$ 10	\$ 11	No comparison	No comparison	No comparison
	each additional page after 25 pages	per page	\$ 0.15					\$ 0.10
12	DOJ, FBI and Fingerprint							
	DOJ and FBI fee	per print	\$32 - \$100	Actual cost	No comparison	No comparison	No comparison	No comparison
	Fingerprint (City's rolling fee)	per request	\$ 20	\$ 43	\$ 23			
13	Firearms Sales Permit	per permit	\$ 35	No comparison	No comparison	No comparison	No comparison	\$30 - New \$20 - Renewal
	Department of Justice fee	per permit	\$ 32					
14	Palmistry License Fee							
	New	per license	\$ 649	No comparison	\$ 143	No comparison	No comparison	\$ 195
	Renewal	per renewal	\$ 413		No comparison			
15	Police Photo (reproduction)	per photo	\$ 50	\$ 54	No comparison	\$ 100	No comparison	No comparison
	Plus traffic photo processing fee to insurance company	per photo	\$ 0.34	No comparison				
16	Police Special Services (for school and other semi-public special events)	actual personnel costs	\$ 0.33	\$123 - \$174	\$48 - \$120	No comparison	No comparison	No comparison
17	Repossession Release	per vehicle	\$ 18	\$ 15	\$ 15	\$ 15	No comparison	No comparison
18	Second-hand Dealer/Pawn Broker							
	New or Renewal (Check payable to DOJ)	each	\$ 300	No comparison	No comparison	No comparison	No comparison	No comparison
	Class B	each	\$ 32					

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
19	Taxi Driver							
	Permit	per permit	\$ 130	\$ 279	\$ 68	\$ 205		\$ 30
	Renewal	per renewal	\$ 94	\$ 93	\$ 68	\$ 205	No comparison	
	Background investigation	each	\$ 12	\$ 623	No comparison	\$ 29		No comparison
	(City fingerprint fee)	each	See Fingerprint Fee	\$ 43	No comparison	No comparison	No comparison	No comparison
20	Tow Truck Driver/Attendant							
	Permit	per permit	\$ 71	Actual cost plus 10% admin	\$ 90	No comparison	No comparison	No comparison
	Renewal	Per renewal	\$ 35					
21	Vehicle Release	per vehicle	\$ 127	No comparison	\$ 203	\$ 282	No comparison	No comparison
22	VIN Verification	per request	\$ 24	\$ 89	\$ 68	No comparison	No comparison	No comparison
23	Storage of Firearms	per firearm	\$ 60	No comparison	\$ 60	\$ 77	No comparison	No comparison
	(per domestic violence protective order)	per day	\$ 2		\$7.25 per year	No comparison		

APPENDIX B.8

Comparative Fee Survey – Animal Services Unit

City of Tracy
Animal Services - User Fee Study FY 2021
Fee Comparison

Appendix B.8

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood ⁵	Stockton	Livermore ⁶	Manteca	Modesto ⁷
1	Animal Services							
	Animal adoption, Plus veterinary services	per animal	\$ 6	\$11 - \$16	No comparison	\$ 35	\$20 - \$150	\$45 - \$90
2	Animal bite	per call	\$ 35	No comparison	No comparison	No comparison	No comparison	No comparison
3	Board and care (daily)							
	For impounded dogs	per dog	\$ 18	\$ 25	\$18.25 - \$23.50	\$ 20	\$ 10	\$ 15
	For impounded cats	per cat	\$ 14	\$ 25		\$ 20	\$ 10	\$ 15
3	Cat carrier	per carrier	\$ 6	\$ 5	\$ 6	No comparison	No comparison	No comparison
4	Cat neuter	per cat	\$ 59	\$ 42	\$ 66	\$ 75	No comparison	\$ 25
5	Cat spay	per cat	\$ 106	\$ 63	\$ 66	\$ 100	No comparison	\$ 25
6	Collar identification	per animal	\$ 3	No comparison	No comparison	No comparison	\$ 20	No comparison
7	Dog neuter	per dog	\$ 118	\$68 - \$135	\$ 66	\$125 - \$150	No comparison	\$ 50
8	Dog spay	per dog	\$ 177	\$94 - \$195	\$ 66	\$150 - \$175	No comparison	\$ 50
9	Impound							
	First	per animal	\$ 24	\$ 35	\$ 13	\$45 - \$50	\$ 40	\$ 45
	Second	per animal	\$ 35	\$ 100	\$ 19	\$ 100	\$ 60	\$ 65
	Third and above	per animal	\$ 47	\$ 150	\$ 32	\$ 150	\$ 80	\$ 100
10	Impound, additional State fee for unaltered, at large, animals:							
	First	per animal	\$ 35	\$ 100	No comparison	\$ 75	No comparison	\$45 - \$75
	Second	per animal	\$ 50	\$100 - \$235		\$ 150		\$ 100
	Third	per animal	\$ 100	\$100 - \$235		\$ 225		\$ 100



City of Tracy
Animal Services - User Fee Study FY 2021
Fee Comparison

Appendix B.8

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood ⁵	Stockton	Livermore ⁶	Manteca	Modesto ⁷
11	License Fee							
	Unaltered dogs	per dog, per year	\$ 59	\$ 40	\$123 - \$184	\$5.50 - \$29.50	\$50 - \$100	\$ 150
	Altered dogs	per dog, per year	\$ 12	\$ 20	\$12.25 - \$30.50	\$5.50 - \$29.51	\$30 - \$75	\$ 12
	Replacement for lost	per license	\$ 6	No comparison	\$ 10	\$5.50 - \$29.52	\$ 10	No comparison
12	Low cost spay/neuter voucher	per animal	\$ 24	No comparison	\$ 17	No comparison	No comparison	No comparison
13	Multiple pet permit application	each	\$ 29	No comparison	No comparison	No comparison	No comparison	No comparison
14	Owner surrender							
	Live animal	per animal	\$ 53	\$ 30	No comparison	\$35 - \$55	\$25 - \$75	\$ 30
	Deceased animal (not at shelter)	per animal	\$ 24	\$ 50		\$15 - \$25	\$25 - \$50	\$ 10
15	Rabies vaccination voucher	per animal	\$ 19	No comparison	\$ 10	\$ 12	No comparison	No comparison
16	Vaccination	per animal	\$ 6	\$ 6	\$10 - \$11	No comparison	No comparison	\$ 6
17	Veterinary costs	at cost	At cost	No comparison	No comparison	No comparison	No comparison	\$35 - \$370

Notes

[5] Animal services provided by Contra Costa County

[6] Animal services provided by East Bay SPCA and Alameda County Shelter

[7] Animal Services provided by Stanislaus County

APPENDIX B.9

Comparative Fee Survey – Public Works Department

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Brentwood	Stockton	Livermore	Manteca	Modesto
1	Banner Installation and Removal							
	New Location	per banner	\$ 236	\$ 400	No comparison	\$ 721	No comparison	No comparison
	Existing Banner Site		New	\$1,300 per six month season	No comparison	\$ 180	No comparison	No comparison
2	Tree Removal Permits	per permit	New	No comparison	\$ 250	\$ 734	No comparison	No comparison
3	Tree Pruning/Maintenance Permit	per permit	New	No comparison	No comparison	No comparison	No comparison	No comparison
4	Tree Maintenance Inspection	per inspection	New	No comparison	No comparison	No comparison	No comparison	No comparison
5	Special Events (support to Parks)		New	\$ 50	No comparison	No comparison	No comparison	No comparison
6	Utilities Turn on/off	per trip	New	No comparison	No comparison	No comparison	No comparison	No comparison
7	Shopping Cart Retrieval	per cart	New	No comparison	\$ 28	No comparison	No comparison	No comparison

APPENDIX B.10

Comparative Fee Survey – Municipal Airport

City of Tracy				Comparison Agencies				
Fee No.	Fee Name	Fee Unit / Type	Current Fee / Deposit	Buchanan Field Airport (Contra Costa County)	Livermore Municipal Airport	Mariposa-Yosemite Airport	Modesto City-County Airport	Stockton Metropolitan Airport
I	TRACY MUNICIPAL AIRPORT							
Tiedowns								
1	Reserved Tiedown	per month	n/a	\$35 - \$85/mo depending on location/type	\$76 - \$205/mo depending on certified max. gross take-off weight	\$ 65	<12,500 lbs: \$49.16/mo >12,500 lbs: \$82.94/mo	<12,500 lbs: \$70 12,500-100,000 lbs: \$270 100,000+ lbs: \$430
2	Transient Tiedown	per aircraft/per night	n/a	Under 50 ft: \$5/day 50+ ft: \$25/day		\$ 10	<12,500 lbs: \$8.10/day >12,500 lbs: \$16.07/day	<12,500 lbs: \$6.22 12,500-100,000 lbs: \$28.61 100,000+ lbs: \$42.91
Ground Lease Fees								
1	Large T	per month	n/a	Small/Medium Portable Hangar: \$115	no comparison available	\$ 82	Developed: \$0.061/mo/sf Undeveloped: \$0.028/mo/sf	no comparison available
2	Small T	per month	n/a			\$ 49		
3	Large Rectangle	per month	n/a	\$ 100				
4	Small Rectangle	per month	n/a	\$ 47				
Hangar Rentals								
1	B-Series: Large T Hangar (1,310 sq.ft.)	per month	\$ 471	\$600 - \$640	\$ 507	\$ 345	\$ 503	\$ 354
2	G-Series: Medium T Hangar (875 sq.ft.)	per month	\$ 354	\$470 - \$510	\$ 412	\$ 231	\$ 349	\$ 218
3	3-Series and 4-Series: Medium T Hangar (820 sq.ft.)	per month	\$ 342		\$ 412	\$ 209	\$235.56 - \$296.66	\$ 218
4	F-Series: Small T Hangar (690 sq.ft.)	per month	\$ 281	\$350 - \$390	\$ 382	\$ 114	\$189.19 - \$221.52	\$ 209
5	Office Rentals (Hangar 3 & 4)	per month	n/a	no comparison available	no comparison available	no comparison available	\$1.03/sf	no comparison available
6	Aviation & Jet Fuel Sales	per gallon	actual cost	no comparison available	\$0.11/gal	no comparison available	\$0.07357/gal	no comparison available
II	NEW JERUSALEM AIRPORT							
1	Rental Fee for Non-Aviation Use	per day	\$ 1,338	no comparison available	no comparison available	no comparison available	no comparison available	no comparison available



User Fee Study Council Workshop

January 17, 2023

Presentation Agenda

1. Project Goals

2. Project Approach

3. Summary of Results

4. Questions

Project Goals

1

Understand
Full Cost of
Providing
Services

2

Set
Municipal
Fees
Accordingly

Project Scope

YES

Cost Recovery Opportunities

YES

Revenues Adopted Solely by City Council

NO

Taxes, Fines, Development Impact Fees, Utility Rates, etc.

Authority for Fees

- **CA Constitution**

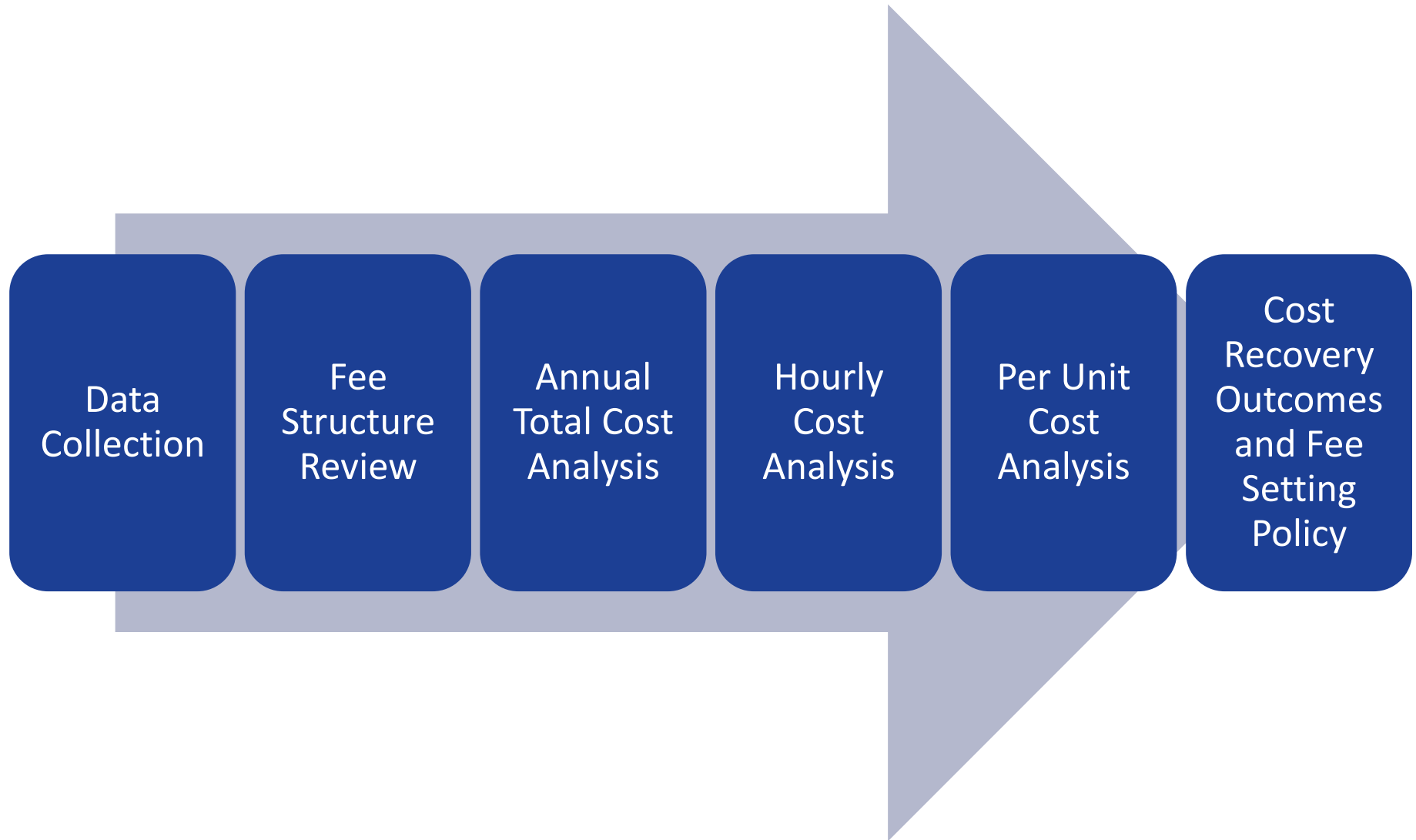
Article XIII C §1(e)(3) Fees for Inspections and Regulatory Permits are not taxes...however are still limited to the local government's reasonable costs.

- **CA Government Code §66014(a)**

“Those fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged”



Project Approach



Data Collection

1

Adopted budget and staffing

2

Workload Data

3

Time estimates (annual and per fee item)

4

Current fees

Fee Structure Review

Flat Fees

Variable Fees Based on Project Characteristics

Variable Fees Based on Actual Time Tracked
(with Deposits Managed as Needed)

Annual Total Cost Analysis

Direct

- Salaries and benefits
- Services and supplies

Indirect

- Program, Division, Departmental and City-wide

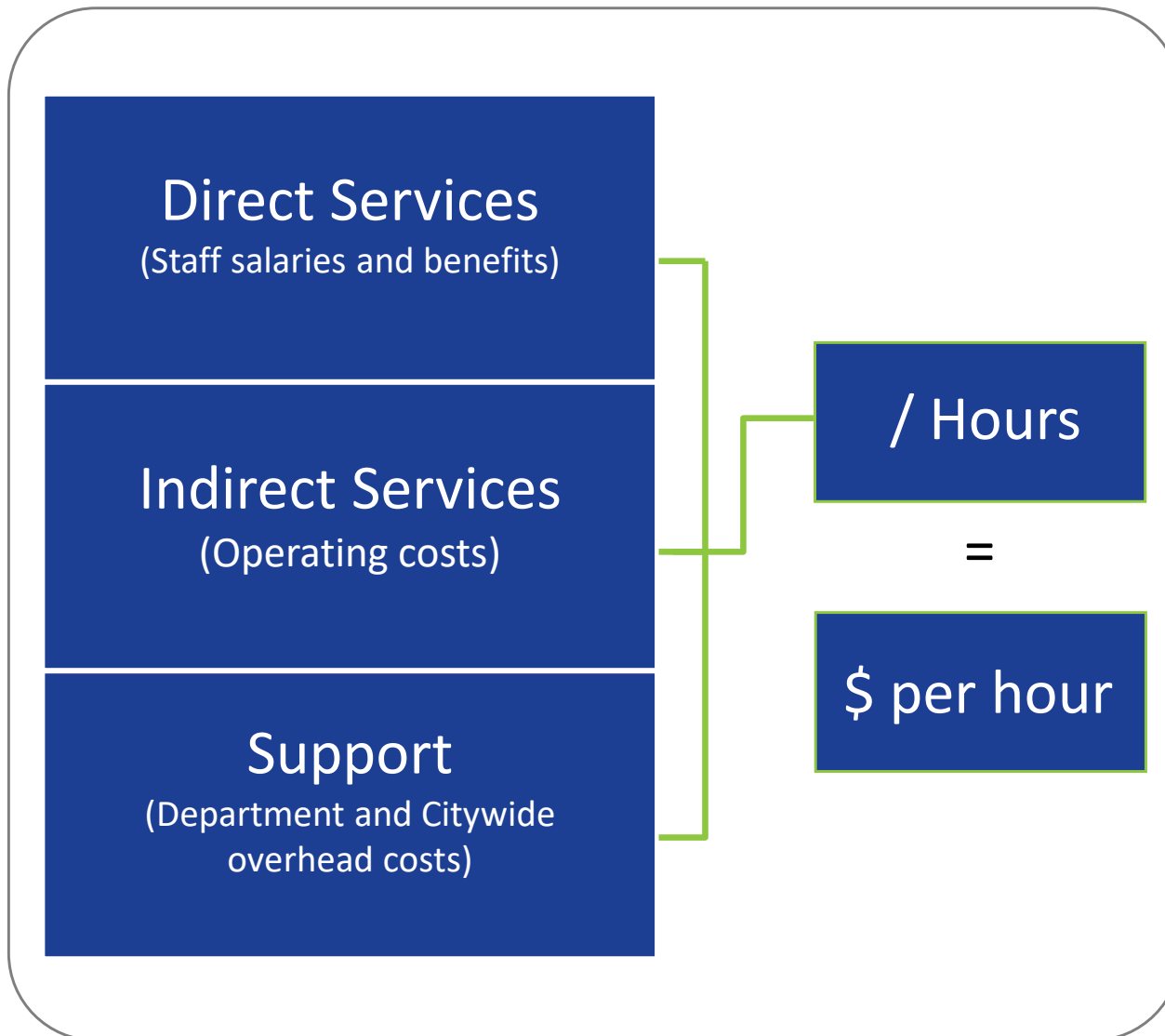
Support

- Review required from internal departments for approval

Systems and Maintenance

- General Plan Maintenance

Hourly Cost Analysis



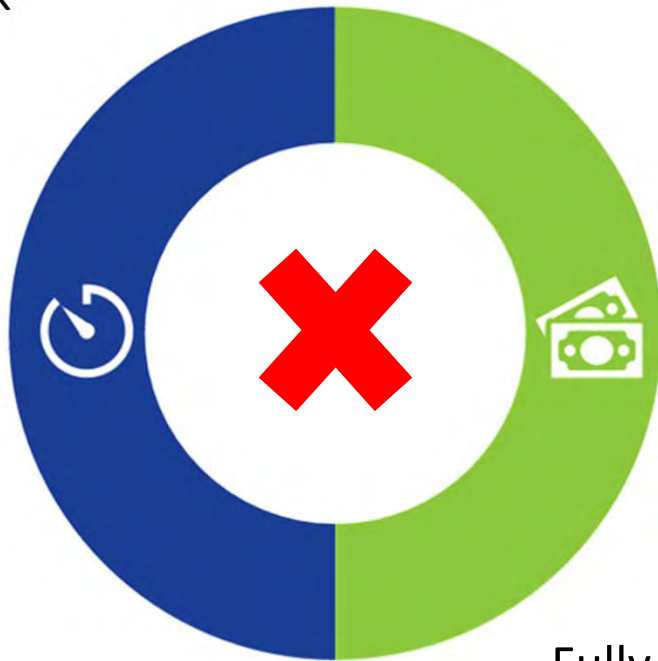
Hourly Rate Outcomes

- ✓ City Clerk: \$117
- ✓ CCTV: \$156 FT / \$62 PT
- ✓ Grand Theatre: \$159 FT / \$48 PT
- ✓ Building: \$134
- ✓ Engineering: \$108 PC / \$130 Insp
- ✓ Planning: \$150
- ✓ Community Facilities & Recreation: \$213 FT / \$27 PT
- ✓ Police: \$170 Patrol / \$113 Records
- ✓ Animal Services: \$135
- ✓ Public Works (average): \$117
- ✓ Utilities: \$128

Per Unit Cost Analysis

A. Per Fee Item:

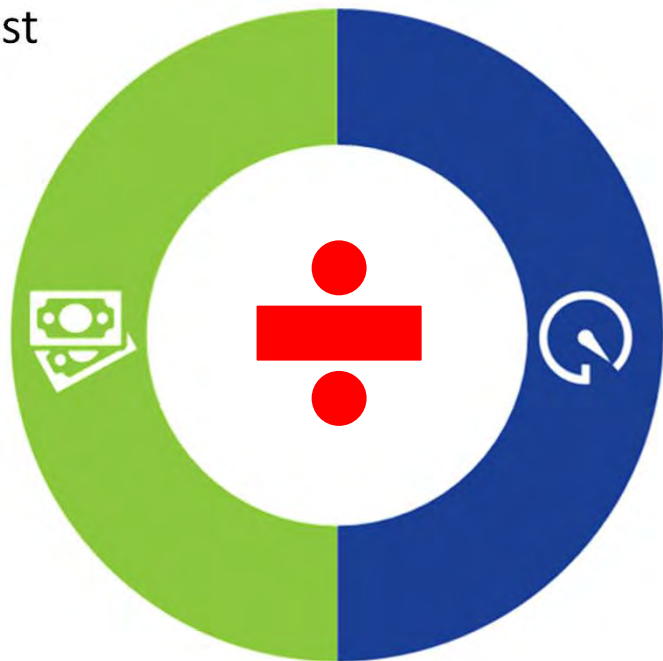
Estimated
Time on
Task



Fully
Burdened
Hourly Rate

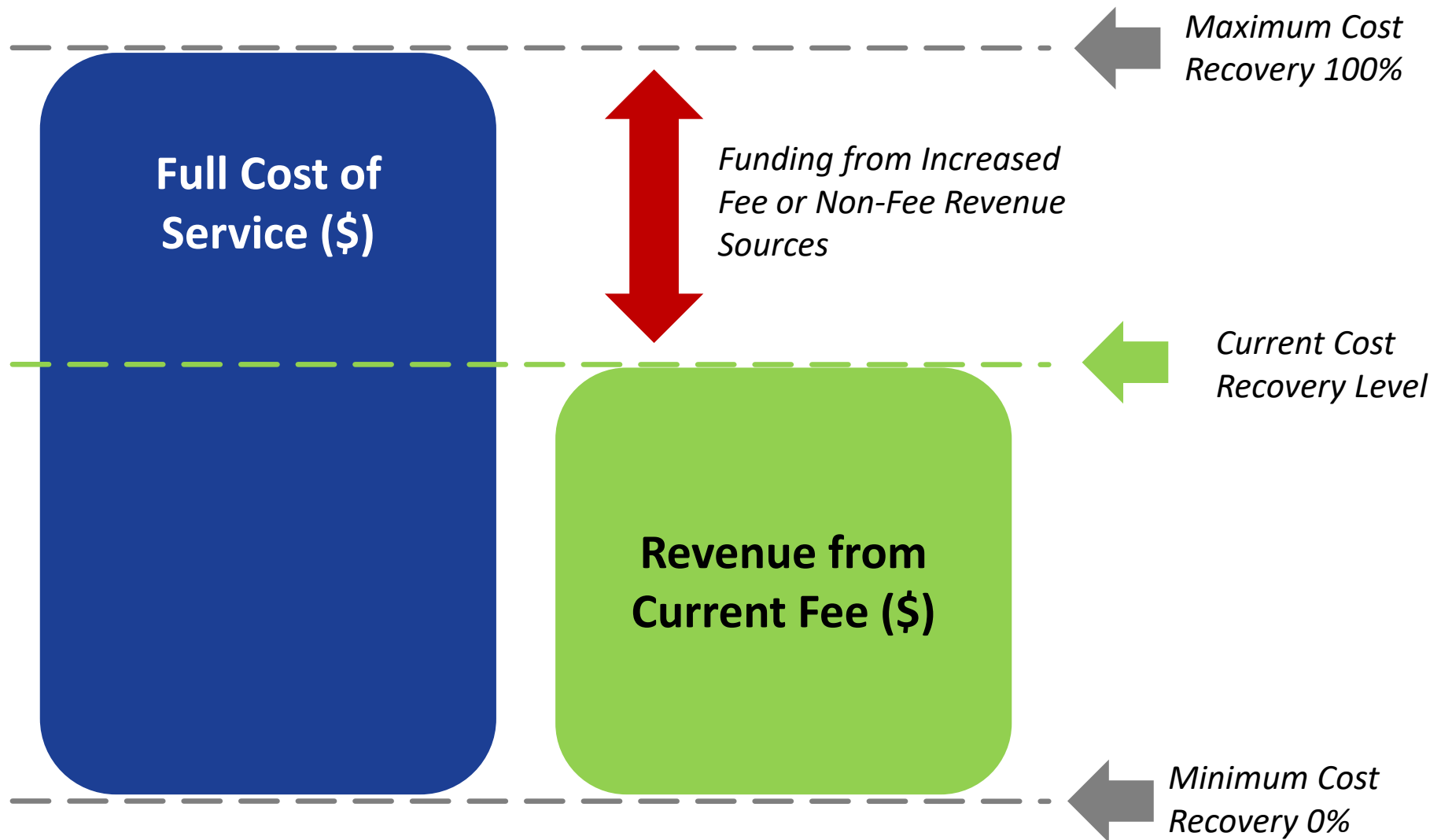
B. Per Participant:

Annual
Cost



Participants

Cost Recovery/Fee Setting



Understanding Results of Fee Analysis

- Appendix A to the Final Report displays the results of the analysis for the City:
 - **Cost of Service per Activity** = fee amount at 100% cost recovery
 - **Existing Cost Recovery %** = compares the full cost calculation to current fee/deposit
 - **Recommended Cost Recovery %** = Staff's initial recommendation to Council for cost recovery at the individual fee level
- Appendix B to the Final Report displays the Comparative Fee Survey for Fee Related Activities and Services to neighboring agencies.

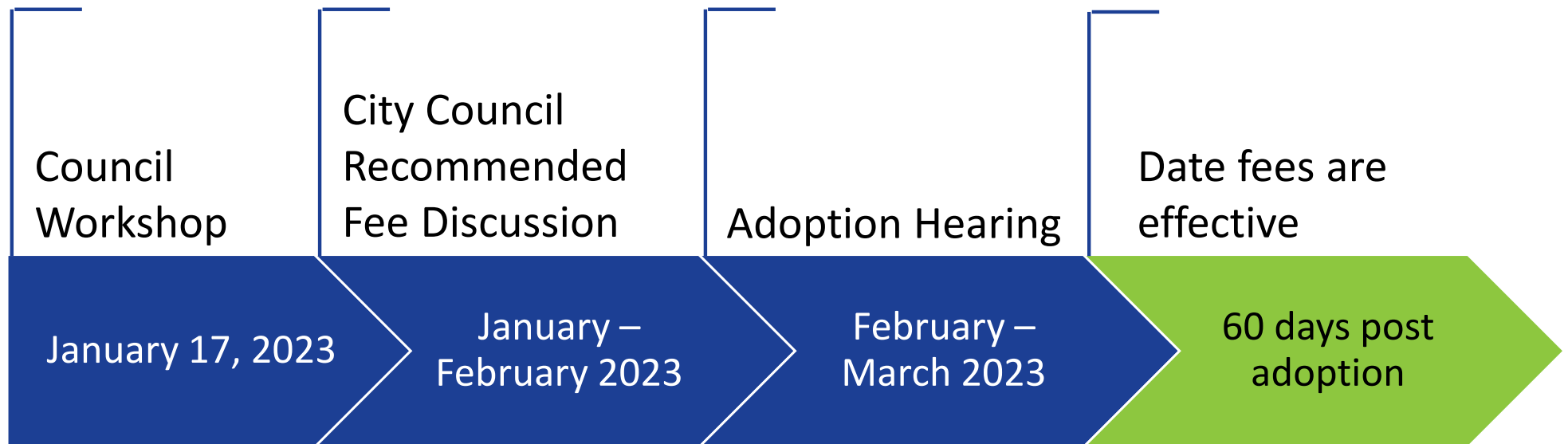
Summary of Results

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Finance Department	<i>data not available*</i>					
City Clerk's Office	<i>data not available*</i>					
City Manager Cable TV Department	1,095	2,576	(1,481)	43%	2,576	100%
Grand Theatre Center for the Arts/Cultural Arts Division	398,200	2,396,210	(1,998,010)	17%	398,200	17%
Building Safety Division	5,249,857	4,735,249	514,608	111%	4,700,507	99%
Engineering Division	3,498,312	5,624,366	(2,126,054)	62%	5,624,366	100%
Planning Division	466,183	886,140	(419,957)	53%	886,140	100%
General Plan Maintenance Surcharge	-	449,000	(449,000)	0%	381,650	85%
Community Facilities Division	282,819	1,399,305	(1,116,486)	20%	282,819	20%
Recreation Division	451,404	2,614,954	(2,163,550)	17%	451,404	17%
Police Department	188,588	198,084	(9,496)	95%	197,041	99%
Animal Services Unit	79,800	201,338	(121,538)	40%	149,461	74%
Public Works Department	<i>data not available*</i>					
Municipal Airport	756,052	795,347	(39,295)	95%	795,347	100%
Utilities Department	-	354,442	(354,442)	0%	354,442	100%
Total	\$ 11,372,310	\$ 19,657,011	\$ (8,284,701)	58%	\$ 14,223,953	72%

Comparative Survey

- Comparison agencies: Cities of Brentwood, Stockton, Livermore, Manteca and Modesto
- Reasonable attempt to compare readily available information
- Caveats:
 - Differing cost recovery policies or procedures
 - Varied terminology for provision of similar services
 - Basis of fees and frequency of review differs among jurisdictions

User Fee Update – Next Steps



Questions or Comments?

Nicole Kissam

Project Director



Lauren Guido

Consultant



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lguido@nbsgov.com



800-676-7516

ATTACHMENT "C"

RESOLUTION 2020-110

APPROVING THE CITY-WIDE MASTER FEE SCHEDULE FOR FISCAL YEAR 2020-2021

WHEREAS, City departments have proposed, and the City Council has adopted, various fees relating to the work of City departments, and

WHEREAS, The City desires to improve public and customer information dissemination, and

WHEREAS, On May 16, 2017, the City Council adopted the most recent consolidated City-wide Master Fee Schedule to provide for a record of fees in a single document, improve public information, and provide consistent updating of the fees (Resolution 2017-098), and

WHEREAS, The Master Fee Schedule reflects fees charged for City services but does not include the following types of fees and charges:

- development impact fees adopted under the Mitigation Fee Act;
- mitigation fees (i.e., habitat and agricultural mitigation fees);
- business license fees (taxes);
- enterprise fund charges (water, sewer, storm water, airport, transit);
- fees adopted under franchise agreements (cable franchise under TMC Chapter 8.10; franchise contractor for collection of solid and yard waste, and recycling under TMC Chapter 5.20);
- landscape maintenance district (special assessments);
- fines (imposed as penalties);
- leases of City property; and
- rates established by separate agreements (i.e., Tracy Unified School District and performance artists), and

WHEREAS, The City shall continue to update the Master Fee Schedule on an annual basis, based on an automatic cost-of-living adjustment calculated since the fees were last set, with the exception fees legislatively set or indicated by an asterisk, and

WHEREAS, The adoption of the Master Fee Schedule is not subject to the California Environmental Quality Act because it is not a project that has the potential for causing a significant effect on the environment (CEQA Guidelines, 14 California Code of Regulations, §15061(b)(3)), and

WHEREAS, On June 16, 2020, the City Council held a public hearing where all interested parties were able to provide testimony;

NOW, THEREFORE, BE IT RESOLVED, That City Council of the City of Tracy hereby resolves, declares, determines, and orders as follows:

1. The Master Fee Schedule, attached to this Resolution as Exhibit A, is approved.
2. This Resolution takes effect on July 1, 2020 with the exception of Development Services fees which take effect on August 17, 2020.

3. Resolution 2017-098 is hereby rescinded and superseded by this Resolution.

The foregoing Resolution 2020-110 was adopted by the Tracy City Council on the 16th day of June, 2020, by the following vote:

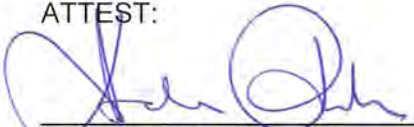
AYES: COUNCIL MEMBERS: ARRIOLA, RANSOM, VARGAS, YOUNG, RICKMAN

NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: NONE


MAYOR

ATTEST:

CITY CLERK

Attachment: Exhibit A - Master Fee Schedule

City of Tracy

Master Fee Schedule

Fiscal Year 2020/2021

Adopted by City Council Resolution No. 2011-101, May 17, 2011

Amended by Resolution No. 2013-047, April 2, 2013

Amended by Resolution No. 2013-086, June 4, 2013

Amended by Resolution No. 2014-059, April 15, 2014

Amended by Resolution No. 2015-075, May 19, 2015

Amended by Resolution No. 2016-094, May 17, 2016

Amended by Resolution No. 2017-098, May 16, 2017

Amended by Resolution No. 2020-__ June 16, 2020

Effective July 1, 2020; Development Service Fees, August 17, 2020

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Introduction

The City of Tracy Master Fee Schedule is a compilation of most of the fees charged by the City for services.

It is organized by Department and does not include the following types of fees:

- development impact fees adopted under the Mitigation Fee Act;
- mitigation fees (ie habitat mitigation, agricultural mitigation fees);
- business license fees (taxes);
- enterprise fund charges (water, sewer, storm water, airport, transit);
- fees adopted under franchise agreements (cable franchise under TMC Chapter 8.10; franchise contractor for collection of solid waste, yard waste and recycling under TMC Chapter 5.20);
- landscape maintenance district assessments;
- fines (imposed as penalties);
- leases of City property; and
- Rates established by separate agreements (ie Tracy Unified School District).

The Master Fee Schedule will generally be updated annually, and most fees will increase by an inflationary adjustment (Consumer Price Index --"CPI"--for San Francisco, Oakland, and Hayward) rounded to the nearest dollar. The fees which are updated by some other method are indicated as such. ***Fees that are not subject to an annual CPI adjustment are indicated by an asterisk.***

Public services may be classified as community-supported public services, such as police and fire services. These are typically provided to the community as a whole and are supported by general tax dollars from the City's general fund.

Personal choice services are optional, such as taking a class, and are Requested by the customer.

Property development services (requiring a building permit or land Use entitlement) is done at the request, and for the benefit, of the owner. Fees are usually charged for these types of services, though some may be subsidized with general tax dollars when they have some social, safety, or welfare benefit.

City Staff whom worked to update this Master Fee Schedule include the following representatives from each Department:

Finance Department	Karin Schnaider, Anne Bell, Jessica Ornellas
City Manager's Office, City Clerk Division	Adrienne Richardson
City Manager's Office, Cultural Arts and Theater Divisions	Kim Scarlata
City Manager's Office, Public Information Division	Carissa Higginbotham, Dan Suma
Development Services, Building Division	Kevin Jorgensen
Development Services, Engineering Division	Robert Armijo
Development Services, Planning Division	William Dean
Parks and Recreation Services Department	Jolene Jauregui-Correll, Paula Jessup, Thien Nguyen
Police Department, Support Operations Division	Beth Lyons-McCarthy
Public Works Department, Administration Division	Robin Kloepfer, Stephanie Garcia

FINANCE DEPARTMENT
Karin Schnaider, Director

Finance Department

Division Contact: Robert Harmon, Senior Accountant; Jessica Ornellas, Accounting Coordinator

SERVICE OR APPLICATION	UNIT BY WHICH CHARGED	Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-
Business Licenses:				
• Transfer, assignment or duplication fee	Per Transaction	\$5	\$5	\$0
• State disability access fee	Per License	\$1	\$4	\$3

CITY MANAGER'S OFFICE
Jenny Haruyama, City Manager

City Manager's Office
City Clerk

Division Contacts: Adrienne Richardson, City Clerk

Items with asterisk (*) are not subject to inflationary increases

Items with asterisk (*) are not subject to inflationary increases

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Annual Subscriptions (City Council, Planning Commission)				
Agendas	Per Month	\$41	\$45	\$4
	Per Disc / Agenda	\$2	\$2	\$0
Minutes	Per Page	\$0.15	\$0.15	\$0
Appeals				
To City Council	Per Appeal	\$177	\$194	\$18
To City Manager	Per Appeal	\$177	\$194	\$18
By Impartial Hearing Officer	Per Appeal (May be Shared Equally by Parties)	Per Appeal (May be Shared Equally by Parties)		
Document Certification	Per Document b	\$18	\$19	\$2
Photocopies				
Paper Copy	Per Page	\$0.15	\$0.15	\$0
Oversized Copy		At Cost	At Cost	
*Maps		At Cost	At Cost	
Duplicating Recording of Public Meeting:				
Video or Audio	Per Video or Audio	\$5	\$5	\$0
DVD of Council Meeting	Per DVD	\$5	\$5	\$0
Lobbyists				
Registration	Each	\$72	\$80	\$7
Annual Renewal	Each	\$36	\$40	\$4
*Notary Fee	Each	\$10	\$10	\$0

Public Information

Division Contact: Carissa Higginbotham, Public Information Officer

Video Production Fees				
Single HD Camera with Operator (Up to 8 Hrs)	Per Day	\$207	\$227	\$20
	Per Half Day	\$104	\$114	\$10
	Per Hour if Over 8 Hours	\$41	\$45	\$4
Flypack with 4 Crew (Includes a portable switcher, 3 HD Cameras, graphics & audio feed)	Per Day	\$932	\$1,024	\$92
	Per Hour if Over 8 Hours	\$155	\$171	\$15
	Per Day	\$466	\$512	\$46
City Council Chamber Recording with 2 Crew (Includes 4 SD Cameras and audio, Up to 8 Hrs)	Per Half Day	\$233	\$256	\$23
	Per Hour if Over 8 Hours	\$78	\$85	\$8
	Per Hour	\$29	\$32	\$3
Editing Suite with Editor	Per Hour	\$29	\$32	\$3
Motion Graphics Editor	Per Hour	\$29	\$32	\$3
Advance Lighting	Per Hour	\$29	\$32	\$3
TV Studio Rental with 1 Crew (2 Hour Minimum)	Per Hour	\$29	\$32	\$3
Producer	Per Hour	\$29	\$32	\$3
Teleprompter Operator	Per Hour	\$29	\$32	\$3
General Crew (Audio Tech, Extra Studio Crew, Grip, etc...)	Per Hour	\$29	\$32	\$3
Miscellaneous				
Green Screen (2 Hrs Minimum)	Per Hour	\$16	\$17	\$2
Camera Crane and Operator	Per Hour	\$26	\$28	\$3
Additional HD Cameras	Per Hour	\$26	\$28	\$3
Graphics	Each	\$26-\$78	\$28-\$85	\$2-\$7
Audio Files	Each	\$26-\$78	\$28-\$85	\$2-\$7

City Manager's Office

Grand Theatre\Cultural Arts Divisions

Division Contact: Kim Scarlata, Division Manager II

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-
Deposits				
ETK Theatre ¹	Per Use	\$500	\$550	\$50
Studio Theatre ²	Per Use	\$250	\$275	\$25
Dance Studio	Per Use	\$100	\$110	\$10
Visual Arts I & II	Per Use	\$100	\$110	\$10
Art Studio	Per Use	\$100	\$110	\$10
Children's Art Studio	Per Use	\$100	\$110	\$10

Note:

¹ ETK Theatre base rental is 8 Hrs and includes: House sound system, House lighting system, One (1) wired microphone with stand, two (2) floor monitor wedges J.B.L, and two (2) dressing rooms

² Equipment included with base rental of Studio Theatre: House sound system, House lighting system, one (1) wired microphone with stand, two (2) floor monitor wedges J.B.L, and two (2) dressing rooms

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT			COMMERCIAL		
		Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-	Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-
ETK Theatre							
Prime Time Rental: Performance	First 8 Hours	\$574 or 10%	\$631 or 10%	57	1,722 or 15%	\$1,892 or 15%	\$170
	Each Additional Hour	\$100	\$110	10	\$300	\$330	\$30
Prime Time Rental: Rehearsal	First 8 Hours	\$574	\$631	57	\$1,722	\$1,892	\$170
	Each Additional Hour	\$100	\$110	10	\$300	\$330	\$30
Non-Prime Time Rental: Performance	First 8 Hours	\$287	\$315	28	\$750	\$824	\$74
	Each Additional Hour	\$100	\$110	10	\$300	\$330	\$30
Non-Prime Time Rental: Rehearsal	First 8 Hours	\$143	\$157	14	\$300	\$330	\$30
	Each Additional Hour	\$100	\$110	10	\$300	\$330	\$30
Prime Time Resident Company	Rental Performance or Rehearsal (per 8 Hours)	\$460	\$506	46	Not Applicable		
Non-Prime Time Resident Company	Rental Performance (per 8 Hours)	\$230	\$253	23	Not Applicable		
Non-Prime Time Rental: Performance	Rental Rehearsal (per 8 Hours)	\$115	\$126	11	Not Applicable		
Studio Theatre							
Prime Time Rental: Performance	First 5 Hours	\$110 or 10%	\$121 or 10%	11	\$300 or 15%	\$330 or 15%	\$30
	Each Additional Hour	\$60	\$66	6	\$180	\$198	\$18
Prime Time Rental: Rehearsal	First 5 Hours	\$110	\$121	11	\$330	\$363	\$33
	Each Additional Hour	\$60	\$66	6	\$180	\$198	\$18
Non-Prime Time Rental: Performance	First 5 Hours	\$80	\$88	8	240 or 15%	\$264	\$24
	Each Additional Hour	\$60	\$66	6	\$180	\$198	\$18
Non-Prime Time Rental: Rehearsal	First 5 Hours	\$80	\$88	8	\$240	\$264	\$24
First 5 Hrs	Each Additional Hour	\$60	\$66	6	\$180	\$198	\$18
Meeting	First 2 Hours	\$225	\$247	22	\$115	\$126	\$11
	Each Additional Hour	\$40	\$44	4			
Prime Time Resident Company Rental: Performance or Rehearsal	Per 5 Hours	\$88	\$97	9	Not Applicable		
Non-Prime Time Resident Company Rental - Performance	Per 5 Hours	\$64	\$70	6	Not Applicable		
Non-Prime Time Resident Company Rental - Rehearsal	Per 5 Hours	\$64	\$70	6	Not Applicable		

Note: Prime time is Friday through Sunday. Percentage payment is based on gross receipts. Fee is either minimum or 10% of ticket sales, whichever is greater.

Grand Theatre/Cultural Arts, continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT			COMMERCIAL			
		Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-	Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-	
Note: Studios are specialized and need accurate tiered fees based on current amenities and applicable types of use.								
Dance Studio	First 2 Hours	\$100	\$110	\$10	\$200	\$220	\$20	
Private & Group Instruction	Each Additional Hour	\$50	\$55	\$5	\$100	\$110	\$10	
Educational Events								
Rehearsal & Facility Event Use								
>Includes Basic Furniture Set & Studio Amenities								
>Non-Dance/Movement Use Requires Floor Covering								
Use of In-House Rack Stereo & Mic	Per use	\$10	\$11	\$1	\$20	\$22	\$2	
Studio Theater	First 2 Hours	\$100	\$110	\$10	\$200	\$220	\$20	
Private and Group Instruction	Each Additional Hour	\$50	\$55	\$5	\$100	\$110	\$10	
Group Recital, Educational Events								
Meeting and Facility Event Use								
Rehearsal (Non-event Use)								
>Does Not Include Furniture Set or A/V Amenities (See								
>Does Not Include Tech Support (See Labor Fees)								
>Non-Educational/Performance Use (See Theatre								
Visual Arts I & II	First 2 Hours	\$75	\$82	\$7	\$150	\$165	\$15	
Children's Studio	Each Additional Hour	\$40	\$44	\$4	\$75	\$82	\$7	
- Private & Group Instruction								
- Visual Arts Lab								
- Meeting and Facility Event Use								
Includes Basic Furniture Set & Studio Amenities								
- Private Art Making Event	Each Additional Hour	\$35	\$38	\$3	\$75	\$82	\$7	
>Includes Staff Assigned Room Use								
>Includes Basic Furniture Set & Studio Amenities								
>Requires Staff Supervision (See Labor Fees)								
>Activity Dependent Materials Fee								
Lobby Areas	Upstairs							
	Downstairs	Per 4 Hours	\$250	\$275	\$25	\$500	\$550	\$50
					\$400	\$440	\$40	
(LOGGIA) May only be rented as part of another rental								
	Reception	Per Hour	\$50	\$55	\$5	\$150	\$165	\$15
Box Office Services	Per Performance	\$100	\$110	\$10	\$300	\$330	\$30	
	Per Ticket Charge to Patron	\$3	\$3	\$0	\$0	\$0	\$0	
	General Admission Per Ticket to Patron	\$1	\$1	\$0	\$0	\$0	\$0	
Miscellaneous Rentals								
Baby Grand Piano	Per Use	\$500	\$550	\$50	\$500	\$550	\$50	
Piano Tuning at Renter's Expense	Each	\$150	\$165	\$15	\$150	\$165	\$15	
Installation/Removal of Floor for Orchestra Pit (4 Stage Hands (8 Hours)	Per Use	\$500	\$550	\$50	\$500	\$550	\$50	
Wireless Microphone	Per 1 Mic Per Stand	\$25	\$27	\$2	\$25	\$27	\$2	
	Discount	10 or more	\$20	\$22	\$2	\$20	\$22	\$2
Follow Spot with One In-house Tech	Per 2 Maximum	\$350	\$385	\$35	\$350	\$385	\$35	
Video Projector (ETK Theatre)	Per 6 Hour Rental	\$130	\$143	\$13	\$130	\$143	\$13	
Marquee Sign Listing (One-Side)	Per Installation	\$50	\$55	\$5	\$100	\$110	\$10	
Marley Mat Dance Floor	Per Use (2 Stage Hands at 6 Hours)	\$200	\$220	\$20	\$200	\$220	\$20	
6' Mity-Lite Folding Tables (12 max.)	Each	\$5	\$5	\$0	\$5	\$5	\$0	
46" Round Folding Tables (8 max.)	Each	\$10	\$11	\$1	\$10	\$11	\$1	
36" Round Tables (10 max.)	Each	\$10	\$11	\$1	\$10	\$11	\$1	
Cocktail Table High Top (7 max.)	Each	\$10	\$11	\$1	\$10	\$11	\$1	
Cocktail Table Purple Stools High Top (22 max.)	Each	\$15	\$16	\$1	\$15	\$16	\$1	
Wooden Classroom Chairs (25 max.)	Each	\$5	\$5	\$0	\$5	\$5	\$0	
	Discount	10 or more	\$3	\$3	\$0	\$3	\$3	\$0
Music Stands	Each	\$5	\$5	\$0	\$5	\$5	\$0	
	Discount	6 or more	\$3	\$3	\$0	\$3	\$3	\$0
Black Wenger Orchestra Chairs (80 max.)	Each	\$10	\$11	\$1	\$10	\$11	\$1	
	Discount	25 or more	\$5	\$5	\$0	\$5	\$5	\$0
Black Pipe and Drape - Studio Theatre ONLY	Per Installation	\$100	\$110	\$10	\$100	\$110	\$10	
Black Resin Chairs (50 max.)	Each	\$5	\$5	\$0	\$5	\$5	\$0	
Spinnet Piano	Each	\$100	\$110	\$10	\$100	\$110	\$10	
Easels (8 max.)	Each	\$5	\$5	\$0	\$5	\$5	\$0	
Pedestals/Stage Boxes (10 max.)	Each	\$15	\$16	\$1	\$15	\$16	\$1	
TV Monitor	Per 8 Hour Rental	\$50	\$55	\$5	\$50	\$55	\$5	
DVD Player	Per 8 Hour Rental	\$25	\$27	\$2	\$25	\$27	\$2	

Grand Theatre/Cultural Arts, continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT			COMMERCIAL		
		Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-	Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-
Labor Fees							
Technical Theatre Supervisor	Per Hour	\$56	\$62	\$6	\$56	\$62	\$6
Theatre Technicians	Per Hour	\$40	\$44	\$4	\$40	\$44	\$4
General Stagehands	Per Hour	\$20	\$22	\$2	\$20	\$22	\$2
Follow Spot Operator	Per Hour	\$15	\$16	\$1	\$15	\$16	\$1
Merchandise Sales Person	Per Hour	\$15	\$16	\$1	\$15	\$16	\$1
Gallery Supervisor	Per Hour	\$56	\$62	\$6	\$56	\$62	\$6
Gallery Docents	Per Hour	\$10	\$11	\$1	\$10	\$11	\$1
Arts Education Instructor	Per Hour	\$25	\$27	\$2	\$25	\$27	\$2
Recreation Leader	Per Hour	\$15	\$16	\$1	\$15	\$16	\$1
Additional Fees							
Janitorial Fees	Per Day	\$150	\$165	\$15	\$150	\$165	\$15
Agreement Processing Fee	Per Contract	\$35	\$38	\$3	\$35	\$38	\$3
Arts Education Program Fees							
Ceramics & Fused Glass							
- Assembly, Handbuilding & Wheel Throwing	Per Person	\$20-\$300	\$22-\$330	\$2-\$30	\$20-\$300	\$22-\$330	\$2-\$30
- Technical (Firing/Kiln Tech/Equipment)	Per Person	\$20-\$300	\$22-\$330	\$2-\$30	\$20-\$300	\$22-\$330	\$2-\$30
- Glazes & Finishing	Per Person	\$20-\$300	\$22-\$330	\$2-\$30	\$20-\$300	\$22-\$330	\$2-\$30
- Camps, Demos, Presentations, Workshops	Per Person	\$10-\$300	\$11-\$330	\$1-\$30	\$10-\$300	\$11-\$330	\$1-\$30
Drama							
- Acting & Performance	Per Person	\$20-\$250	\$22-\$275	\$2-\$25	\$20-\$250	\$22-\$275	\$2-\$25
- Technical Theatre	Per Person	\$20-\$250	\$22-\$275	\$2-\$25	\$20-\$250	\$22-\$275	\$2-\$25
- Camps, Workshops	Per Person	\$10-\$300	\$11-\$330	\$1-\$30	\$10-\$300	\$11-\$330	\$1-\$30

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fee (FY1718)	Proposed Fee (FY2021)	Fee Change +/-
Visual Arts				
- Camps, Demos, Presentations, Workshops (Retitled from "Adult Workshops")	Per Person	\$10-\$300	\$11-\$330	\$1-\$30
Senior Tuesdays				
- 3 Days in Designated Months	Per Person	\$5-\$15	\$5-\$16	\$1
- Includes Choice of Two (2) Activities per Day				

DEVELOPMENT SERVICES DEPARTMENT

Andrew Malik, Assistant City Manager

Note: The DS Department fees in this Schedule do not include:

- *Development Impact Fees adopted under the Mitigation Fee Act*
- *Mitigation Fees (ie habitat mitigation, agricultural mitigation fees)*
 - *Fees adopted by separate agreement with a developer*

Development Services Department
Building Safety

Department Contact: William Dean, Assistant Director of Development Services
Kevin Jorgensen, Chief Building Official

Note: Whenever called for, employee Hourly Rates are based on the particular employee position, salary, benefits & overhead.

Building Safety				
SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Building, Electrical, Mechanical and Plumbing Permits	Based upon project value, as determined by building valuation data table, with regional modifiers, as most recently published in the "Building Safety Journal".	Amount established by 1997 Uniform Administrative Code, Tables 3-A through 3-D and §304 including but not limited to: 1. The actual cost (fully burdened rate) to the jurisdiction for inspections for which no fee is specifically indicated. 2. The actual cost to the jurisdiction for the Use of outside consultants for plan checking and inspections or both. 3. The actual cost (fully burdened rate) to the jurisdiction for additional plan reviews required by changes, additions or revisions to plans (minimum charge – one-half hour).		
Investigation Fee (when work was begun without permit)	Per Inspection	Equal to amount of permit fee, in addition to permit		
Title 24 Energy Inspection (Including Photovoltaic Systems)	Per Inspection	Employee Hourly Rates		
Strong Motion Instrumentation Tax (SMI) Group R (Residential) Occupancies, one to three stories in height except for hotels and motels: All other buildings (commercial):	Valuation	Valuation X \$0.00013 (minimum \$0.50) Valuation X \$0.00028 (minimum \$0.50)		
Elevator Permit Elevator, escalator or moving walk	Valuation	\$105 plus \$2 For Each \$1,000 or Fraction > \$40,000	\$115 plus \$2 For Each \$1,000 or Fraction > \$40,000	\$0
Commercial dumbwaiter	Valuation	\$29 plus \$2 For Each \$1,000 or Fraction > \$40,000	\$32 plus \$2 For Each \$1,000 or Fraction > \$40,000	\$0
Electrical Meter Re-Set (City safety inspection before PG&E turns on utilities.)	Per Inspection	\$64	\$70	\$6
Bldg./Moving or Oversized Load-Initial Insp. Fee	Per Inspection	\$118	\$129	\$12
Expedited Plan Check and Inspection Fees	Per Inspection	Employee Hourly Rates	Employee Hourly Rates	
Micro-Imaging Fees: (+ 2% of Invoice total for pick-up and delivery): ▪ 11" x 17" and smaller, black & white or gray scale Document with 2" field index	Each	\$.08 + 2% ¹	\$.09 + 2% ¹	\$0.01
▪ Anything larger than 11" x 17", black & white or gray scale Document with a two field index	Each	\$0.88 + 2% ¹	\$0.97 + 2% ¹	\$0.09
▪ 11" x 17" and smaller, color Document, with a two-field index	Each	\$0.15+ 2% ¹	\$0.17+ 2% ¹	\$0.02
▪ 18" x 24" color document, with a two-field index	Each	\$0.53+ 2% ¹	\$0.58 + 2% ¹	\$0.05
▪ 24" x 36" color document, with a two field index	Each	\$2	\$2	\$0.15
Sign Permit	Based on Valuation for Building and Electrical Permits	Based on Valuation for Building and Electrical Permits		

Development Services Department
Engineering Division

Department Contact: Robert Armijo, City Engineer

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
SERVICE OR APPLICATION	FEE			
Agreement Processing Fee				
Inspection Improvement Agreement	Per Agreement	\$7,378	\$8,108	\$730
Subdivision Improvement Agreement				
Deferred Improvement Agreement				
Off-site Improvement Agreement				
Park Improvement and Reimbursement Agreement				
Grading	Base Amount - 0-10,000 Cubic Yards (CY)	\$2,890	\$3,176	\$286
	10,001-100,000 CY: Base Amount Plus the Following Per 10,000 CY	\$158	\$174	\$16
Grading plan check	100,001-200,000 CY: Base Amount Plus the Following Per 10,000 CY	\$134	\$148	\$13
Grading plan check	200,000+ CY: Base Amount Plus the Following Per 10,000 CY	\$105	\$115	\$10
Grading permit and inspection	5 or fewer lots (residential or commercial)	\$1,634	\$1,796	\$162
Additional plan review required by multiple changes, additions, or revisions after initial review completed.	Subdivisions (5 or more lots)	\$4,129	\$4,538	\$409
	Hourly Personnel costs	\$118	\$130	\$12
	Hourly Personnel costs			
Subdivisions				
Tentative subdivision map	(See Planning)			
Vesting tentative subdivision map	(See Planning)			
Final Parcel Map Review	Per Review	\$2,677	\$2,942	\$265
Final Subdivision Map Review	Per Review	\$2,171	\$2,385	\$215
Map amendment review	Per Review	\$1,333	\$1,465	\$132
Certificate of correction	Per Review	\$4,070	\$4,473	\$403
Certificate of compliance -- lot line adjustment	Per Review	\$3,185	\$3,500	\$315
Public Improvements				
Inspection Improvement Agreement	Per Agreement	\$7,378	\$8,108	\$730
(SIA, DIA, OIA, PIRA, Any Amendment)	Per Amendment			
Plan check	% of Improvement Construction Cost			
Inspection	% of Improvement Construction Cost			
As-builts, review after construction	Per Lot	\$35	\$39	\$4
Micro-Imaging Fees:				
¹ (+ 2% of Invoice total for pick-up and delivery):		\$.08 + 2% ¹	\$.09 + 2% ¹	\$0
▪ 11" x 17" and smaller, black & white or gray scale Document with 2" field index	Each			
▪ Anything larger than 11" x 17", black & white or gray scale Document with a two field index	Each	\$0.88 + 2% ¹	\$0.97 + 2% ¹	\$0.09
▪ 11" x 17" and smaller, color Document, with a two-field index	Each	\$0.15 + 2% ¹	\$0.17 + 2% ¹	\$0.02
▪ 18" x 24" color document, with a two-field index	Each	\$0.53 + 2% ¹	\$0.58 + 2% ¹	\$0.05
▪ 24" x 36" color document, with a two field Index	Each	\$2	\$2	\$0.15
Segregation of Assessment				
(Within any assessment districts)	Per Lot	\$47	\$52	\$4.67
Record of Survey	Per Lot	\$349	\$384	\$34.57
Street Easement Abandonment	Per Lot	\$1,699	\$1,867	\$168.17

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Encroachment Permit	Encroachment Base Fee:	\$413	\$454	\$41
	Plus \$21 / Sq Ft	\$19	\$21	\$2
	or \$71/ Hour (Whichever is Less)	\$64	\$71	\$6
Sidewalks	Side Walk Base Fee:	\$65	\$71	\$6
	Plus \$20 / Sq Ft	\$18	\$20	\$2
	or \$70/ Hour (Whichever is Less)	\$64	\$70	\$6
Driveways and Curbs	Driveways and Curb Base Fee:	\$64	\$71	\$6
	plus \$65 per Hour	\$59	\$65	\$6
Trees, Utility Boxes	Per Permit Base Fee:	\$64	\$71	\$6
	Plus \$107 Per Hour (1 Hour Minimum)	\$97	\$107	\$10
Miscellaneous Encroachment Permit	Miscellaneous Encroachment Permit, Plus Hourly Personnel Rate for Inspection and Engineering Review	\$130	\$143	\$13
OVERSIZE LOAD PERMIT	Single Permit Base Fee:	\$19	\$21	\$2
	Annual or Blanket Permit (fix route)	\$106	\$117	\$11
BUILDING MOVING OR OVERSIZED LOAD				
Permit fee	Per Permit	\$675	\$742	\$67
Other	Hourly Rate for City Personnel			
REPRODUCTION, MAP AND Document SALES:				
Standard Plans, Standard Specs, and Design Standards	Per Document	\$18	\$19	\$2
Parks Manual	Per Document	\$88	\$97	\$9
Storm Drainage Master Plans	Per Document	\$24	\$26	\$2
Subdivision Maps	Per Document	\$6	\$6	\$1
Reproduction Fees	Per Sheet	\$2	\$2	\$0
CONSTRUCTION WATER METERS				
Deposit for Use of City-owned meter	Per Meter	\$885	\$972	\$88
Service reinstatement fee	Per Meter	\$59	\$65	\$6
Winter Rates (Nov - Apr) (100 cubic feet or 748 gal)				
0 - 12 CCF	Per Cubic Feet	\$1	\$1	\$0
13 - 19 CCF	Per Cubic Feet	\$2	\$2	\$0
20 - 191 CCF	Per Cubic Feet	\$2	\$2	\$0
191+ CCF	Per Cubic Feet	\$2	\$2	\$0
Summer Rates per ccf (May - Oct)				
0 - 18 CCF	Per Cubic Feet	\$1	\$1	\$0
19 - 29 CCF	Per Cubic Feet	\$2	\$2	\$0
30 - 287 CCF	Per Cubic Feet	\$2	\$2	\$0
288+ CCF	Per Cubic Feet	\$2	\$2	\$0
Service Charge	Monthly	\$12	\$13	\$1
(Meter code and size)				
LL (LIRA) – 1"	Meter Size and Type	\$10	\$11	\$1
WL (LIRA) – varies	Meter Size and Type			\$0
W1 - 5/8" or ¾"	Meter Size and Type	\$14	\$15	\$1
W2 – 1"	Meter Size and Type	\$24	\$26	\$2
W3 – 1 ½"	Meter Size and Type	\$55	\$60	\$5
W4 – 2"	Meter Size and Type	\$98	\$107	\$10
W5 – 3"	Meter Size and Type	\$220	\$241	\$22
W6 – 4"	Meter Size and Type	\$391	\$429	\$39
W7 – 6"	Meter Size and Type	\$879	\$966	\$87
W8 – 8"	Meter Size and Type	\$1,563	\$1,718	\$155
W9 – 10"	Meter Size and Type	\$2,442	\$2,684	\$242
NEW ADDRESS MAPPING FEES				
Single-family	Per Lot	\$75	\$83	\$7
Multi-family projects, Plus dwelling unit cost	Per Lot Plus Dwelling Unit Cost in Buildings with 5 or More Units	\$75	\$83	\$7
In buildings with 5 or more units	Dwelling Unit Cost	\$38	\$41	\$4

Development Services Department

Planning Division

Department Contact: William Dean, Assistant Director of Development Services

The Planning Division fees represent application processing fees only, and do not reflect capital improvement in lieu fees, school fees, or any other fees.

Regarding building permit fees, plan check fees and inspection fees, see Building Division.

Regarding encroachment permit fees, see Engineering Division.

Note: The City may require the applicant to enter into a cost recovery agreement (CRA) to pay actual costs instead of the fixed processing fee when (1) the anticipated costs of the project's environmental review or CEQA Documentation is likely to exceed the project's fixed fee or (2) the DS Director and the applicant mutually agree that a cost recovery agreement will be appropriate for the project in order to hire City consultants to work on the project. In such cases, the CRA may be used to pay for staff time and other City costs.

Symbol Key

- Plus Actual Costs Incurred: including fees for consultant services, environmental Documentation filing fees, other agency fees, etc.

- Environmental Assessment Fee not applicable.

^a Conditional Use Permit - Classification by type of project:

	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>
Class A:	4+ lots	+3,000 Sq Ft or 4+ lots	+10,000 Sq Ft or 4+ lots
Class B:	1-3 lots	-3,000 Sq Ft or 1-3 lots	-10,000 Sq Ft or 1-2 lots

^b Development Review Permit - Classification by type of project:

	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>
Class A:	4+ units	+3,000 Sq Ft	+10,000 Sq Ft
Class B:	1-3 units	-3,000 Sq. Ft.	-10,000 Sq Ft

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
PLANNING DIVISION APPLICATION PROCESSING FEES				
Adult Business Use Permit	Per Cost Recovery Agreement			
Annexation		\$12,386	\$13,613	\$1,226
●Appeal to City Council	Per Appeal	\$326	\$358	\$32
●Appeal to Planning Commission	Per Appeal	\$326	\$358	\$32
Conditional Use Permit ^a				
Class A	Per Permit	\$6,252	\$6,871	\$619
Class B	Per Permit	\$3,981	\$4,375	\$394
Conditional Use Permit (Non-Profit Organizations)				
Class A	Per Permit	\$644	\$708	\$64
Class B	Per Permit	\$413	\$454	\$41
Development Review ^b				
Class A	Per Application	\$4,617	\$5,074	\$457
Class B	Per Application	\$3,281	\$3,605	\$325
Ellis Specific Plan Pattern Book Certification	Per Ellis Specific Plan, Section 6.3	\$3,281	\$3,605	\$325
ENVIRONMENTAL				
Environmental Assessment	Charged for all Projects Not Requiring a Negative Declaration or EIR, Except as Noted by "●"	\$118	\$130	\$12
Environmental Initial Study / Negative Declaration	Per Study / Negative Declaration	\$1,675	\$1,841	\$166
Environment Impact Report	Per Cost Recovery Agreement	Per Cost Recovery Agreement		
Environmental Consistency Analysis	Per Cost Recovery Agreement	Per Cost Recovery Agreement		
General Plan Amendment	Per Cost Recovery Agreement	Per Cost Recovery Agreement		
Lot Line Adjustment	Per Lot Line Adjustment	\$481	\$529	\$48

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Micro-Imaging Fees:				
¹ (+ 2% of invoice total for pick-up and delivery):				
▪ 11" x 17" and smaller, black & white or gray scale Document with 2" field index	Each	\$.08 + 2% ¹	\$.09 + 2% ¹	\$0.01
▪ Anything larger than 11" x 17", black & white or gray scale Document with a two field index	Each	\$0.88 + 2% ¹	\$0.97 + 2% ¹	\$0.09
▪ 11" x 17" and smaller, color Document, with a two-field index	Each	\$0.15+ 2% ¹	\$0.17+ 2% ¹	\$0.02
▪ 18" x 24" color document, with a two-field Index	Each	\$0.53+ 2% ¹	\$0.58 + 2% ¹	\$0.05
▪ 24" x 36" color document, with a two field index	Each	\$2	\$2	\$0.15
Noise Ordinance Variation	Per Variation	\$4,719	\$5,186	\$467
Planned Unit Development	Per PUD	\$9,260	\$10,177	\$917
Planned Unit Development Amendment	Per Amendment	\$5,308	\$5,834	\$526
Planning Commission Determination	Per Commission Determination	\$1,186	\$1,303	\$117
•Residential Growth Allotment	Per RGA	\$1,969	\$2,164	\$195
•Sign Permit				
Master Sign Program	Master Sign Program	\$1,194	\$1,312	\$118
Sign Permit	Per Permit	\$538	\$591	\$53
Specific Plan	Per Cost Recovery Agreement	Per Cost Recovery Agreement		
Specific Plan Amendment	Per Amendment	\$6,016	\$6,612	\$596
Specific Plan Minor Variation	Per Application	Same as Development Review Class B		
•Temporary Use Permit	Per Permit	\$85	\$93	\$8
Tentative Map				
Parcel map	Map	\$8,611	\$9,464	\$853
5 – 100 lots	Lot Number	\$11,796	\$12,964	\$1,168
100 & over lots	Lot Number	\$18,402	\$20,224	\$1,822
•Time Extension	Per Extension Request	\$495	\$545	\$49
Variance	Per Variance	\$793	\$871	\$78
Zoning				
Zone Change	Per Change	\$3,008	\$3,306	\$298
Zone Text Amendment	Per Amendment	\$2,949	\$3,241	\$292
• Zoning Research Letter	Per Letter	\$94	\$104	\$9

PARKS AND RECREATION DEPARTMENT
Brian MacDonald, Director

Parks and Recreation Department

Facilities Division

Division Contact: Thien Nguyen, Recreation Services Supervisor

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT (OR PRIVATE AS INDICATED)			COMMERCIAL		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Administration							
Special Event Permit Application & Review Fee (To be charged for every permitted reservation requiring "further review," per published list)	Per Application	\$75	\$82	\$7	\$150	\$165	\$15
Community Center Rentals							
Main Hall (5,300 Sq Ft)							
Non-Profit Classification	Week Day Only - Per Hour (4 Hour Minimum)	\$40	\$44	\$4			
Private Classification		\$68	\$75	\$7	\$97	\$107	\$10
Conference Room A or B (250 Sq Ft)							
Non-Profit Classification	Week Day Only - Per Hour (4 Hour Minimum)	\$8	\$9	\$1			
Private Classification		\$13	\$14	\$1	\$18	\$19	\$2
Entire Facility (6,200 Sq Ft)							
Non-Profit Classification	Week Day Only - Per Hour (4 Hour Minimum)	\$45	\$49	\$4			
Private Classification		\$79	\$87	\$8	\$112	\$123	\$11
Non-Profit Classification	Weekend Only - Per Hour (4 Hour Minimum)	\$66	\$73	\$7			
Private Classification		\$113	\$125	\$7	\$161	\$177	\$16
Additional Fees							
Extra Dumpster Disposal Fee (Required for Crab-Feeds and Other Rentals as Deemed Necessary by Staff)	Per Rental, Per Dumpster	\$100	\$110	\$10	\$100	\$110	\$10
Deposits							
An additional Deposit is Required for all Activities where Alcohol is Sold or Served.							
Main Hall	Per Rental	\$472	\$519	\$47	\$472	\$519	\$47
Conference Room A or B	Per Rental	\$236	\$259	\$23	\$236	\$259	\$23
Entire Facility	Per Rental	\$472	\$519	\$47	\$472	\$519	\$47
Alcohol Deposit	Per Rental	\$472	\$519	\$47	\$472	\$519	\$47
TRACY SPORTS COMPLEX MEETING ROOM RENTAL							
TSC Meeting Room (700 Sq Ft)							
Non-Profit Classification	Per Hour	\$17	\$18	\$2			
Private Classification		\$29	\$32	\$3	\$41	\$45	\$4
Deposits							
An additional Deposit is required for all activities where alcohol is sold or served.							
Meeting Room	Per Rental	\$236	\$259	\$23	\$236	\$259	\$23
Alcohol Deposit		\$236	\$259	\$23	\$236	\$259	\$23
TRACY TRANSIT STATION							
Room 103 or 104 (590 Sq Ft)							
Non-Profit Classification	Week Day Per Hour (2 Hour Minimum)	\$20	\$22	\$2			
Private Classification		\$36	\$39	\$4	\$50	\$55	\$5
Non-Profit Classification	Weekend Per Hour (2 Hour Minimum)	\$30	\$33	\$3			
Private Classification		\$53	\$58	\$5	\$0	\$0	\$0
Room 103 and 104 (Combined 1,180 Sq Ft)							
Non-Profit Classification	Week Day Per Hour (2 Hour Minimum)	\$39	\$43	\$4			
Private Classification		\$36	\$39	\$4	\$101	\$111	\$10
Non-Profit Classification	Weekend Per Hour (2 Hour Minimum)	\$59	\$65	\$6			
Private Classification		\$106	\$117	\$11	\$151	\$166	\$15
Room 105 (913 Sq Ft)							
Includes Projector and Screen Use							
Non-Profit Classification	Week Day - Per Hour (2 Hour Minimum)	\$31	\$34	\$3			
Private Classification		\$55	\$60	\$5	\$78	\$86	\$8
Non-Profit Classification	Weekend Per Hour (2 Hour Minimum)	\$47	\$52	\$5			
Private Classification		\$83	\$91	\$8	\$117	\$129	\$12

Community Facilities, Continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT (OR PRIVATE AS INDICATED)			COMMERCIAL		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Entire Facility (4,445 Sq Ft)	Non-Profit Classification	Week Day - Per Hour (4 Hour Minimum)	\$92	\$101	\$9		
	Private Classification		\$161	\$177	\$16	\$229	\$252
	Non-Profit Classification	Weekend Per Hour (4 Hour Minimum)	\$138	\$151	\$14		
	Private Classification		\$242	\$266	\$24	\$344	\$379
Deposits							
An additional deposit is required for all activities where alcohol is sold or served.							
All Conference Rooms	Per Rental	\$236	\$259	\$23	\$236	\$259	\$23
Lobby or Entire Facility	Per Rental	\$472	\$519	\$47	\$472	\$519	\$47
Alcohol Deposit	Per Rental	\$472	\$519	\$47	\$472	\$519	\$47
TRACY CIVIC CENTER RENTAL							
Council Chambers (3,500 Sq Ft)							
Non-Profit Classification	Week Day - Per Hour (4 Hour Minimum)	\$22	\$25	\$2			
	Private Classification	\$52	\$57	\$5	\$89	\$98	\$9
Non-Profit Classification	Weekend Per Hour (4 Hour Minimum)	\$39	\$43	\$4			
	Private Classification	\$94	\$103	\$9	\$134	\$148	\$13
Conference Room #109 (500 Sq Ft)							
Non-Profit Classification	Week Day - Per Hour (2 Hour Minimum)	\$17	\$18	\$2			
	Private Classification	\$29	\$32	\$3	\$43	\$47	\$4
Non-Profit Classification	Weekend Per Hour (2 Hour Minimum)	\$26	\$28	\$3			
	Private Classification	\$44	\$48	\$4	\$63	\$69	\$6
Conference Room #203 (825 sf)							
Non-Profit Classification	Week Day - Per Hour (2 Hour Minimum)	\$28	\$31	\$3			
	Private Classification	\$49	\$54	\$5	\$70	\$77	\$7
Non-Profit Classification	Weekend Per Hour (2 Hour Minimum)	\$43	\$47	\$4			
	Private Classification	\$74	\$81	\$7	\$105	\$116	\$10
Lobby and Both Conference Rooms							
Non-Profit Classification	Week Day - Per Hour (4 Hour Minimum)	\$45	\$49	\$4			
	Private Classification	\$78	\$86	\$8	\$112	\$123	\$11
Non-Profit Classification	Weekend Per Hour (4 Hour Minimum)	\$46	\$50	\$5			
	Private Classification	\$81	\$89	\$8	\$168	\$184	\$17
Special Events in Civic Center Park (May through October)							
Full Service Event Coordination	Flat Fee	\$1,678	\$1,844	\$166	\$1,678	\$1,844	\$166
Deposits							
An additional deposit is required for all activities where alcohol is sold or served.							
All Conference Rooms	Per Rental	\$236	\$259	\$23	\$236	\$259	\$23
Lobby or Entire Facility	Per Rental	\$472	\$519	\$47	\$472	\$519	\$47
Alcohol Deposit	Per Rental	\$472	\$519	\$47	\$472	\$519	\$47
Park and Picnic Areas							
Park/Picnic ~ 1 to 50 people							
Non-Profit Classification	Per Hour (4 Hours Minimum)	\$15	\$16	\$1	\$15	\$16	\$1
	Private Classification	\$26	\$28	\$3	\$37	\$41	\$4
Park/Picnic ~ 51 to 100 people							
Non-Profit Classification	Per Hour (4 Hours Minimum)	\$21	\$23	\$2			
	Private Classification	\$37	\$41	\$4	\$54	\$59	\$5
Park/Picnic ~ 101 + people							
Non-Profit Classification	Per Hour (4 Hours Minimum)	\$28	\$31	\$3			
	Private Classification	\$49	\$54	\$5	\$70	\$77	\$7
Inflatable Structures Administrative Fee							
All Classification: Fee is Applied to all Approved Inflatable Requests to Accompany a Park Rental.							
	Per Day, Per Structure	\$50	\$55	\$5	\$50	\$55	\$5
Non-Profit Org ~ \$100 Max		Per Rental	\$112	\$123	\$11	Not Applicable	

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT (OR PRIVATE AS INDICATED)			COMMERCIAL		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Deposits							
Less than 50, Traditional Activity	Per Rental	\$0	\$0	\$0	\$0	\$0	\$0
50-100; or Less than 5 Non-traditional	Per Rental	\$112	\$124	\$11	\$112	\$124	\$11
101-200 Attendees	Per Rental	\$224	\$246	\$22	\$224	\$246	\$22
201-300 attendees	Per Rental	\$336	\$369	\$33	\$336	\$369	\$33
301 and above attendees	Per Rental	\$559	\$615	\$55	\$559	\$615	\$55
Parking Lot Rental (Locations and Availability at City Discretion)							
Base Fee	10 Hour Maximum	\$110	\$121	\$11	\$110	\$121	\$11
Plus Use Fee							
Non-Profit Classification	Per Parking Lot Space	\$2	\$2	\$0			
Private Classification		\$4	\$5	\$0	\$6	\$6	\$0
Mobile Stage Rental					Not Applicable		
"A" Set Up (36' X 14')	Per Rental	\$350	\$384	\$35			
Deposits	All Stage Rentals	\$472	\$519	\$47			

Community Facilities, Continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT (OR PRIVATE AS INDICATED)			COMMERCIAL		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Tennis Court Rental					Not Applicable		
Non-Profit Youth - League	Per Hour Per Court	\$5	\$6	\$1			
Non-Profit Youth - Tournament	Per Hour Per Court	\$11	\$12	\$1			
Non-Profit Adult League	Per Hour Per Court	\$5	\$6	\$1			
Non-Profit Adult Tournament	Per Hour Per Court	\$12	\$14	\$1			
Private	Per Hour Per Court	\$5	\$6	\$1			
Private League	Per Hour Per Court	\$8	\$8	\$1			
Private Tournament	Per Hour Per Court	\$16	\$18	\$2			
Commercial - Private Use	Per Hour Per Court				\$11	\$12	\$1
Commercial League	Per Hour Per Court				\$11	\$12	\$1
Commercial Tournament	Per Hour Per Court				\$16	\$18	\$2
Lights					Not Applicable		
Non-Profit Youth - League	Per Hour Per Court	\$5	\$6	\$1			
Non-Profit Youth - Tournament	Per Hour Per Court	\$8	\$8	\$1			
Non-Profit Adult League	Per Hour Per Court	\$5	\$6	\$1			
Non-Profit Adult Tournament	Per Hour Per Court	\$11	\$12	\$1			
Private	Per Hour Per Court	\$5	\$6	\$1			
Private League	Per Hour Per Court	\$11	\$12	\$1			
Private Tournament	Per Hour Per Court	\$13	\$14	\$1			
Commercial - Private Use	Per Hour Per Court				\$5	\$6	\$1
Commercial League	Per Hour Per Court				\$11	\$12	\$1
Commercial Tournament	Per Hour Per Court				\$13	\$14	\$1
Deposits							
Tennis Court Rental Deposit	Per Hour Per Court	\$56	\$61	\$6	\$56	\$61	\$6
Lolly Hansen Senior Center Rental					Not Applicable		
Multi-Purpose Room (2,225 Sq Ft)							
Non-Profit Classification	Week Day & Weekend (4 Hour Minimum)	\$15	\$16	\$1			
Private Classification		\$26	\$28	\$3			
Arts and Crafts Room (675 Sq Ft)							
Non-Profit Classification	Week Day & Weekend (4 Hour Minimum)	\$6	\$6	\$1			
Private Classification		\$10	\$11	\$1			
Entire Facility (4, 350 Sq Ft)							
Non-Profit Classification	Week Day & Weekend (4 Hour Minimum)	\$29	\$32	\$3			
Private Classification		\$51	\$57	\$5			
MOU – Hrs Provided to Non-Profits/Gov		\$0	\$0	\$0			
Deposits					Not Applicable		
An additional deposit is required for all activities where alcohol is sold or served.							
Multi-Purpose Room	Per Rental	\$224	\$246	\$22			
Arts and Crafts Room	Per Rental	\$224	\$246	\$22			
Entire Facility	Per Rental	\$472	\$519	\$47			
Alcohol Deposit	Per Rental	\$472	\$519	\$47			

Community Facilities, Continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT (OR PRIVATE AS INDICATED)			COMMERCIAL		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
SPORT FACILITIES (TBP, TSC, Plascencia Fields, Tiago, Galli, & Bland, Veterans & Legacy Fields)							
League/Individual (TBP, Tiago, Galli, & Bland Fields)							
Non-Profit Youth Classification	Per Hour, Per Field	\$8	\$9	\$1			
Non-Profit Adult Classification	Per Hour, Per Field	\$12	\$14	\$1			
Private Classification	Per Hour, Per Field	\$23	\$25	\$2	\$32	\$35	\$3
Premium Field							
League/Individual (TSC, Plascencia Fields, Legacy Fields)							
Non-Profit Youth Classification	Per Hour, Per Field	\$10	\$11	\$1			
Non-Profit Adult Classification	Per Hour, Per Field	\$16	\$17	\$2			
Private Classification	Per Hour, Per Field	\$23	\$25	\$2	\$32	\$35	\$3
Lights Fee ~ League/Individual							
Non-Profit Youth Classification	Per Hour, Per Field	\$8	\$9	\$1			
Non-Profit Adult Classification	Per Hour, Per Field	\$11	\$12	\$1			
Private Classification	Per Hour, Per Field	\$13	\$15	\$1	\$20	\$22	\$2
Deposit for Baseball/Softball Bases	Per Rental	\$250	\$275	\$25	\$250	\$275	\$25
Storage Container License	Per Square Foot of Ground Space	\$0.42	\$0.46	\$0.04	\$0.42	\$0.46	\$0.04
Daily Fee ~ Tournaments - Standard Fields							
Non-Profit Youth Classification	Per Day Hour, Per Field	\$67	\$74	\$7			
Non-Profit Adult Classification	Per Day Hour, Per Field	\$108	\$119	\$11			
Private Classification	Per Day Hour, Per Field	\$134	\$148	\$13	\$134	\$148	\$13
Lights Fee ~ Tournaments							
Non-Profit Youth Classification	Per Hour, Per Field	\$8	\$9	\$1			
Non-Profit Adult Classification	Per Hour, Per Field	\$11	\$12	\$1			
Private Classification	Per Hour, Per Field	\$11	\$12	\$1	\$11	\$12	\$1
Gate Fee ~ Tournaments							
All Classifications	Per Tournament	\$104	\$114	\$10	\$0	\$0	\$0
On-site Staffing Fee for Sports Fields Use							
Non-Profit Youth Classification	Per Hour, Per Complex	\$28	\$31	\$3			
Non-Profit Adult Classification	Per Hour, Per Complex	\$28	\$31	\$3			
Private Classification	Per Hour, Per Complex	\$28	\$31	\$3	\$28	\$31	\$3
Softball Field Preparations							
A Prep – Light Watering	Per Preparation	\$6	\$6	\$1	\$6	\$6	\$1
B Prep – Light Watering, Minor Dragging	Per Preparation	\$16	\$18	\$2	\$16	\$18	\$2
C Prep – Full Field Preparation	Per Preparation	\$44	\$48	\$4	\$44	\$48	\$4
Use of Temporary Outfield Fencing	Per Field	\$112	\$124	\$11	\$112	\$124	\$11

Community Facilities, Continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	NON-PROFIT (OR PRIVATE AS INDICATED)			COMMERCIAL		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Joe Wilson Community Pool Rentals							
Any Size Groups, When Organization Provides Own Lifeguards & Includes 1 Senior Lifeguard							
Non-Profit Classification	Per Hour (Minimum of Two Hours)	\$72	\$80	\$7	\$72	\$80	\$7
Up to 50 People, Includes 1 Senior Lifeguard & 1 Lifeguard							
Non-Profit Classification	Per Hour (Minimum of Two Hours)	\$88	\$97	\$9			
Private Classification		\$98	\$108	\$10	\$109	\$119	\$11
Up to 75 People, Includes 1 Senior Lifeguard & 2 Lifeguards							
Non-Profit Classification	Per Hour (Minimum of Two Hours)	\$104	\$114	\$10			
Private Classification		\$114	\$125	\$11	\$124	\$136	\$12
Up to 100 People Max, Includes 1 Senior Lifeguard & 3 Lifeguards							
Non-Profit Classification	Per Hour (Minimum of Two Hours)	\$119	\$131	\$12			
Private Classification		\$129	\$142	\$13	\$140	\$154	\$14
Deposits							
All Classifications, All Group Sizes	Per Rental	\$155	\$171	\$15	\$155	\$171	\$15
Additional Joe Wilson Pool Rental Fees							
Extra lifeguard (as deemed necessary by staff, based on event)	Per Hour, Per Lifeguard	\$16	\$17	\$2	\$16	\$17	\$2
New Jerusalem Airport Rental							
Runway Area	Per Day	\$1,218	\$1,338	\$121			
¹PARADES ON DOWNTOWN STREETS							
Short Parade Route							
Non-Profit Classification	Per Parade	\$1,035	\$1,137	\$102			
Standard Parade Route							
Non-Profit Classification	Per Parade	\$1,294	\$1,422	\$128			
Long Parade Route							
Non-Profit Classification	Per Parade	\$1,656	\$1,820	\$164			

¹Exception: Until further notice, Parade Fees will not be charged for Public School District-sponsored parades.

Parks and Recreation Department

Recreation Division

Division Contact: Jolene Jauregui-Correll, Recreation Manager

* Fees are set by this Department annually and are not subject to automatic CPI adjustments.

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	PER RESIDENT			PER NONRESIDENT		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Administration							
Advertising Fee for Activity Guide ¹							
Full Page, Back Cover	Per Advertisement	\$1,000	\$1,099	\$99	\$1,000	\$1,099	\$99
Full Page, Inside Back Cover		\$500	\$550	\$50	\$500	\$550	\$50
½ Page, Inside		\$350	\$385	\$35	\$350	\$385	\$35
¼ Page, Inside		\$200	\$220	\$20	\$200	\$220	\$20
¹ Applied to all advertising in City's Activity Guide publications							
Program Transaction Fee							
*Applied to withdrawal, refund, credit or transfer	Per Transaction	\$5	\$5	\$0	\$5	\$5	\$0
Fac. Rental Applic. Processing Fee							
*Applied to all rental Request & special event permit Requests	Per Transaction	\$35	\$38	\$3	\$35	\$38	\$3
Early Registration Discount							
*To be Used based on staff's assessment of need, and based on participant levels	Per Registration	(10)	(10)	\$0	(10)	(10)	0
Online Registration Discount							
*To be Used based on staff's assessment of need, and based on participant levels	Per Registration	(10)	(10)	\$0	(10)	(10)	0
Sibling Registration Discount							
*To be Used based on staff's assessment of need, and based on participant levels	Per Registration	10%	10%	\$0	10%	10%	\$0
Range of Fee Increase for Contract Classes							
*To be Used based on Staff's Assessment of Need and Negotiations with Contract Instructors	Per Registration	20%	20%	\$0	20%	20%	\$0
Special Interest							
Baby Sitter Training	Per 2-Day Session	\$77	\$85	\$8	\$85	\$93	\$8
Cardio Kick Boxing	Per 6-Week Session	\$50	\$55	\$5	\$55	\$55	\$5
Cheer Prep	Per 4-Week Session	\$45	\$49	\$4	\$50	\$55	\$5
Cheer-Preschool	Per 4-Week Session	\$45	\$49	\$4	\$50	\$55	\$5
Dog Obedience-Advanced	Per 7-Week Session	\$95	\$104	\$9	\$105	\$115	\$10
Dog Obedience-Basic	Per 7-Week Session	\$115	\$126	\$11	\$127	\$140	\$13

Recreation Division, Continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	PER RESIDENT			PER NONRESIDENT		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
				+/-			+/-
Kidz Love Soccer Mommy/Daddy	Per 6-Week Session	\$76	\$84	\$8	\$84	\$92	\$8
Kids Love Soccer Pre-soccer	Per 6-Week Session	\$76	\$84	\$8	\$84	\$92	\$8
Kidz Love Soccer Soccer 1	Per 6-Week Session	\$76	\$84	\$8	\$84	\$92	\$8
Kidz Love Soccer Soccer 2	Per 6-Week Session	\$76	\$84	\$8	\$84	\$92	\$8
Tennis Camp - Teens	Per 1-Week Session	\$150	\$165	\$15	\$165	\$181	\$16
Zumba	Monthly Flat Rate Fee	\$50	\$55	\$5	\$55	\$60	\$5
Tae Kwon Do Teens	Per 10-Week Session; 1-Day Class Per Week	\$81	\$89	\$8	\$89	\$98	\$9
Tai Chi Beginning	Per 9-Week Session	\$62	\$68	\$6	\$68	\$75	\$7
Young Authors	Per 4-Week Session	\$60	\$66	\$6	\$66	\$73	\$7
Mother Goose	Per 4-Week Session	\$60	\$66	\$6	\$66	\$73	\$7
Athletic Perfection Rolls	Per 4-Week Session	\$60	\$66	\$6	\$66	\$73	\$7
On-Line Drivers Training	Per Class	\$69	\$75	\$7	\$76	\$84	\$8
PIYo	Monthly Flat Rate Fee	\$48	\$53	\$5	\$53	\$58	\$5
KidSAFE	Per 10-Week Session	\$90	\$99	\$9	\$99	\$109	\$10
LEGO Camp (Half Day)	Per Week	\$172	\$189	\$17	\$189	\$208	\$19
Tennis-Adult	Per 4-Week Session	\$50	\$55	\$5	\$55	\$60	\$5
Tennis-Tiny Tots	Per 4-Week Session	\$44	\$48	\$4	\$48	\$53	\$5
Tennis-Youth	Per 4-Week Session	\$50	\$55	\$5	\$55	\$60	\$5
Yoga-Adults	Per Calendar Month	\$32	\$35	\$3	\$35	\$38	\$3
Yoga-Seniors	Per Calendar Month	\$30	\$33	\$3	\$33	\$36	\$3
Action Gymnastics	Per 8-Week Session	\$75	\$82	\$7	\$83	\$91	\$8
Action Gymnastics Parent/Tot Beginner	Per 4-Week Session	\$25	\$27	\$2	\$28	\$31	\$3
Action Gymnastics Parent/Tot Advanced	Per 4-Week Session	\$30	\$33	\$3	\$33	\$36	\$3
Zumba	Per Calendar Month	\$80	\$88	\$8	\$88	\$97	\$9
Zumba Drop In for Seniors	Per Class	\$5	\$5	\$0	\$5	\$5	\$0
Tai Chi	Per Calendar Month	\$40	\$44	\$4	\$44	\$48	\$4
Tai Chi-Seniors	Per 4-Week Session	\$20	\$22	\$2	\$22	\$24	\$2
Basic Gardening	Per Class	\$25	\$27	\$2	\$28	\$31	\$3
Camps-Biology Camp	Per Week	\$200	\$220	\$20	\$220	\$242	\$22

Recreation Division, Continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	PER RESIDENT			PER NONRESIDENT		
		Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Camps-Build a Robot	Per Week	\$180	\$198	\$18	\$198	\$218	\$20
Camps-Kidsafe	Per 3-Week Session	\$90	\$99	\$9	\$99	\$109	\$10
Computer Tech Camp	Per 5-Day Session	\$135	\$148	\$13	\$149	\$164	\$15
	Per 5-Day Session	\$185	\$203	\$18	\$204	\$224	\$20
Tae Kwon Do Tots	Per 4-Week Session	\$43	\$47	\$4	\$47	\$52	\$5
Beginners Tennis Summer Camp	Per 1-Week Session	\$50	\$55	\$5	\$55	\$60	\$5
Special Interest (Contractor)							
Camps - Fencing	Per 1-Week Session	\$229	\$252	\$23	\$252	\$277	\$25
Camps - Skyhawks Sports	Per Week	\$159	\$175	\$16	\$175	\$192	\$17
Camps - Tennis	Per Week	\$150	\$165	\$15	\$165	\$181	\$16
Fencing for Beginners	Per 4-Week Session	\$90	\$99	\$9	\$99	\$109	\$10
Leaders in Training: Jr Rec Leaders	Per 2-Day Session	\$75	\$82	\$7	\$83	\$91	\$8
Youth & Teens							
Teen Events	Per Person	\$5	\$5	\$0	\$5	\$5	\$0
	Per Person	\$20	\$22	\$2	\$20	\$22	\$2
Girls Retreat	Per Person	\$10	\$11	\$1	\$10	\$11	\$1
Girl Talk Camp	Per Week	\$50	\$55	\$5	\$55	\$60	\$5
Teen Camps	Per Week	\$70	\$77	\$7	\$77	\$85	\$8
Extreme Sports Day (competition registration)	Per Person	\$10	\$11	\$1	\$10	\$11	\$1
Fashion Show	Per Person	\$10	\$11	\$1	\$10	\$11	\$1

SERVICE OR APPLICATION		UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
S.A.F.E. (Teen After School Program)	Minimum	Per Membership Per School Year	\$50	\$55	\$5
	Maximum	Per Membership Per School Year	\$100	\$110	\$10
		Fee Range Based on Direct Costs			
		Per Drop-In for Members	\$0	\$0	\$0
		Per Scrapbooking Class	\$5	\$5	\$0
		Per Cooking Class	\$5	\$5	\$0
Mobile recreation (Roll'n Rec)		Per Person	\$0	\$0	\$0
Youth Development					
Monthly ROC (Recreation on Campus After School)*		Fee Range Based on Direct Costs			
	Minimum	Per Regular, Per Month	\$180	\$198	\$18
	Maximum	Per Regular, Per Month	\$240	\$264	\$24
ROC (Recreation on Campus After School)					
Late Pick-Up		Fee Range Based on Direct Costs			
	Minimum	Per Minute	\$1	\$1	\$0
	Maximum	Per Half Hour	\$30	\$33	\$3
Daily ROC (Recreation on Campus After School)					
	Minimum	Fee Range Based on Direct Costs Per-Day	\$15	\$16	\$1
	Maximum	Per-Day	\$24	\$26	\$2
Hourly ROC (Recreation on Campus After School)					
		Fee Range Based on Direct Costs			
	Minimum	Per Hour-per Month	\$105	\$115	\$10
	Maximum	Per Hour-per Month	\$144	\$158	\$14
Summer Camp (Full Day) 7am-6pm					
		Fee Range Based on Direct Costs			
	Minimum	Per Week	\$140	\$154	\$14
	Maximum	Per Week	\$192	\$211	\$19
Summer Camp Extended Care Fees (7am-9am, 3pm-6pm)		Per Week	\$35	\$38	\$3
Summer Camp 9am-3pm ONLY		Fee Range Based on Direct Costs			
		Per Week	\$150	\$165	\$15
Summer Camp (Half Day) 9am-12pm or 1pm-4pm*					
		Fee Range Based on Direct Costs			
	Minimum	Per Week	\$65	\$71	\$6
	Maximum	Per Week	\$90	\$99	\$9

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Seniors				
Senior Health & Wellness				
Wil Jubilee Fitness	Per Class	\$0	\$0	\$0
Power Walk	Per Class	\$0	\$0	\$0
Senior Fitness				
Daily Drop-In	Per Class	\$1		\$0
25 - Visit Pass	Per Pass	\$20	\$22	\$2
Senior Self Defense	Per Class	\$1	\$1	\$0
Senior Indoor Tennis	Per Class	\$1	\$1	\$0
5 Visit - Ballroom Dance Pass	Per Pass	\$20	\$22	\$2
Senior Arts & Music				
12 Visit Drop-In Activities Card	Per Card	\$20	\$22	\$2
Arts & Craft Class	Per Class	\$0	\$0	\$0
Arts & Craft Project				
Minimum	Per Project	\$5	\$5	\$0
Maximum		\$10	\$11	\$1
Painting	Per Class	\$0	\$0	\$0
Scrapbooking	Per Class	\$0	\$0	\$0
Needle Art	Per Class	\$0	\$0	\$0
Jewelry Making	Per Class	\$10	\$11	\$1
Card Making	Per Class	\$2	\$2	\$0
Line Dancing	Per Class	\$2	\$2	\$0
Country Jams	Per Class	\$2	\$2	\$0
Senior Recreation				
Tea Social	Per Class	\$0	\$0	\$0
Bingo	Per Class	\$0	\$0	\$0
Social Recreation Programs	Per Class	\$0	\$0	\$0
Table Games	Per Class	\$0	\$0	\$0
Ping Pong	Per Class	\$0	\$0	\$0
Senior Special Events				
*Minimum	Per Event, Per Person (Includes Dances)	\$5	\$5	\$0
*Maximum	Per Event, Per Person (Includes Dances)	\$20	\$22	\$2
Booth for Special Events				
Non-Profit	Per Event	\$25	\$27	\$2
For-Profit		\$50	\$55	\$5
Fashion Show	Per Class	\$0	\$0	\$0
Tea Social	Per Class	\$0	\$0	\$0
Grandparents & Me Picnic	Per Person	\$5	\$5	\$0
Halloween Bash	Per Person	\$5	\$5	\$0
Lunch & a Movie	Per Person	\$5	\$5	\$0
Spring Time in Paris	Per Person	\$5	\$5	\$0
Senior Trips				
Bus Trips	Per Person	\$30	\$33	\$3
Resident				
Non-Resident		\$33	\$36	\$3
Senior Social Services				
Lunch Program	Per Month	\$0	\$0	\$0
AARP Programs	Per Month	\$0	\$0	\$0
Other Services	Per Month	\$0	\$0	\$0
Clubs	Per Month	\$0	\$0	\$0

Recreation Division, Continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Atheletics				
Adult Sports				
Adult Slow Pitch Leagues	Per Team			
Minimum		\$280	\$308	\$28
Maximum		\$520	\$571	\$51
League Fees Pending Format, Number of Games & Services				
Adult/Youth Fast Pitch Leagues	Per Team			
Minimum		\$450	\$495	\$45
Maximum		\$600	\$659	\$59
League Fees Pending Format, Number of Games & Services				
Adult/Youth Softball Tournament*	Per Team			
Minimum		\$250	\$275	\$25
Maximum		\$500	\$550	\$49.50
Tournaments vary based on type of tournament and awards provided				
Adult Softball Protest Fee	Per Protest	\$25	\$27	\$2
Adult Flag Football League	Per Team			
Minimum		\$400	\$440	\$40
Maximum		\$600	\$659	\$59
League Fees Pending Format, Number of Games & Services				
Adult Kick Ball League	Per Team			
Minimum		\$275	\$302	\$27
Maximum		\$400	\$440	\$40
League Fees Pending Format, Number of Games & Services				
Youth Sports				
Youth Basketball League (Youth Hoops)	Per Player			
Minimum - Resident		\$75	\$82	\$7
Maximum - Resident		\$80	\$88	\$8
Minimum - Non-Resident	Per Player	\$83	\$91	\$8
Maximum - Non-resident		\$88	\$97	\$9
Jr. Giants Youth Baseball (Free Program)		\$0	\$0	\$0
49er Prep Flag Football (Free Program)		\$0	\$0	\$0
Youth Sports Camps	Per Player			
Minimum - Resident		\$60	\$66	\$6
Maximum - Resident		\$80	\$88	\$8
Minimum - Non-Resident	Per Player	\$60	\$66	\$6
Maximum - Non-resident		\$88	\$97	\$9
Flag Football League	Per Player			\$0
Minimum - Resident		\$75	\$82	\$7
Maximum - Resident		\$90	\$99	\$9
Minimum - Non-Resident	Per Player	\$75	\$82	\$7
Maximum - Non-resident		\$99	\$109	\$10

Recreation Division, Continued

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
AQUATICS				
General Recreation Swim				
Individual Entrance Fee	Per Person	\$2	\$2	\$0
Minimum	Per Person	\$5	\$5	\$0
Maximum				
10 Visit Pass	Per Pass	\$15	\$15	\$1
Minimum	Per Pass	\$45	\$45	\$4
Maximum				
Swim Lessons				
Fees vary based on number of instruction Days				
Parent/Tot	Per Parent, Per Tot	\$55	\$55	\$5
Learn To Swim				
Minimum - Resident	Per Person	\$26	\$26	\$3
Maximum - Resident	Per Person, Per 2-Week Session	\$66	\$66	\$7
Minimum - Non-Resident	Per Person	\$29	\$29	\$3
Maximum - Non-resident	Per Person, Per 2-Week Session	\$66	\$66	\$7
Water Aerobics				
Drop-In	Per Person	\$4	\$4	\$0
Minimum	Per Person	\$8	\$8	\$1
Maximum				
10 Visit Pass	Per Pass	\$35	\$35	\$3
Minimum	Per Pass	\$75	\$75	\$7
Maximum				
Senior Water Exercise				
Drop-In	Per Person	\$4	\$4	\$0
10-Visit Pass	Per Pass	\$20	\$22	\$2
Lap Swimming				
Individual Entrance Fee	Per Person	\$3	\$3	\$0
Minimum	Per Person	\$5	\$5	\$0
Maximum				
10 Visit Pass	Per Pass	\$25	\$25	\$0
Minimum	Per Pass	\$45	\$45	\$0
Maximum				
Other Classes/Programs				
Introduction to Lifesaving				
Minimum - Resident	2 Week Session	\$55	\$55	\$0
Maximum - Resident		\$60	\$60	\$0
Minimum - Non-Resident	2 Week Session	\$61	\$61	\$0
Maximum - Non-resident		\$66	\$66	\$0
Swim Camp				
Minimum - Resident	2 Week Session	\$75	\$75	\$0
Maximum - Resident		\$100	\$100	\$0
Minimum - Non-Resident	2 Week Session	\$83	\$83	\$0
Maximum - Non-resident		\$110	\$110	\$0
Diving				
Minimum - Resident	2 Week Session	\$55	\$55	\$0
Maximum - Resident		\$60	\$60	\$0
Minimum - Non-Resident	2 Week Session	\$61	\$61	\$0
Maximum - Non-resident		\$66	\$66	\$0
Basic Water Polo				
Minimum - Resident	2 Week Session	\$55	\$55	\$0
Maximum - Resident		\$60	\$60	\$0
Minimum - Non-Resident	2 Week Session	\$61	\$61	\$0
Maximum - Non-resident		\$60	\$66	\$6
Life Guard Training				
Resident	1 Week Session	\$230	\$230	\$0
Non-Resident		\$253	\$253	\$0
Private Swim Lesson (one ½-hour session)				
Fees vary based on number of instruction Days				
Minimum - Resident	2 Week Session	\$50	\$50	\$0
Maximum - Resident		\$110	\$110	\$0
Minimum - Non-Resident	2 Week Session	\$55	\$55	\$0
Maximum - Non-resident		\$121	\$121	\$0

Recreation Division, Continued

SERVICE OR APPLICATION		UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
SPECIAL EVENTS					
Event Ticket	Minimum	Per Person	\$18	\$18	\$0
	Maximum		\$40	\$40	\$0
Event Booth Fee	Minimum	Per Booth	\$25	\$25	\$0
	Maximum		\$150	\$150	\$0
Contest Entry Fee	Minimum	Per Entry	\$25	\$25	\$0
	Maximum		\$40	\$40	\$0

POLICE DEPARTMENT
Sekou Millington, Police Chief

Police Department

Department Contact: Beth Lyons-McCarthy, Support Operations Manager

Asterisk "*" denotes fees established by Local, State or Federal Statute

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Alarm Permit; False Alarms				
Alarm User permit	Per Permit	\$24	\$26	\$2
False alarm costs:	4th Response	\$34	\$38	\$3
	5th Response	\$65	\$71	\$6
	6th Response	\$83	\$91	\$8
	7th Response	\$94	\$104	\$9
	(Plus penalties)			
Animal Services				
Animal adoption, Plus veterinary services	Per Animal	\$6	\$6	\$1
Animal bite	Per Call	\$35	\$39	\$4
Board and Care (Daily):				
For Impounded Dogs	Per Dog	\$18	\$19	\$2
For Impounded Cats	Per Cat	\$14	\$16	\$1
Cat carrier	Per Carrier	\$6	\$6	\$1
Cat neuter	Per Cat	\$59	\$65	\$6
Cat spay	Per Cat	\$106	\$117	\$11
Collar identification	Per Animal	\$3	\$3	\$0
Dog neuter	Per Dog	\$118	\$130	\$12
Dog spay	Per Dog	\$177	\$194	\$18
Impound: 1	Per Animal	\$24	\$26	\$2
Impound: 2	Per Animal	\$35	\$39	\$4
Impound: 3+	Per Animal	\$47	\$52	\$5
* Impound, additional State fee for unaltered, at large animals:				
1st	Per Animal	\$35	\$35	\$0
2nd	Per Animal	\$50	\$50	\$0
3rd	Per Animal	\$100	\$100	\$0
License fee: unaltered dogs	Per Dog, Per Year	\$59	\$65	\$6
License fee: altered dogs	Per Dog, Per Year	\$12	\$13	\$1
License fee: replacement for lost	Per License	\$6	\$6	\$1
Low cost spay/neuter voucher	Per Animal	\$24	\$26	\$2
Multiple pet permit application	Each	\$29	\$32	\$3
Owner surrender:				
Live animal	Per Animal	\$53	\$58	\$5
Deceased animal (not at shelter)	Per Animal	\$24	\$26	\$2
Rabies vaccination voucher	Per Animal	\$19	\$21	\$2
Vaccination	Per Animal	\$6	\$6	\$1
Veterinary Costs	At Cost		At Cost	
Bicycles		FY1718	FY1617	
License and Registration	Per 3 Years	\$7	\$8	\$1
Renewal	Per 3 Years	\$4	\$4	\$0
Bingo				
License	Each	\$59	\$65	\$6
Renewal	Each	\$12	\$13	\$1
Cardrooms				
License and renewal	Each	\$29	\$32	\$3
Dealer/work permit	Each	\$71	\$78	\$7
*Department of Justice Fee	Per Permit	\$32	\$32	\$0
Citation Sign-off for Agencies outside the City	Per Citation	\$18	\$19	\$2
Clearance Letter (for Immigration or Other Clearance Letter, Plus Fingerprint Fees)	Per Letter	\$18	\$19	\$2
*Crime Report Copy	Per Page	\$0.15	\$0.15	\$0
	Per Page, Bulletin Entry	\$0.15	\$0.15	\$0

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fee (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
DUI				
Accident Response and Investigation	Actual Personnel cost, up to \$12,000			\$0
Arrest and Report	Actual Personnel cost, up to \$1,000			\$0
*Concealed Weapons				
Concealed Weapons Permit	Per Permit (20% at application; 80% at permit issuance)	\$100	\$100	\$0
Department of Justice Live Scan Fee	Per Permit	\$95	\$95	\$0
Renewal	Per Permit Renewal	\$25	\$25	\$0
Department of Justice Fee - Payable to DOJ	Per Permit	\$52	\$52	\$0
Amended License	Per Amendment	\$10	\$10	\$0
Traffic collision report (for other than victim)	Per Report + .15 /Page after 25th Page	\$10+	\$10+	\$0
*DOJ, FBI and Fingerprint				
DOJ and FBI fee	Per Print	\$32-\$100	\$32-\$100	\$0
Fingerprint (City's rolling fee)	Per Request	\$20	\$20	\$0
*Firearms Sales Permit				
Department of Justice fee	Per Permit	\$35	\$34	\$1
		\$32	\$32	\$0
Palmistry License Fee				
New	Per License	\$649	\$713	\$64
Renewal	Per Renewal	\$413	\$454	\$41
Police Photo (reproduction)	Per Photo Reproduction	\$50	\$54	\$5
Plus traffic photo processing fee to insurance company	Per Photo	\$0.34	\$0.38	\$0.03
Police Special Services (for school and other semi-public special events)	Actual Personnel costs	\$0.33	\$0.37	\$0.03
*Repossession Release	Per Vehicle	\$18	\$15	(\$3)
*Second-hand Dealer/Pawn Broker				
New or Renewal (Check payable to DOJ)	Each	\$300	\$300	\$0
Department of Justice Livescan (for new permits)		\$32	\$32	\$0
Taxi Driver				
Permit	Per Permit	\$130	\$143	\$13
Renewal	Per Renewal (Plus Permit)	\$94	\$104	\$9
Background investigation	Each	\$12	\$13	\$1
(*City fingerprint fee)	Each	\$20	\$20	\$0
Tow Truck Driver/Attendant				
Permit	Per Permit	\$71	\$78	\$7
Renewal	Per Renewal (Plus Permit)	\$35	\$39	\$4
Vehicle Release	Per Vehicle	\$127	\$140	\$13
VIN Verification	Per Request	\$24	\$26	\$2
Storage of Firearms	Per Firearm, Per Day	\$60	\$66	\$6
	Plus + Per Domestic Violence Protective Order Per Day	\$2	\$2	\$0

erprint rolling fe

PUBLIC WORKS DEPARTMENT
Don Scholl, Director

Public Works Department

Department Contact: Robin Kloepper, Management Analyst II

SERVICE OR APPLICATION	UNITS BY WHICH CHARGED	Adopted Fees (FY1718)	Proposed Fees (FY2021)	Fee Change +/-
Banner Installation and Removal For Each Over-the-Street Banner Location ¹ For Each Street Light Banner Zone	Per Banner	\$236	\$259	\$23
	Zone 1	\$4,719	\$5,186	\$467
	Zone 2	\$1,180	\$1,296	\$117
	Zone 3	\$1,180	\$1,296	\$117
¹ Zone 1: Eleventh Street between Lammers Road and Corral Hollow Road Zone 2: Tenth Street between A Street and East Street Zone 3: Central Avenue between Eleventh Street and Sixth Street				

ATTACHMENT "A" APPENDICES

Appendix I

Finance Department

Administrative Services Department

Legal Codes

Legal Codes

Tracy Municipal Code

6.04.130 - Duty of City to issue license certificates.

It shall be the duty of the City to prepare and issue a license certificate pursuant to the provisions of this chapter for every person liable to pay a business tax and to state in each license certificate the period of time covered thereby; the name of the person or business to whom issued; the business classification to which the license certificate is issued; the trade, calling, profession, or occupation to which the license certificate is issued; the number of the section of this chapter under which such license certificate is issued; and the location or place of business where such trade, calling, profession, or occupation is to be carried on.

No license certificate granted or issued under any provision of this chapter shall be in any manner transferred or assigned, nor shall such license certificate authorize any person, other than is therein mentioned or named, to not pay a business tax without the written authorization of the City endorsed thereon. At the time any such license certificate is assigned or transferred, the person applying for such transfer shall pay to the City a fee of Five and no/100ths (\$5.00) Dollars for each such transfer or assignment.

The City shall make a charge of Five and no/100ths (\$5.00) Dollars for each duplicate license certificate issued to replace any license certificate issued under the provisions of this chapter which has been lost or destroyed. In no case shall any mistake made by the City in stating the amount of a business tax prevent or prejudice the collection by the City of what shall be actually due from any one carrying on a trade, calling, profession, or occupation subject to business tax under this chapter.



State of California

GOVERNMENT CODE

Section 4467

4467. (a) On and after January 1, 2013, and until December 31, 2018, any applicant for a local business license or equivalent instrument or permit, and from any applicant for the renewal of a business license or equivalent instrument or permit, shall pay an additional fee of one dollar (\$1) for that license, instrument, or permit, which shall be collected by the city, county, or city and county that issued the license, instrument, or permit.

(b) The city, county, or city and county shall retain 70 percent of the fees collected under this section, of which up to 5 percent of the retained moneys may be used for related administrative costs of this chapter. The remaining moneys shall be used to fund increased certified access specialist (CASp) services in that jurisdiction for the public and to facilitate compliance with construction-related accessibility requirements. The highest priority shall be given to the training and retention of certified access specialists to meet the needs of the public in the jurisdiction as provided in Section 55.53 of the Civil Code.

(c) The remaining 30 percent of all fees collected under this section shall be transmitted on a quarterly basis to the Division of the State Architect for deposit in the Disability Access and Education Revolving Fund established under Sections 4465 and 4470. The funds shall be transmitted within 15 days of the last day of the fiscal quarter. The Division of the State Architect shall develop and post on its Internet Web site a standard reporting form for use by all local jurisdictions. Up to 75 percent of the collected funds in the Disability Access and Education Revolving Fund shall be used to establish and maintain oversight of the CASp program and to moderate the expense of CASp certification and testing.

(d) Each city, county, or city and county shall make an annual report, commencing March 1, 2014, to the Division of the State Architect of the total fees collected in the previous calendar year and of its distribution, including the moneys spent on administrative services, the activities undertaken and moneys spent to increase CASp services, the activities undertaken and moneys spent to fund programs to facilitate accessibility compliance, and the moneys transmitted to the Disability Access and Education Revolving Fund.

(Amended by Stats. 2015, Ch. 25, Sec. 4. (SB 84) Effective June 24, 2015.)

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Appendix II

City Manager's Office

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City Manager's Office

Legal Codes



State of California

GOVERNMENT CODE

Section 6253

6253. (a) Public records are open to inspection at all times during the office hours of the state or local agency and every person has a right to inspect any public record, except as hereafter provided. Any reasonably segregable portion of a record shall be available for inspection by any person requesting the record after deletion of the portions that are exempted by law.

(b) Except with respect to public records exempt from disclosure by express provisions of law, each state or local agency, upon a request for a copy of records that reasonably describes an identifiable record or records, shall make the records promptly available to any person upon payment of fees covering direct costs of duplication, or a statutory fee if applicable. Upon request, an exact copy shall be provided unless impracticable to do so.

(c) Each agency, upon a request for a copy of records, shall, within 10 days from receipt of the request, determine whether the request, in whole or in part, seeks copies of disclosable public records in the possession of the agency and shall promptly notify the person making the request of the determination and the reasons therefor. In unusual circumstances, the time limit prescribed in this section may be extended by written notice by the head of the agency or his or her designee to the person making the request, setting forth the reasons for the extension and the date on which a determination is expected to be dispatched. No notice shall specify a date that would result in an extension for more than 14 days. When the agency dispatches the determination, and if the agency determines that the request seeks disclosable public records, the agency shall state the estimated date and time when the records will be made available. As used in this section, "unusual circumstances" means the following, but only to the extent reasonably necessary to the proper processing of the particular request:

(1) The need to search for and collect the requested records from field facilities or other establishments that are separate from the office processing the request.

(2) The need to search for, collect, and appropriately examine a voluminous amount of separate and distinct records that are demanded in a single request.

(3) The need for consultation, which shall be conducted with all practicable speed, with another agency having substantial interest in the determination of the request or among two or more components of the agency having substantial subject matter interest therein.

(4) The need to compile data, to write programming language or a computer program, or to construct a computer report to extract data.

State of California

GOVERNMENT CODE

Section 8211

8211. Fees charged by a notary public for the following services shall not exceed the fees prescribed by this section.

(a) For taking an acknowledgment or proof of a deed, or other instrument, to include the seal and the writing of the certificate, the sum of ten dollars (\$10) for each signature taken.

(b) For administering an oath or affirmation to one person and executing the jurat, including the seal, the sum of ten dollars (\$10).

(c) For all services rendered in connection with the taking of any deposition, the sum of twenty dollars (\$20), and in addition thereto, the sum of five dollars (\$5) for administering the oath to the witness and the sum of five dollars (\$5) for the certificate to the deposition.

(d) No fee may be charged to notarize signatures on vote by mail ballot identification envelopes or other voting materials.

(e) For certifying a copy of a power of attorney under Section 4307 of the Probate Code the sum of ten dollars (\$10).

(f) In accordance with Section 6107, no fee may be charged to a United States military veteran for notarization of an application or a claim for a pension, allotment, allowance, compensation, insurance, or any other veteran's benefit.

(Amended by Stats. 2011, Ch. 269, Sec. 7. (AB 75) Effective January 1, 2012.)

(d) Nothing in this chapter shall be construed to permit an agency to delay or obstruct the inspection or copying of public records. The notification of denial of any request for records required by Section 6255 shall set forth the names and titles or positions of each person responsible for the denial.

(e) Except as otherwise prohibited by law, a state or local agency may adopt requirements for itself that allow for faster, more efficient, or greater access to records than prescribed by the minimum standards set forth in this chapter.

(Amended by Stats. 2001, Ch. 355, Sec. 2. Effective January 1, 2002.)

Legal Codes

Tracy Municipal Code

1.12.010 - Right to appeal to City Manager.

- (a) Informal discussion with department head. A person aggrieved by an administrative action by an officer or employee under this Code should first attempt to discuss the matter with the department head of the department taking the action.
- (b) Appeal to City Manager. A person aggrieved by an administrative action who is unable to resolve the matter with the department head under subsection (a) above may appeal the action to the City Manager, unless the procedure for appeal is otherwise specifically provided in this Code or State law. (See chapter 10.08 for most land use appeals.) The City Manager may, in his or her discretion, refer the matter directly to the City Council to hear the appeal.
- (c) Waiver of rights. Without a timely appeal, a person or appellant waives his or her rights to challenge the decision by administrative process, judicial process or any other legal proceeding.
- (d) Procedures.
- (1) The person appealing shall file a written notice of appeal with the City Manager within ten (10) working days of the action appealed from. As used in this section, the term "City Manager" means the manager or his or her designee. The appeal shall be filed on a form provided by the City Manager's office. The ten (10) working days for filing the appeal is measured from the date written notice of the decision is sent (or personally delivered) to the person. If there is no written notice of decision, the time for appeal is twenty (20) working days from the date of the decision.
- (2) The appeal must be accompanied by the appeal fee in the amount established by City Council resolution.
- (3) Upon receiving the notice of appeal, the City Manager shall set the matter for hearing and shall give the person appealing written notice of the time and place of hearing at least ten (10) days before the hearing. The hearing shall be held within thirty (30) days of the date the notice of appeal is filed. The parties may extend this time by agreement. The hearing is not limited by technical rules of evidence. The City Manager may affirm, modify or reverse the decision appealed. The City Manager shall render a written decision within ten (10) days after the close of the hearing.
- (4) The decision of the City Manager is final ten (10) days after the written notice of the decision is given to the appellant, unless an appeal to the City Council is authorized under section 1.12.020 below.
- (e) First Amendment. If the appeal involves expressive conduct protected by the First Amendment under the State or Federal Constitution, the appeal process shall be expedited as

much as reasonably possible. The appellant must state the expressive conduct protected in the written appeal.

- (f) Not a claim. The filing of an appeal under this or any section of this Code does not constitute the filing of a claim under chapter 1.24.

(Ord. 1111 § 4 Exh. A (part), 2007: prior code § 1-4.01)

1.12.020 - Appeal to City Council.

- (a) When applicable. A matter is appealable to the City Council only under the following circumstances:

- (1) If specifically authorized under this Code;
- (2) If the City Manager refers an appeal to the Council under section 1.12.010(b); or
- (3) If otherwise required by law.

- (b) Procedures.

- (1) If a matter is appealable to the City Council, the appellant may appeal the City Manager's decision by filing a written notice of appeal with the City Clerk within ten (10) working days of the City Manager's written determination. The appeal shall be filed on a form provided by the City Manager's office. The ten (10) working days for filing the appeal is measured from the date written notice of the decision is sent (or personally delivered) to the person. If there is no written notice of decision, the time for appeal is twenty (20) working days from the date of the decision.

- (2) The appeal must be accompanied by the appeal fee in the amount established by City Council resolution.

- (3) Upon receiving the notice of appeal, the City Clerk shall set the matter for hearing and shall give the person appealing written notice of the time and place of hearing at least ten (10) days before the hearing. The hearing shall be held within thirty (30) days of the date the notice of appeal is filed. The parties may extend this time by agreement. The hearing is not limited by technical rules of evidence. The Council may continue the hearing from time to time. The City Council may affirm, modify or reverse the decision appealed.

- (4) The City Council shall adopt a resolution reflecting its decision by the time of the next regular City Council meeting after the close of the hearing.

- (5) The decision of the city council is final.

- (c) First Amendment. If the appeal involves expressive conduct protected by the First Amendment under the State or Federal Constitution, the appeal process shall be expedited as much as reasonably possible. The appellant must state the expressive conduct protected in the written appeal.

(Ord. 1111 § 4 Exh. A (part), 2007: prior code § 1-4.02)

1.12.030 - Hearing Officer.

When an impartial Hearing Officer is required by law (including under this Code), the City Manager shall designate the Hearing Officer. The designated Hearing Officer shall be an impartial person, such as (1) a city employee from a department which has no involvement in the matter, or (2) someone selected randomly from a panel of law students and/or local attorneys willing to volunteer as a Hearing Officer, or (3) someone hired from an organization which provides Hearing Officers, in which case the cost will be shared equally by the City and the person requesting the hearing.

(Ord. 1111 § 4 Exh. A (part), 2007: prior code § 1-4.03)

3.36.010 - Fee schedule.

The City Council shall by resolution action taken from time to time establish a fee schedule for services provided to the public by the departments of the City.

(Prior code § 3-9.01)

6.32.030 – Registration.

- (a) Registration. Except as provided in subsection (b), each lobbyist must register with the City Clerk by filing a written statement under penalty of perjury. The written statement must be submitted on the form provided by the City Clerk, and will include:
- (1) The lobbyist's full name, business address, telephone number, and email address. If the lobbyist is a firm, the information must include the information for the firm, and for each firm member who may be involved in the lobbying activity;
 - (2) The client's name, business address, telephone number and email address; and
 - (3) The governmental decision(s) that may be affected.

If there is a change to the written information, the lobbyist must submit an amended registration within 15 days of the change.

- (b) Timing. The registration must be filed or renewed on an annual basis during January of each year, or within 15 days of the initial employment, whichever occurs first. The initial registration period begins 30 days after this chapter takes effect.
- (c) Fees. When registering or renewing, the applicant must pay the registration or renewal fee in the amount established by City Council resolution.
- (d) Public information. The City will make registration information available to the public on its website.

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City Manager's Office

Resolutions

RESOLUTION 2016-025

**A RESOLUTION OF THE CITY OF TRACY
APPROVING AN AMENDMENT TO THE MASTER FEE SCHEDULE REGARDING LOBBYIST
REGISTRATION AND RENEWAL FEES**

WHEREAS, on May 19, 2015, the City Council adopted the amended, City-wide Master Fee Schedule (Resolution No. 2015-075); and

WHEREAS, at the same meeting as it considered this resolution, the City Council introduced an ordinance adding a new Chapter 6.32, Lobbying, to the Tracy Municipal Code; and

WHEREAS, Section 6.32.030 of the Lobbying ordinance requires lobbyists to register with the City and to renew their registration annually, and these requirements are subject to fees established by the City Council; and

WHEREAS, the adoption of this amendment to the Master Fee Schedule is not subject to the California Environmental Quality Act because it is not a project which has the potential for causing a significant effect on the environment. (CEQA Guidelines, 14 Cal. Code of Regs. §15061(b)(3).). Further, the adoption on this amendment is state-mandated and not subject to the notice requirements of Government Code section 66018.

NOW, THEREFORE, the Tracy City Council resolves as follows:

1. The Master Fee Schedule is amended as follows:

Page 9 of the 2015 Master Fee Schedule, City Clerk and City Manager's Departments, is amended by adding a new Lobbyist Registration fee, to read as follows:

SERVICE OR APPLICATION	FEE	LEGAL AUTHORITY
Lobbyist Registration	\$70.00	TMC §6.32.030 (c)
Annual Renewal	\$35.00	
Late fee	\$10 per week, to maximum of \$500	

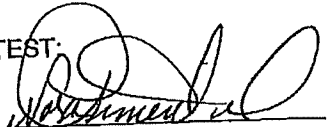
2. This Resolution takes effect 30 days after the Lobbying regulations ordinance is adopted.

The foregoing Resolution 2016-025 was passed and adopted by the Tracy City Council on February 2, 2016 by the following vote:

AYES: COUNCIL MEMBERS: MITRACOS, VARGAS, YOUNG, RICKMAN, MACIEL
NOES: COUNCIL MEMBERS: NONE
ABSENT: COUNCIL MEMBERS: NONE
ABSTAIN: COUNCIL MEMBERS: NONE


MAYOR

ATTEST:


CITY CLERK

RESOLUTION 2009-003

ADOPTING RECOMMENDED GENERAL FUND SUBSIDY LIMIT GOALS
AND ASSOCIATED FEES FOR PROGRAMS AND FACILITY USE
PROVIDED THROUGH THE PARKS AND COMMUNITY SERVICES
DEPARTMENT AND THE CULTURAL ARTS DIVISION

WHEREAS, The City of Tracy charges certain fees for public use of City buildings and rooms, park facilities, and sports fields; and

WHEREAS, The City of Tracy also charges fees for public participation in City cultural arts and recreation programs and for admission to events and facilities; and

WHEREAS, The Parks and Community Services Commission has recommended adoption of the facility rental and recreation program fees.

NOW, THEREFORE, BE IT RESOLVED, That the City Council hereby adopts the Facility Rental and Recreation and Cultural Arts Program Fee Schedules attached to the staff report accompanying this agenda item, the Cultural Arts Admission fee calculation methodology set forth in the staff report accompanying this agenda item, and the Interim Program Fee Calculation Policy attached to the staff report accompanying this agenda item.

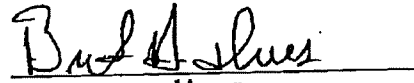
The foregoing Resolution 2009-003 was passed and adopted by the Tracy City Council on the 6th day of January, 2009, by the following vote:

AYES: COUNCIL MEMBERS: ABERCROMBIE, MACIEL, TOLBERT, TUCKER, IVES

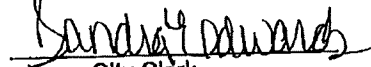
NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: NONE


Mayor

ATTEST:


City Clerk

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
ARTS EDUCATION CLASSES (class prices are set within a range negotiated with the Instructor)					\$10,570
Dance - Preschool Combo	Per Session	\$55	\$60	\$5	\$550
Dance - Tap for Tots	Per Session	\$25	\$30	\$5	\$400
Dance - Kindergarten Combo	Per Session	\$46	\$51	\$5	\$475
Dance - Ballet I/II	Per Session	\$46	\$51	\$5	\$425
Dance - Hip-Hop Klds	Per Session	\$55	\$60	\$5	\$525
Dance - Hip-Hop Teens	Per Session	\$55	\$60	\$5	\$450
Dance - Hip-Hop Adults	Per Session	\$55	\$60	\$5	\$325
Dance - Ballroom Troupe	Per Session	\$90	\$95	\$5	\$140
Dance - Ballroom Troupe Rehearsal	Per Session	\$40	\$45	\$5	\$110
Dance - Private Ballroom Dance	Per Session	\$120	\$125	\$5	\$90
Dance - Social Dance Sampler	Per Session	\$40	\$45	\$5	\$775
Dance - Beyond the Basics	Per Session	\$20	\$25	\$5	\$300
Dance - Ballet Folklorico	Per Session	\$45	\$50	\$5	\$150
Dance - Beginning Belly Dance	Per Session	\$55	\$60	\$5	\$250
Dance - Parent & Child Hula	Per Session	\$50	\$55	\$5	\$100
Dance - Wedding Dance Prep	Per Session	\$30	\$35	\$5	\$150
Dance - Swing	Per Session	\$55	\$60	\$5	\$440
Dance - Tahitian	Per Session	\$55	\$60	\$5	\$125
Dance - Ballet/Tap Camp for Youth	5 Days	\$60	\$65	\$5	\$75
Dance - Hip-Hop Camp for Youth	5 Days	\$70	\$75	\$5	\$100
Dance - Hula/Tahitian Camp for Youth	6 Days	\$65	\$70	\$5	\$75
Drama - Beg. Acting for Youth	Per Session	\$75	\$80	\$5	\$400
Drama - Beg. Acting for Teens	Per Session	\$75	\$80	\$5	\$340
Drama - Intmd. Acting for Youth	Per Session	\$75	\$80	\$5	\$225
Drama - Intmd. Acting for Teens	Per Session	\$75	\$80	\$5	\$170
Drama - Private Audition Technique	Per Session	\$100	\$105	\$5	\$75
Drama - Adult Acting Workshop	Per Workshop	\$72	\$77	\$5	\$60
Drama - Adult Acting Technique	Per Session	\$120	\$125	\$5	\$40
Drama - Auditioning for TV/Film	Per Session	\$120	\$125	\$5	\$85
Drama - Auditioning for TV/Film II	Per Session	\$120	\$125	\$5	\$60
Drama - Audition for TV/Film Workshop	Per Workshop	\$72	\$77	\$5	\$60
Drama - Audition for TV/Film Workshop II	Per Workshop	\$72	\$77	\$5	\$150
Drama - Youth Drama Camp	2.5 Weeks	\$150	\$155	\$5	\$125
Drama - Teen Drama Camp	2.5 Weeks	\$150	\$155	\$5	\$45
Drama - Adult Theatre Production	Per Session	\$200	\$205	\$5	\$90
Music - Group Voice	Per Session	\$80	\$85	\$5	\$175
Music - Music Together	Per Session	\$150	\$155	\$5	\$60
Music - Music Together Camp	5 Days	\$60	\$65	\$5	\$225
Music - Private Voice	Per Session	\$120	\$125	\$5	\$225
Music - Private Guitar	Per Session	\$120	\$125	\$5	\$225
Music - Private Piano	Per Session	\$120	\$125	\$5	\$85
Music - Private Drums	Per Session	\$120	\$125	\$5	\$50
Music - Private Flute	Per Session	\$120	\$125	\$5	\$50
Music - Private Violin	Per Session	\$120	\$125	\$5	\$40
Music - Private Cello	Per Session	\$120	\$125	\$5	\$40
Music - Private Saxophone	Per Session	\$120	\$125	\$5	\$80
Music - Private Guitar Spanish	Per Session	\$145	\$150	\$5	\$80
Music - Group Guitar Spanish	Per Session	\$145	\$150	\$5	\$75
Music - Group Guitar Seniors	Per Session	\$145	\$150	\$5	\$85
Music - Mommy & Me Piano	Per Session	\$100	\$105	\$5	\$75
Music - Rock Band	Per Session	\$300	\$305	\$5	\$90
Music - Concert Band	Per Session	\$240	\$245	\$5	\$75
Music - Jazz Improv	Per Session	\$145	\$150	\$5	\$90
Ceramics - Beg. Wheel Throwing 8 weeks	2 x week	\$200	\$205	\$5	\$75
Ceramics - Beg. Wheel Throwing	1 x week	\$180	\$185	\$5	

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
Ceramics - Youth Hand Building	Per Session	\$45	\$50	\$5	\$40
Ceramics - Hand Building Workshop	Per Workshop	\$50	\$55	\$5	\$60
Ceramics - Studio Time 1 Month	1 Month	\$100	\$105	\$5	\$60
Ceramics - Studio Time 2 Months	2 Months	\$180	\$185	\$5	\$45
Ceramics - Studio Time 3 Months	3 Months	\$300	\$305	\$5	\$70
Ceramics - Parent & Child Hand Building	Per Session	\$25	\$30	\$5	\$175
Ceramics - Pottery Decorating	Per Workshop	\$12	\$17	\$5	\$35
Ceramics - Pottery Camp for Kids	Per Week	\$75	\$80	\$5	\$75
Ceramics - Pottery Camp for Teens	Per Week	\$75	\$80	\$5	\$140
Visual Arts - Parent & Child Painting	Per Session	\$45	\$50	\$5	\$140
Visual Arts - Intro to Art I	Per Session	\$75	\$80	\$5	\$145
Visual Arts - Intro to Art II	Per Session	\$75	\$82	\$5	\$250
Visual Arts - Preschool Drawing	Per Session	\$57	\$62	\$5	\$295
Visual Arts - Youth Cartoon Drawing	Per Session	\$57	\$62	\$5	\$100
Visual Arts - Elementary Drawing	Per Session	\$50	\$55	\$5	\$95
Visual Arts - Creative Writing & Illustrating	Per Session	\$95	\$100	\$5	\$110
Visual Arts - Intro to Art for Adults	Per Session	\$75	\$80	\$5	\$90
Visual Arts - Beginning Drawing I	Per Session	\$75	\$80	\$5	\$125
Visual Arts - Beginning Drawing II	Per Session	\$80	\$85	\$5	\$125
Visual Arts - Landscape Painting	Per Session	\$80	\$85	\$5	\$170
Visual Arts - Landscape Painting II	Per Session	\$80	\$85	\$5	\$140
Visual Arts - Intro to Oil/Acrylic Painting	Per Session	\$80	\$85	\$5	\$60
Visual Arts - Intmd. Oil/Acrylic Painting	Per Workshop	\$40	\$45	\$5	\$90
Visual Arts - Acrylic Painting Workshop	Per Session	\$65	\$70	\$5	\$90
Visual Arts - Glass Fusing	Per Session	\$70	\$75	\$5	\$120
Visual Arts - Glass Fusing for Couples	Per Day	\$10	\$15	\$5	\$225
Visual Arts - Glass Fusing Studio	Per Workshop	\$5	\$10	\$5	\$60
Visual Arts - Family Series Workshops	3 Days	\$53	\$58	\$5	\$95
Visual Arts - 3 Day Drawing Camp	4 Days	\$70	\$75	\$5	\$60
Visual Arts - 4 Day Drawing Camp	4 Days	\$60	\$65	\$5	\$80
Visual Arts - 4 Day Painting Camp	Per Week	\$75	\$80	\$5	\$80
Visual Arts - 5 Day Painting Camp	Per Week	\$55	\$60	\$5	\$85
Visual Arts - Writing & Illustrating Camp	Per Session	\$100	\$105	\$5	\$70
Visual Arts - Digital Photography	Per Workshop	\$40	\$45	\$5	\$60
Visual Arts - Photography for Travel Workshop	1 Month	\$50	\$55	\$5	\$80
Visual Arts - Studio Time 1 Month	2 Months	\$100	\$105	\$5	\$80
Visual Arts - Studio Time 2 Months	3 Months	\$150	\$155	\$5	\$220
Visual Arts - Studio Time 3 Months	Per Session	\$45	\$50	\$5	\$375
Visual Arts - Beginning Watercolor	Per Session	\$45	\$50	\$5	\$90
Visual Arts - Intermediate Watercolor	Per Month	\$30	\$35	\$5	\$60
Visual Arts - Watercolor Studio 1 Month	Per Session	\$65	\$70	\$5	\$60
Visual Arts - Multi-Media for Adults	Per Session	\$55	\$60	\$5	\$50
Visual Arts - Multi-Media for Children	Per Session	\$75	\$80	\$5	\$525
Visual Arts - Life Drawing for Adults	Per Workshop	\$0	\$5	\$5	\$150
Special Events - Music First Concert	Per Workshop	\$0	\$5	\$5	
Special Events - Artist in Residency Workshop	Per Workshop	\$0	\$5	\$5	

TOTALS	\$10,570

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
CITY PRESENTING SEASON					\$0.00
ETK THEATRE	Per Ticket	\$37.42	\$37.42	\$0	\$0.00
11 performances @ 250 person attendance					
STUDIO THEATRE	Per Ticket	\$24.49	\$24.49	\$0	\$0.00
2 Performances @ 75 persons attendance					

(Based on average ticket admission and average attendance per performance)

RENTALS					\$1,458
ETK THEATRE (Revenue amounts reflect the minimum that are expected to come in)					
Prime Time Rental - Non-Profit (Performance)	8 hours	\$560	\$574	\$14	\$280
*Fees may be adjusted to a percentage based on gross revenues					
Prime Time Rental - Commercial (Performance)	8 hours	\$1,680	\$1,722	\$42	\$252
*Fees may be adjusted to a percentage based on gross revenues					
Each Additional Hour - Non-Profit (Performance)	Hourly	\$100	\$100	\$0	\$0
Each Additional Hour - Commercial (Performance)	Hourly	\$300	\$300	\$0	\$0
Non-Prime Time Rental - Non-Profit (Performance)	8 hours	\$250	\$287	\$37	\$888
Non-Prime Time Rental - Commercial (Performance)	8 hours	\$750	\$750	\$0	\$0
Each Additional Hour - Non-Profit (Performance)	Hourly	\$100	\$100	\$0	\$0
Each Additional Hour - Commercial (Performance)	Hourly	\$300	\$300	\$0	\$0
Non-Prime Time Rental - Non-Profit (Rehearsal)	8 hours	\$125	\$143	\$18	\$36
Non-Prime Time Rental - Commercial (Rehearsal)	8 hours	\$375	\$375	\$0	\$0
Each Additional Hour - Non-Profit (Rehearsal)	Hourly	\$100	\$100	\$0	\$0
Each Additional Hour - Commercial (Rehearsal)	Hourly	\$300	\$300	\$0	\$0

*Rental fees are a minimum flat rate listed above or 10% of gross sales for non-profit and 15% for commercial whichever is greater.

STUDIO THEATRE (Revenue amounts reflect the minimum that are expected to come in)					(\$1,030)
Prime Time Rental - Non-Profit (Performance)	4 hours	\$120	\$110	(\$10)	(\$300)
(*Fees may be adjusted to a percentage based on gross revenues)					
Prime Time Rental - Commercial (Performance)	4 hours	\$360	\$330	(\$30)	(\$180)
(*Fees may be adjusted to a percentage based on gross revenues)					
Each Additional Hour - Non-Profit (Performance)	Hourly	\$60	\$60	\$0	\$0
Each Additional Hour - Commercial (Performance)	Hourly	\$180	\$180	\$0	\$0
Non-Prime Time Rental - Non-Profit (Performance)	4 hours	\$90	\$80	(\$10)	\$0
Non-Prime Time Rental - Commercial (Performance)	4 hours	\$240	\$240	\$0	\$0
Each Additional Hour - Non-Profit (Performance)	Hourly	\$60	\$60	\$0	\$0
Each Additional Hour - Commercial (Performance)	Hourly	\$180	\$180	\$0	\$0
Non-Prime Time Rental - Non-Profit (Rehearsal)	4 hours	\$90	\$80	(\$10)	(\$550)
Non-Prime Time Rental - Commercial (Rehearsal)	4 hours	\$240	\$240	\$0	\$0
Each Additional Hour - Non-Profit (Rehearsal)	Hourly	\$60	\$60	\$0	\$0
Each Additional Hour - Commercial (Rehearsal)	Hourly	\$180	\$180	\$0	\$0

*Rental fees are a minimum flat rate listed above or 10% of gross sales for non-profit and 15% for commercial whichever is greater.

DANCE STUDIO					\$0
Class/Meeting - Non-Profit	2 hours	\$75	\$75	\$0	\$0
Class/Meeting - Commercial	2 hours	\$225	\$225	\$0	\$0
Each Additional Hour - Non-Profit	Hourly	\$40	\$40	\$0	\$0
Each Additional Hour - Commercial	Hourly	\$115	\$115	\$0	\$0

VISUAL ARTS STUDIO I & II					\$0
Class/Meeting - Non-Profit	2 hours	\$75	\$75	\$0	\$0
Class/Meeting - Commercial	2 hours	\$225	\$225	\$0	\$0
Each Additional Hour - Non-Profit	Hourly	\$40	\$40	\$0	\$0
Each Additional Hour - Commercial	Hourly	\$115	\$115	\$0	\$0

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
CHILDREN'S ART STUDIO - Includes any room set up and tear down					\$0
Class/Meeting - Non-Profit	2 hours	\$75	\$75	\$0	\$0
Class/Meeting - Commercial	2 hours	\$225	\$225	\$0	\$0
Each Additional Hour - Non-Profit	Hourly	\$40	\$40	\$0	\$0
Each Additional Hour - Commercial	Hourly	\$115	\$115	\$0	\$0
LARGE MUSIC ROOM - Includes any room set up and tear down					\$0
Class/Meeting - Non-Profit	2 hours	\$25	\$25	\$0	\$0
Class/Meeting - Commercial	2 hours	\$100	\$100	\$0	\$0
Each Additional Hour - Non-Profit	Hourly	\$35	\$35	\$0	\$0
Each Additional Hour - Commercial	Hourly	\$125	\$125	\$0	\$0
MUSIC ROOM - Includes any room set up and tear down					\$0
Class (Medium) - Non-Profit	2 hours	\$25	\$25	\$0	\$0
Class (Medium) - Commercial	2 hours	\$100	\$100	\$0	\$0
Practice & Each Additional Hour - Non-Profit	Hourly	\$35	\$35	\$0	\$0
Practice & Each Additional Hour - Commercial	Hourly	\$125	\$125	\$0	\$0
CERAMICS STUDIO - Not available to rent at this time					
LOBBY AREA - Only available to rent in conjunction with another rental; must remain open to the public during public hours.					\$900
*Rental fees are based on the capacity of standing person in the lobby areas.					
Lobby Area Upstairs - Non-Profit	4 hours	\$0	\$250	\$250	\$500
Lobby Area Upstairs - Commercial	4 hours		\$500	\$500	\$0
Lobby Area Downstairs - Non-Profit	4 hours	\$0	\$200	\$200	\$400
Lobby Area Downstairs - Commercial	4 hours		\$400	\$400	\$0
LOGGIA/GALLERY - Gallery must remain open to the public during public hours; no altering of the exhibit					\$3,200
Loggia Reception - Non-Profit	Hourly	\$50	\$50	\$0	\$0
Loggia Reception - Commercial	Hourly	\$150	\$150	\$0	\$0
*Gallery - Non-Profit	Hourly	\$0	\$100	\$100	\$3,200
*Gallery - Commercial	Hourly	\$0	\$300	\$300	\$0
BOX OFFICE SERVICES					\$2,800
Per Performance - Non-Profit	Each	\$100	\$100	\$0	\$0.00
Per Performance - Commercial	Each	\$100	\$300	\$200	\$1,200
Per Ticket Charge to Patron	Each	\$3	\$3	\$0	\$1,500
Marquee Listing - Non-Profit	Daily	\$50	\$50	\$0	\$0
Marquee Listing - Commercial	Daily	\$50	\$100	\$50	\$100
EQUIPMENT RENTALS					\$2,000
Grand Piano	Use	\$900	\$1,400	\$500	\$0
Baby Grand Piano	Use	\$500	\$900	\$400	\$0
Piano Tuning at Renters Expense	Each	\$150	\$150	\$0	\$0
Installation/Removal of Apron for Orchestra Pit	Use	\$200	\$250	\$50	\$0
Wireless Microphones	Daily	\$25	\$25	\$0	\$0
Microphone Stands	Use	\$10	\$0	(\$10)	\$0
Follow Spot	Use	\$100	\$360	\$250	\$2,000
Video Projector	Daily	\$100	\$100	\$0	\$0
Laptop Computer	Use	\$50	\$50	\$0	\$0

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
Screen - Non-Profit	Use	\$30	\$30	\$0	\$0
Screen - Commercial	Use	\$30	\$90	\$60	\$0
6' Miltey Light Tables	Use	\$0	\$5	\$5	\$0
3' Round Tables	Use	\$0	\$10	\$10	\$0
Cocktail Tables	Use	\$0	\$15	\$15	\$0
Wooden Classroom Chairs	Use	\$0	\$5	\$5	\$0
Louvre Easels	Use	\$0	\$7	\$7	\$0
Cocktail Barstools	Use	\$0	\$10	\$10	\$0
LCD Projector Per Day/Event	Use	\$100	\$100	\$0	\$0
					\$0
STAFF FEES					
Technical Theatre Supervisor	Hourly	\$56	\$56	\$0	\$0
Theatre Technicians	Hourly	\$40	\$40	\$0	\$0
General Stagehands	Hourly	\$20	\$20	\$0	\$0
Follow Spot Operator	Hourly	\$15	\$15	\$0	\$0
Merchandise Salesperson	Hourly	\$15	\$15	\$0	\$0
Gallery Supervisor	Hourly	\$40	\$40	\$0	\$0
Gallery Docents	Hourly	\$15	\$15	\$0	\$0
					\$0
ADDITIONAL FEES					
Facility Rental Application Processing Fee (New)	Use	\$0	\$35	\$35	\$3,000
Janitorial Fees	Day	\$150	\$150	\$0	\$0
Security Fee	Hourly	At Cost		\$0	\$0
TOTALS					\$12,328

City Manager's Office

Special Studies



CITY OF TRACY

PARKS & COMMUNITY SERVICES DEPARTMENT

CULTURAL ARTS

COST OF SERVICES STUDY FINDINGS

MAY, 2008

PRELIMINARY FINDINGS

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EXECUTIVE SUMMARY

INTRODUCTION

MGT of America (MGT) is pleased to present the City of Tracy (City) with this summary of findings for the cost of services study for the Parks and Community Services Department, Cultural Arts Division.

The Cultural Arts Division is a new program within the Parks and Community Services Department and is in the first year of offering services to the public. The initial fee level that was established was based on market surveys and comparisons to similar entities. The services offered by Cultural Arts include individual art classes, facility rentals, an art gallery and live performances.

The City is interested in accurately reporting the true cost of providing various fee-related services, and exploring the possibilities of modifying current fees to better reflect the increasing cost of providing services over time. In January 2008, the City contracted with MGT to perform this cost analysis using the adopted 2007-2008 fiscal year budget, staffing and operational information. Additionally, all information was provided through the period ending April 2008. Fees should be reviewed on a regular basis and adjusted in accordance with established City policies on user fee cost recovery.

This report is the culmination of the past three months of work between MGT and Cultural Arts staff. MGT would like to take this opportunity to acknowledge all P&CS management and staff who participated on this project for their efforts and coordination. Their responsiveness and continued interest in the outcome of this study contributed greatly to the success of this study.

STUDY SCOPE AND OBJECTIVES

The study was performed under the general direction of the Parks and Community Services Director with the participation of representatives from each program division. The primary goals of the study were to:

- Define what it costs the city to provide various fee-related services.
- Determine whether there are any opportunities to implement new fees, based on city cost recovery percentage policies.
- Identify service areas where the City might adjust fees based on the full cost of services and other economic or policy considerations.

The information summarized in this report addresses each of these issues and provides the City with the tools necessary to make informed decisions about any proposed fee adjustments and the resulting impact on general fund revenues.

ECONOMIC & POLICY CONSIDERATIONS

Calculating the true cost of providing city services is a critical step in the process of establishing user fees and corresponding cost recovery levels. Although it is an important factor, other factors must also be given consideration. City decision-makers must also consider the effects that establishing fees for services will have on the individuals purchasing those services, as well as the community as a whole. The following economic and policy issues help illustrate these considerations.

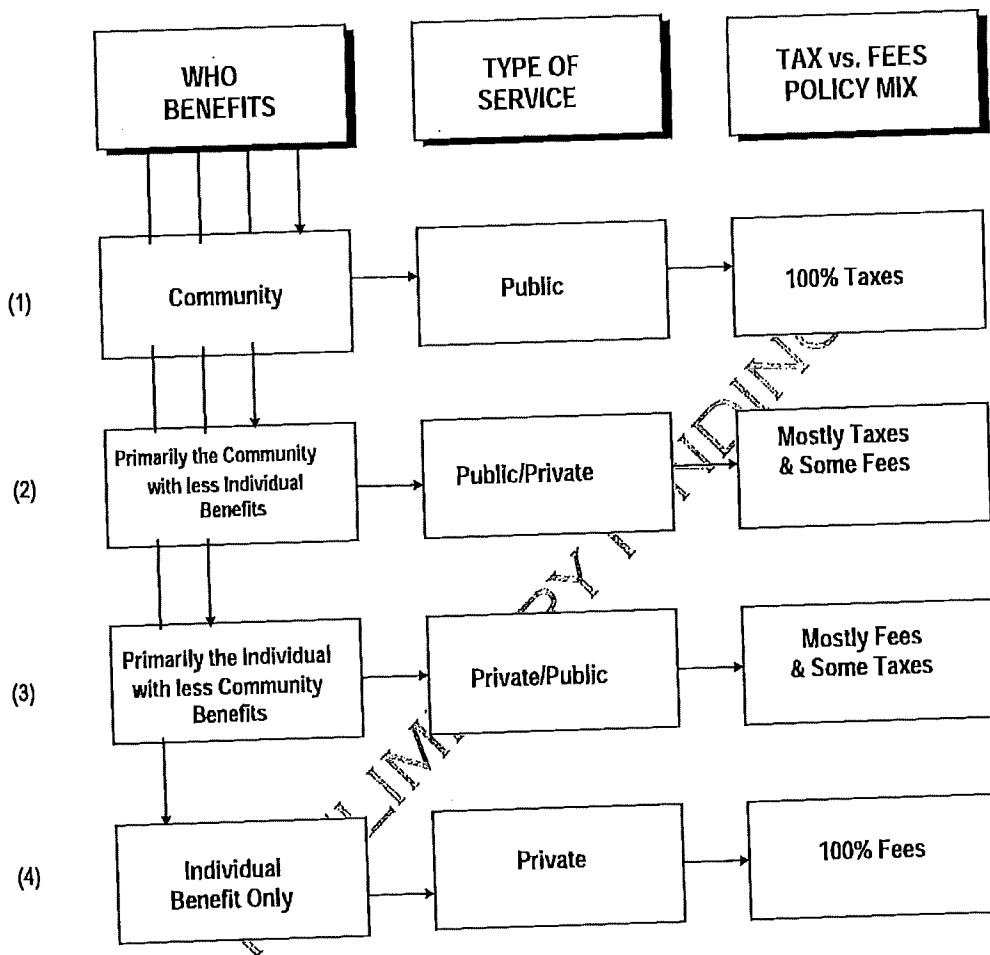
- It may be a desired policy to establish fees at a level that permits lower income groups to use services that they might not otherwise be able to afford.
- A consideration of community-wide benefit versus individual benefit might be of concern for certain services.
- Elasticity of demand is a factor in pricing certain city services; increasing the price of some services results in a reduction of demand for those services, and vice versa.
- Public sector agencies have a monopoly on providing certain services within its boundaries, such as development-related services. However, other services, such as recreation classes, may be provided by neighboring communities or the private sector, and therefore demand for these services can be highly dependent on what else may be available at lower prices.

The flow chart on the following page helps illustrate the economic and policy considerations listed above.

PRELIMINARY FINDINGS

General Fund Subsidy vs. User Fees

Decision-making Flow Chart



Examples of service that fall under each category:

- (1) -Recreational Swim, Community Events, Drop In programs
- (2)- Senior Activities, Pre-school & Teen Activities
- (3)- Camps, Youth Team Sports
- (4)- Adult Sports, Specialty Classes, Tournaments

STUDY FINDINGS

The exhibit below shows that the Cultural Arts Division is projecting an overall recovery of 19% for its fee-related services. Within each recovery category, current cost recovery levels range from 1% for Gallery activities to 39% for Rentals. Because these are new programs and services, a few thoughts should be considered while reviewing the results:

- All revenues displayed are estimated – a full year has not yet been completed.
- Costs displayed include some initial (start-up) costs that will not be required every year.
- Even though the Gallery is listed as fee related, the revenue generated is directly related to purchases during art shows. Therefore, the annual amount of revenue generated will vary greatly.
- A more detailed analysis of services will be possible once staff has completed and performed a few years of program activity.

Source of Funds ~ User Fee Activities ~

Source - Fiscal Year 2007-2008

Program Area	Costs User Fee Services	Funded by User Fees	Subsidy
Arts Education	\$612,059	\$137,500 22%	\$474,559 78%
Gallery	\$161,091	\$1,500 1%	\$159,591 99%
Grand Theatre - Presentation Season	\$958,990	\$148,940 16%	\$810,050 84%
Rentals	\$218,831	\$86,223 39%	\$132,608 61%
Total:	\$1,950,971	\$374,163 19%	\$1,576,808 81%

The exhibit indicates that user fees recover \$374,163 (19%) of full cost, leaving 81% or \$1,576,808 to be funded by other funding sources. This \$1.6 million represents a "window of opportunity" for Cultural Arts to increase fees and general fund revenues, with a corresponding decrease in the subsidization of services. While it is not likely (nor would MGT recommend) that the City completely recover all costs through increased or new fees, it is possible for Cultural Arts to implement moderate increases to current fees.

The study's primary objective is to provide the City's decision-makers with basic data needed for setting fees. This report details the full cost of services, and presents opportunities for adjusted fee levels in certain activities. Recommendations for fee changes should be based upon careful consideration of the results of the cost analysis, historical cost recovery levels, the elasticity of demand unique to each department's services, and market comparisons.

METHODOLOGY

A cost of service study analyzes two components of costs: the direct costs associated with providing each fee-for-service activity, and the indirect costs that support these activities. A brief discussion of each of these components follows.

Direct Costs. The direct costs associated with fee-for-service activities were analyzed in great detail in this study. MGT worked directly with staff to develop the analysis that is summarized in the following sections of this report. The fiscal year 2007-2008 adopted budget was used to identify direct costs.

The first step in the process was to identify staff time spent directly on each of the user fee activities. Each staff person involved in the user fee services identified time spent to staff and provide all program areas. Salary and benefit dollars were assigned to the time estimates to come up with the direct staff costs.

Indirect Costs. A proportionate share of other operating expenses and internal department administrative costs were layered onto the direct costs as a departmental overhead. (Note: Citywide internal service charges are already directly budgeted into program budgets). The three components of the indirect costs: 1) departmental overhead, 2) program administration, and 3) citywide budgeted indirect allocations are combined with the direct costs of each activity and then compared to the revenue recovered, and the extent of cost recovery is identified.

Department Administration. Many of the costs that support all divisions and programs are budgeted in a centralized division such as 1) Parks and Community Services Administration, which provides budgeting, personnel, reception, customer outreach and general oversight, 2) Activity guide preparation/review, which is budgeted in various programs, but provides support to all Parks and Community Services programs. The costs of these activities and other centralized services are considered indirect overhead that support fee-for-service activities, as well as other programs and functions within the department.

As part of this study, MGT developed an indirect cost allocation plan that identifies and distributes these indirect costs to all operating divisions and activities within the Parks and Community Service's organizational structure. The Community Services cost allocation plan takes a methodological approach to analyzing indirect costs.

The end result of this analysis is the allocation of all indirect costs to all operating divisions and activities. The indirect costs are then added to the direct costs to determine the full cost of all department operations – whether fee-related or not. This accounting exercise is important in that it can result in an increase in general fund revenues for reimbursement of support for user fee services and state or federally funded programs.

PROGRAM SUMMARY CHART

The subsequent page displays program results and individual activity analysis. The various subtotals on this page directly tie to the exhibit chart discussed earlier in this report.

PRELIMINARY FINDINGS

USER FEE STUDY SUMMARY SHEET

-TOTAL PROGRAM INFORMATION -

Agency:	City of Tracy
Fund:	Theatre & Cultural Arts
Fiscal Year:	2007/2008

Service Name	Service Type	Revenue @ Current Fee	Direct Costs	Indirect Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 Arts Education	Fee	\$137,500	\$540,935	\$71,124	22%	\$612,059	\$474,559
2 Gallery	Fee	\$1,500	\$148,428	\$12,663	1%	\$161,091	\$159,591
3 Grand Theatre - Presenting Season	Fee	\$148,940	\$871,826	\$87,164	16%	\$958,990	\$810,050
4 Rentals	Fee	\$86,223	\$199,651	\$19,180	39%	\$218,831	\$132,608

Total User Fees	\$374,163	\$1,760,840	\$190,131	\$1,950,971	\$1,576,808
% of Full Cost	19%	90%	10%	100%	81%
Total Other Services	\$0	\$0	\$0	\$0	\$0
% of Full Cost	0%	0%	0%	0%	0%
Fund Totals	\$374,163	\$1,760,840	\$190,131	\$1,950,971	\$1,576,808
% of Full Cost	19%	90%	10%	100%	81%

PROBATIONARY FINDINGS

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

RECOMMENDED FEE SCHEDULE					
PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
ARTS EDUCATION CLASSES (class prices are set within a range negotiated with the instructor)					\$10,570
Dance - Preschool Combo	Per Session	\$55	\$60	\$5	\$550
Dance - Tap for Tots	Per Session	\$25	\$30	\$5	\$400
Dance - Kindergarten Combo	Per Session	\$46	\$51	\$5	\$475
Dance - Ballet I/II	Per Session	\$46	\$51	\$5	\$425
Dance - Hip-Hop Kids	Per Session	\$55	\$60	\$5	\$525
Dance - Hip-Hop Teens	Per Session	\$55	\$60	\$5	\$450
Dance - Hip-Hop Adults	Per Session	\$55	\$60	\$5	\$325
Dance - Ballroom Troupe	Per Session	\$90	\$95	\$5	\$140
Dance - Ballroom Troupe Rehearsal	Per Session	\$40	\$45	\$5	\$110
Dance - Private Ballroom Dance	Per Session	\$120	\$125	\$5	\$90
Dance - Social Dance Sampler	Per Session	\$40	\$45	\$5	\$775
Dance - Beyond the Basics	Per Session	\$20	\$25	\$5	\$300
Dance - Ballet Folklorico	Per Session	\$45	\$50	\$5	\$150
Dance - Beginning Belly Dance	Per Session	\$55	\$60	\$5	\$250
Dance - Parent & Child Hula	Per Session	\$50	\$55	\$5	\$100
Dance - Wedding Dance Prep	Per Session	\$30	\$35	\$5	\$150
Dance - Swing	Per Session	\$55	\$60	\$5	\$440
Dance - Tahitian	Per Session	\$55	\$60	\$5	\$125
Dance - Ballet/Tap Camp for Youth	5 Days	\$60	\$65	\$5	\$75
Dance - Hip-Hop Camp for Youth	5 Days	\$70	\$75	\$5	\$100
Dance - Hula/Tahitian Camp for Youth	5 Days	\$65	\$70	\$5	\$75
Drama - Beg. Acting for Youth	Per Session	\$75	\$80	\$5	\$400
Drama - Beg. Acting for Teens	Per Session	\$75	\$80	\$5	\$340
Drama - Intmd. Acting for Youth	Per Session	\$75	\$80	\$5	\$225
Drama - Intmd. Acting for Teens	Per Session	\$75	\$80	\$5	\$170
Drama - Private Audition Technique	Per Session	\$100	\$105	\$5	\$75
Drama - Adult Acting Workshop	Per Workshop	\$72	\$77	\$5	\$60
Drama - Adult Acting Technique	Per Session	\$120	\$125	\$5	\$40
Drama - Auditioning for TV/Film	Per Session	\$120	\$125	\$5	\$85
Drama - Auditioning for TV/Film II	Per Session	\$120	\$125	\$5	\$60
Drama - Audition for TV/Film Workshop	Per Workshop	\$72	\$77	\$5	\$60
Drama - Audition for TV/Film Workshop II	Per Workshop	\$72	\$77	\$5	\$60
Drama - Youth Drama Camp	2.5 Weeks	\$150	\$155	\$5	\$150
Drama - Teen Drama Camp	2.5 Weeks	\$150	\$155	\$5	\$125
Drama - Adult Theatre Production	Per Session	\$200	\$205	\$5	\$45
Music - Group Voice	Per Session	\$80	\$85	\$5	\$90
Music - Music Together	Per Session	\$150	\$155	\$5	\$175
Music - Music Together Camp	5 Days	\$60	\$65	\$5	\$60
Music - Private Voice	Per Session	\$120	\$125	\$5	\$225
Music - Private Guitar	Per Session	\$120	\$125	\$5	\$225
Music - Private Piano	Per Session	\$120	\$125	\$5	\$85
Music - Private Drums	Per Session	\$120	\$125	\$5	\$50
Music - Private Flute	Per Session	\$120	\$125	\$5	\$50
Music - Private Violin	Per Session	\$120	\$125	\$5	\$40
Music - Private Cello	Per Session	\$120	\$125	\$5	\$40
Music - Private Saxophone	Per Session	\$120	\$125	\$5	\$80
Music - Private Guitar Spanish	Per Session	\$145	\$150	\$5	\$80
Music - Group Guitar Spanish	Per Session	\$145	\$150	\$5	\$75
Music - Group Guitar Seniors	Per Session	\$145	\$150	\$5	\$85
Music - Mommy & Me Piano	Per Session	\$100	\$105	\$5	\$75
Music - Rock Band	Per Session	\$300	\$305	\$5	\$90
Music - Concert Band	Per Session	\$240	\$245	\$5	\$75
Music - Jazz Improv	Per Session	\$145	\$150	\$5	\$75
Ceramics - Beg. Wheel Throwing 8 weeks	2 x week	\$200	\$205	\$5	\$90
Ceramics - Beg. Wheel Throwing	1 x week	\$180	\$185	\$5	\$75

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
Ceramics - Youth Hand Building	Per Session	\$45	\$50	\$5	\$40
Ceramics - Hand Building Workshop	Per Workshop	\$50	\$55	\$5	\$60
Ceramics - Studio Time 1 Month	1 Month	\$100	\$105	\$5	\$60
Ceramics - Studio Time 2 Months	2 Months	\$180	\$185	\$5	\$60
Ceramics - Studio Time 3 Months	3 Months	\$300	\$305	\$5	\$45
Ceramics - Parent & Child Hand Building	Per Session	\$25	\$30	\$5	\$70
Ceramics - Pottery Decorating	Per Workshop	\$12	\$17	\$5	\$175
Ceramics - Pottery Camp for Kids	Per Week	\$75	\$80	\$5	\$35
Ceramics - Pottery Camp for Teens	Per Week	\$75	\$80	\$5	\$35
Visual Arts - Parent & Child Painting	Per Session	\$45	\$50	\$5	\$75
Visual Arts - Intro to Art I	Per Session	\$75	\$80	\$5	\$140
Visual Arts - Intro to Art II	Per Session	\$75	\$80	\$5	\$140
Visual Arts - Preschool Drawing	Per Session	\$57	\$62	\$5	\$145
Visual Arts - Youth Cartoon Drawing	Per Session	\$57	\$62	\$5	\$250
Visual Arts - Elementary Drawing	Per Session	\$57	\$62	\$5	\$295
Visual Arts - Creative Writing & Illustrating	Per Session	\$50	\$55	\$5	\$100
Visual Arts - Intro to Art for Adults	Per Session	\$95	\$100	\$5	\$95
Visual Arts - Beginning Drawing I	Per Session	\$75	\$80	\$5	\$110
Visual Arts - Beginning Drawing II	Per Session	\$75	\$80	\$5	\$90
Visual Arts - Landscape Painting	Per Session	\$80	\$85	\$5	\$125
Visual Arts - Landscape Painting II	Per Session	\$80	\$85	\$5	\$125
Visual Arts - Intro to Oil/Acrylic Painting	Per Session	\$80	\$85	\$5	\$170
Visual Arts - Intmd. Oil/Acrylic Painting	Per Session	\$80	\$85	\$5	\$140
Visual Arts - Acrylic Painting Workshop	Per Workshop	\$40	\$45	\$5	\$60
Visual Arts - Glass Fusing	Per Session	\$65	\$70	\$5	\$90
Visual Arts - Glass Fusing for Couples	Per Session	\$70	\$75	\$5	\$90
Visual Arts - Glass Fusing Studio	Per Day	\$10	\$15	\$5	\$120
Visual Arts - Family Series Workshops	Per Workshop	\$5	\$10	\$5	\$225
Visual Arts - 3 Day Drawing Camp	3 Days	\$53	\$58	\$5	\$60
Visual Arts - 4 Day Drawing Camp	4 Days	\$70	\$75	\$5	\$95
Visual Arts - 4 Day Painting Camp	4 Days	\$60	\$65	\$5	\$60
Visual Arts - 5 Day Painting Camp	Per Week	\$75	\$80	\$5	\$60
Visual Arts - Writing & Illustrating Camp	Per Week	\$55	\$60	\$5	\$60
Visual Arts - Digital Photography	Per Session	\$100	\$105	\$5	\$85
Visual Arts - Photography for Travel Workshop	Per Workshop	\$40	\$45	\$5	\$70
Visual Arts - Studio Time 1 Month	1 Month	\$50	\$55	\$5	\$60
Visual Arts - Studio Time 2 Months	2 Months	\$100	\$105	\$5	\$60
Visual Arts - Studio Time 3 Months	3 Months	\$150	\$155	\$5	\$60
Visual Arts - Beginning Watercolor	Per Session	\$45	\$50	\$5	\$220
Visual Arts - Intermediate Watercolor	Per Session	\$45	\$50	\$5	\$375
Visual Arts - Watercolor Studio 1 Month	Per Month	\$30	\$35	\$5	\$90
Visual Arts - Multi-Media for Adults	Per Session	\$65	\$70	\$5	\$60
Visual Arts - Multi-Media for Children	Per Session	\$55	\$60	\$5	\$60
Visual Arts - Life Drawing for Adults	Per Session	\$75	\$80	\$5	\$50
Special Events - Music First Concert	Per Workshop	\$0	\$5	\$5	\$525
Special Events - Artist in Residency Workshop	Per Workshop	\$0	\$5	\$5	\$150

TOTALS					\$10,570

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
CITY PRESENTING SEASON					\$0.00
ETK THEATRE	Per Ticket	\$37.42	\$37.42	\$0	\$0.00
11 performances @ 250 person attendance	Per Ticket	\$24.49	\$24.49	\$0	\$0.00
STUDIO THEATRE					
2 Performances @ 75 persons attendance					

(Based on average ticket admission and average attendance per performance)

RENTALS					\$1,456
ETK THEATRE (Revenue amounts reflect the minimum that are expected to come in)					
Prime Time Rental - Non-Profit (Performance)	8 hours	\$560	\$574	\$14	\$280
*Fees may be adjusted to a percentage based on gross revenues					
Prime Time Rental - Commercial (Performance)	8 hours	\$1,680	\$1,722	\$42	\$252
*Fees may be adjusted to a percentage based on gross revenues					
Each Additional Hour - Non-Profit (Performance)	Hourly	\$100	\$100	\$0	\$0
Each Additional Hour - Commercial (Performance)	Hourly	\$300	\$300	\$0	\$0
Non-Prime Time Rental - Non-Profit (Performance)	8 hours	\$250	\$287	\$37	\$888
Non-Prime Time Rental - Commercial (Performance)	8 hours	\$750	\$750	\$0	\$0
Each Additional Hour - Non-Profit (Performance)	Hourly	\$100	\$100	\$0	\$0
Each Additional Hour - Commercial (Performance)	Hourly	\$300	\$300	\$0	\$0
Non-Prime Time Rental - Non-Profit (Rehearsal)	8 hours	\$125	\$143	\$18	\$36
Non-Prime Time Rental - Commercial (Rehearsal)	8 hours	\$375	\$375	\$0	\$0
Each Additional Hour - Non-Profit (Rehearsal)	Hourly	\$100	\$100	\$0	\$0
Each Additional Hour - Commercial (Rehearsal)	Hourly	\$300	\$300	\$0	\$0

*Rental fees are a minimum flat rate listed above or 10% of gross sales for non-profit and 15% for commercial whichever is greater.

STUDIO THEATRE (Revenue amounts reflect the minimum that are expected to come in)					(\$1,030)
Prime Time Rental - Non-Profit (Performance)	4 hours	\$120	\$110	(\$10)	(\$300)
(*Fees may be adjusted to a percentage based on gross revenues)					
Prime Time Rental - Commercial (Performance)	4 hours	\$360	\$330	(\$30)	(\$180)
(*Fees may be adjusted to a percentage based on gross revenues)					
Each Additional Hour - Non-Profit (Performance)	Hourly	\$60	\$60	\$0	\$0
Each Additional Hour - Commercial (Performance)	Hourly	\$180	\$180	\$0	\$0
Non-Prime Time Rental - Non-Profit (Performance)	4 hours	\$90	\$80	(\$10)	\$0
Non-Prime Time Rental - Commercial (Performance)	4 hours	\$240	\$240	\$0	\$0
Each Additional Hour - Non-Profit (Performance)	Hourly	\$60	\$60	\$0	\$0
Each Additional Hour - Commercial (Performance)	Hourly	\$180	\$180	\$0	\$0
Non-Prime Time Rental - Non-Profit (Rehearsal)	4 hours	\$90	\$80	(\$10)	(\$550)
Non-Prime Time Rental - Commercial (Rehearsal)	4 hours	\$240	\$240	\$0	\$0
Each Additional Hour - Non-Profit (Rehearsal)	Hourly	\$60	\$60	\$0	\$0
Each Additional Hour - Commercial (Rehearsal)	Hourly	\$180	\$180	\$0	\$0

*Rental fees are a minimum flat rate listed above or 10% of gross sales for non-profit and 15% for commercial whichever is greater.

DANCE STUDIO					\$0
Class/Meeting - Non-Profit	2 hours	\$75	\$75	\$0	\$0
Class/Meeting - Commercial	2 hours	\$225	\$225	\$0	\$0
Each Additional Hour - Non-Profit	Hourly	\$40	\$40	\$0	\$0
Each Additional Hour - Commercial	Hourly	\$115	\$115	\$0	\$0

VISUAL ARTS STUDIO I & II					\$0
Class/Meeting - Non-Profit	2 hours	\$75	\$75	\$0	\$0
Class/Meeting - Commercial	2 hours	\$225	\$225	\$0	\$0
Each Additional Hour - Non-Profit	Hourly	\$40	\$40	\$0	\$0
Each Additional Hour - Commercial	Hourly	\$115	\$115	\$0	\$0

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
CHILDREN'S ART STUDIO - Includes any room set up and tear down					\$0
Class/Meeting - Non-Profit	2 hours	\$75	\$75	\$0	\$0
Class/Meeting - Commercial	2 hours	\$225	\$225	\$0	\$0
Each Additional Hour - Non-Profit	Hourly	\$40	\$40	\$0	\$0
Each Additional Hour - Commercial	Hourly	\$115	\$115	\$0	\$0
LARGE MUSIC ROOM - Includes any room set up and tear down					\$0
Class/Meeting - Non-Profit	2 hours	\$25	\$25	\$0	\$0
Class/Meeting - Commercial	2 hours	\$100	\$100	\$0	\$0
Each Additional Hour - Non-Profit	Hourly	\$35	\$35	\$0	\$0
Each Additional Hour - Commercial	Hourly	\$125	\$125	\$0	\$0
MUSIC ROOM - Includes any room set up and tear down					\$0
Class (Medium) - Non-Profit	2 hours	\$25	\$25	\$0	\$0
Class (Medium) - Commercial	2 hours	\$100	\$100	\$0	\$0
Practice & Each Additional Hour - Non-Profit	Hourly	\$35	\$35	\$0	\$0
Practice & Each Additional Hour - Commercial	Hourly	\$125	\$125	\$0	\$0
CERAMICS STUDIO - Not available to rent at this time					
LOBBY AREA - Only available to rent in conjunction with another rental; must remain open to the public during public hours.					\$900
*Rental fees are based on the capacity of standing person in the lobby areas.					
Lobby Area Upstairs - Non-Profit	4 hours	\$0	\$250	\$250	\$500
Lobby Area Upstairs - Commercial	4 hours		\$500	\$500	\$0
Lobby Area Downstairs - Non-Profit	4 hours	\$0	\$200	\$200	\$400
Lobby Area Downstairs - Commercial	4 hours		\$400	\$400	\$0
LOGGIA/GALLERY - Gallery must remain open to the public during public hours; no altering of the exhibit					\$3,200
Loggia Reception - Non-Profit	Hourly	\$50	\$50	\$0	\$0
Loggia Reception - Commercial	Hourly	\$150	\$150	\$0	\$0
*Gallery - Non-Profit	Hourly	\$0	\$100	\$100	\$3,200
*Gallery - Commercial	Hourly	\$0	\$300	\$300	\$0
BOX OFFICE SERVICES					\$2,800
Per Performance - Non-Profit	Each	\$100	\$100	\$0	\$0.00
Per Performance - Commercial	Each	\$100	\$300	\$200	\$1,200
Per Ticket Charge to Patron	Each	\$3	\$3	\$0	\$1,500
Marquee Listing - Non-Profit	Daily	\$50	\$50	\$0	\$0
Marquee Listing - Commercial	Daily	\$50	\$100	\$50	\$100
EQUIPMENT RENTALS					\$2,000
Grand Piano	Use	\$900	\$1,400	\$500	\$0
Baby Grand Piano	Use	\$500	\$900	\$400	\$0
Piano Tuning at Renters Expense	Each	\$150	\$150	\$0	\$0
Installation/Removal of Apron for Orchestra Pit	Use	\$200	\$250	\$50	\$0
Wireless Microphones	Daily	\$25	\$25	\$0	\$0
Microphone Stands	Use	\$10	\$0	(\$10)	\$0
Follow Spot	Use	\$100	\$350	\$250	\$2,000
Video Projector	Daily	\$100	\$100	\$0	\$0
Laptop Computer	Use	\$50	\$50	\$0	\$0

**CULTURAL ARTS DIVISION
RECOMMENDED FEE SCHEDULE**

EXHIBIT "D"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
Screen - Non-Profit	Use	\$30	\$30	\$0	\$0
Screen - Commercial	Use	\$30	\$90	\$60	\$0
6' Miley Light Tables	Use	\$0	\$5	\$5	\$0
3' Round Tables	Use	\$0	\$10	\$10	\$0
Cocktail Tables	Use	\$0	\$15	\$15	\$0
Wooden Classroom Chairs	Use	\$0	\$5	\$5	\$0
Louvre Easels	Use	\$0	\$7	\$7	\$0
Cocktail Barstools	Use	\$0	\$10	\$10	\$0
LCD Projector Per Day/Event	Use	\$100	\$100	\$0	\$0
					\$0
STAFF FEES					
Technical Theatre Supervisor	Hourly	\$56	\$56	\$0	\$0
Theatre Technicians	Hourly	\$40	\$40	\$0	\$0
General Stagehands	Hourly	\$20	\$20	\$0	\$0
Follow Spot Operator	Hourly	\$15	\$15	\$0	\$0
Merchandise Salesperson	Hourly	\$15	\$15	\$0	\$0
Gallery Supervisor	Hourly	\$40	\$40	\$0	\$0
Gallery Docents	Hourly	\$15	\$15	\$0	\$0
					\$0
ADDITIONAL FEES					
Facility Rental Application Processing Fee (New)	Use	\$0	\$35	\$35	\$3,000
Janitorial Fees	Day	\$150	\$150	\$0	\$0
Security Fee	Hourly	At Cost		\$0	\$0
					\$0
TOTALS					\$12,326

January 6, 2009

AGENDA ITEM 3

REQUEST

REVIEW AND ADOPT RECOMMENDED GENERAL FUND SUBSIDY LIMIT GOALS AND CONDUCT A PUBLIC HEARING TO REVIEW AND ADOPT ASSOCIATED FEES FOR PROGRAMS AND FACILITY USE PROVIDED THROUGH THE PARKS AND COMMUNITY SERVICES DEPARTMENT AND THE CULTURAL ARTS DIVISION

EXECUTIVE SUMMARY

Staff requests that Council review, and approve the recommended General Fund subsidy limit goals in the amount of \$3,000,000 in Fiscal Year 2009/10 for the Parks and Community Services Department and \$1,000,000 in Fiscal Year 2009/2010 for the Cultural Arts Division and adopt recommended fees to achieve General Fund subsidy limit goals.

DISCUSSION

On August 31, 1998, City Council reviewed a comprehensive fee study of the Parks and Community Services Department where cost recovery rates averaged 53% and an annual goal of achieving an overall 50% recovery rate for all programs was adopted. On January 21, 2003, City Council directed staff to make any necessary periodic adjustments to programs in order to maintain a 50% cost recovery rate.

In recent years, certain services, programs and special events have had a reduced recovery rate which has impacted the ability of the Parks and Community Services Department to meet the overall 50% cost recovery rate. Additionally, with the expansion of such programs, and in an effort to provide diverse programming, the General Fund subsidy has continued to increase.

On September 18, 2007, the Council approved temporary fees for the Parks and Community Services Department and the Cultural Arts Division while a cost recovery study was completed. Included were fees for recreation and art programs, facility rentals and admission to events.

MGT of America has completed the Cost of Services Study for the Parks and Community Services Department (Exhibit A) and Cultural Arts Division (Exhibit B) which includes an analysis of actual program expenditures (service charges, indirect internal and external costs). This analysis utilized budgeted allocations and projections included in the 2007-08 budget. This study included additional elements that were not included in the 1998 study, such as inclusion of the facility rental program costs, actual Public Works maintenance costs, and allocation of other Citywide overhead indirect costs, making it difficult to compare previous cost recovery estimates with these reports.

The Cost of Services Study Findings for the Cultural Arts Division (Exhibit B) was previously presented to City Council as part of the Cultural Arts Division Operational Plan workshop on August 5, 2008.

General Fund Impact

The table below illustrates a trend of increasing General Fund subsidy for the Parks and Community Services Department (PCS). Conversely, the Cultural Arts Division projects a decrease in General Fund subsidy for its second year of operations:

	FISCAL YEAR				
	ACTUAL 05-06	ACTUAL 06-07	ACTUAL 07-08	PROJECTED 08-09	SUBSIDY GOAL 09-10
PCS	\$2,084,430	\$2,615,095	\$2,780,220	\$3,286,130	\$3,000,000
Cultural Arts	0	0	\$1,508,340	\$1,360,240	\$1,000,000
Totals:				\$4,646,370	\$4,000,000

The impact to the General Fund may not be fully controlled by virtue of a cost recovery model. For example, if a new program was added with a 50% cost recovery the General Fund subsidy would need to increase by the remaining 50%. Therefore, staff is recommending to City Council to establish annual General Fund subsidy limit goals for FY 2009/2010, and associated fees as proposed in Exhibits C and D, to meet the subsidy limit goals.

Besides the proposed fees, an ongoing evaluation of the revenue opportunities, alternative revenue sources such as sponsorships and advertising, programming and expenditure controls will also be required to meet the General Fund subsidy goals.

It is anticipated that not all fees will be able to be implemented at once due to current programs and published materials; however, all approved revenue increases will be in place by spring of 2009.

Fee Development/Revision

Several factors were considered and analyzed in the development of the attached staff recommended fees. These factors were:

Market Value: What other local public agencies charge for like or similar programs and facilities.

Community Versus Individual Benefit: MGT suggested a community versus individual pricing guideline. Generally, the higher the benefit of the program is to the community, the greater the program is subsidized. The more the program benefits the individual, the lower the amount of subsidy.

Affordability for Segments of the Public: As indicated in the MGT study, a fairly low percentage of recovery is projected for the senior and teen programs, community events and facility reservation functions. These are due to staff's understanding that the City desires to make programs affordable to seniors and teens; that community events are of high community benefit and therefore little or no revenue is required to present these events; and that the City desires that City facilities be made affordable for local non-profit organizations.

Subsidy Goal: The goal of reducing the Parks and Community Services Department's General Fund subsidy to less than \$3,000,000 for FY 2009/2010 and the Cultural Arts

Division General Fund subsidy to less than \$1,000,000 for FY 2009/2010 was set as an achievable goal with little or no impact to existing programs.

Commission Input

The Parks and Community Services Commission has reviewed the attached fees and provided the following advice to the City Council: That City Council approve the subsidy as recommended.

RECOMMENDATION

Review and adopt staff's recommended General Fund subsidy limit goals and conduct a public hearing to review and adopt associated fees for programs and facility use provided through the Parks and Community Services Department and the Cultural Arts Division.

FISCAL IMPACT

The City Council's adoption of these fees should assist in meeting the stated General Fund subsidy goal limits for the Parks and Community Services Department and Cultural Arts Division. The annual increase in revenue from these fee recommendations is estimated to be approximately \$164,250 for the Parks and Community Services Department and \$19,896 for the Cultural Arts Division in FY 09/10. Because the anticipated revenue increases will not achieve the entire subsidy goal, operational efficiencies will continue to be implemented and other revenue sources will continue to be explored.

ATTACHMENTS

Exhibit A: Parks and Community Services: General Fund Cost of Services Study Findings, prepared by MGT of America

Exhibit B: Cultural Arts Division: General Fund Cost of Services Study Findings, prepared by MGT of America

Exhibit C: Parks and Community Services Department Recommended Fee Schedule

Exhibit D: Cultural Arts Division Recommended Fee Schedule

Prepared by: Floyd Lewis, Recreation Services Supervisor
Reviewed by: Rod Buchanan, Interim Director of Parks and Community Services
Reviewed by: Zane Johnston, Director of Finance and Administrative Services
Approved by: Leon Churchill, Jr., City Manager

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Appendix III

Development Services Department

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Development Services Department

Legal Codes

Legal Codes

CEQA Guidelines link

<http://ccr.oal.ca.gov/linkedslice/default.asp?SP=CCR-1000&Action=Welcome>

Title 14. California Code of Regulations, Chapter 3 Guidelines for Implementation of the California Environmental Quality Act, Article 3. Authorities Granted to Public Agencies by CEQA

15045. Fees

(a) For a project to be carried out by any person or entity other than the lead agency, the lead agency may charge and collect a reasonable fee from the person or entity proposing the project in order to recover the estimated costs incurred in preparing environmental documents and for procedures necessary to comply with CEQA on the project. Litigation expenses, costs and fees incurred in actions alleging noncompliance with CEQA are not recoverable under this section.

(b) Public agencies may charge and collect a reasonable fee from members of the public for a copy of an environmental document not to exceed the actual cost of reproducing a copy.

Note: Authority: Section 21083, Public Resources Code. Reference: Section 21089 and 21105, Public Resources Code.

Discussion: The authority to charge fees is an essential part of any discussion of authorities granted by CEQA. This section brings together two separate statutory authorities. These are the authority to charge a fee for the preparation of an EIR or Negative Declaration and the authority to charge a fee to a person requesting a copy of an EIR or Negative Declaration. The Guideline section adds the interpretation that the authority to collect a fee for a copy shall be limited to the actual cost of reproducing a copy. This interpretation responds to an effort by some agencies to say that the cost of the copy which they were entitled to recover included a prorata share of the cost of all studies and writing efforts in addition to the cost of printing the EIR. The Resources Agency believed that such an interpretation would be contrary to the policy of CEQA encouraging public participation. Further, the interpretation would enable agencies to charge fees twice for their cost of preparing the EIR, once to the applicant and second to people wanting a copy of the EIR. Subsection (b) of this section is necessary to protect public participation and to prevent agencies from charging exorbitant fees for copies of EIRs and Negative Declarations.

Section 21089 of the Public Resources Code gives the lead agency express authority to charge fees to cover the cost of preparing an EIR or negative declaration, as well as for reporting program.

[A] 105.6.37 **Pyroxylin plastics.** An operational permit is required for storage or handling of more than 25 pounds (11 kg) of cellulose nitrate (pyroxylin) plastics, and for the assembly or manufacture of articles involving pyroxylin plastics.

[A] 105.6.38 **Refrigeration equipment.** An operational permit is required to operate a mechanical refrigeration unit or system regulated by Chapter 6.

[A] 105.6.39 **Repair garages and motor fuel-dispensing facilities.** An operational permit is required for operation of repair garages, and automotive, marine and fleet motor fuel-dispensing facilities.

[A] 105.6.40 **Rooftop heliports.** An operational permit is required for the operation of a rooftop heliport.

[A] 105.6.41 **Spraying or dipping.** An operational permit is required to conduct a spraying or dipping operation utilizing flammable or combustible liquids, or the application of combustible powders regulated by Chapter 24.

[A] 105.6.42 **Storage of scrap tires and tire byproducts.** An operational permit is required to establish, conduct or maintain storage of scrap tires and tire byproducts that exceeds 2,500 cubic feet (71 m³) of total volume of scrap tires, and for indoor storage of tires and tire byproducts.

[A] 105.6.43 **Temporary membrane structures and tents.** An operational permit is required to operate an air-supported temporary membrane structure or a tent having an area in excess of 400 square feet (37 m²).

Exceptions:

1. Tents used exclusively for recreational camping purposes.
2. Tents open on all sides, which comply with all of the following:
 - 2.1. Individual tents having a maximum size of 700 square feet (65 m²).
 - 2.2. The aggregate area of multiple tents placed side by side without a fire break clearance of not less than 12 feet (3658 mm) shall not exceed 700 square feet (65 m²) total.
 - 2.3. A minimum clearance of 12 feet (3658 mm) to structures and other tents shall be provided.

[A] 105.6.44 **Tire-rebuilding plants.** An operational permit is required for the operation and maintenance of a tire-rebuilding plant.

[A] 105.6.45 **Waste handling.** An operational permit is required for the operation of wrecking yards, junk yards and waste material-handling facilities.

[A] 105.6.46 **Wood products.** An operational permit is required to store chips, hogged material, lumber or plywood in excess of 200 cubic feet (6 m³).

105.6.47 Additional permits. In addition to the permits required by Section 105.6, the following permits shall be obtained from the Bureau of Fire Prevention prior to

engaging in the following activities, operations, practices or functions:

1. **Production facilities.** To change use or occupancy, or allow the attendance of a live audience, or for wrap parties.
2. **Pyrotechnics and special effects.** To use pyrotechnic special effects, open flame, use of flammable or combustible liquids and gases, welding, and the parking of motor vehicles in any building or location used for the purpose of motion picture, television and commercial production.
3. **Live audiences.** To install seating arrangements for live audiences in approved production facilities, production studios and sound stages. See Chapter 48.

[A] 105.7 **Required construction permits.** The fire code official is authorized to issue construction permits for work as set forth in Sections 105.7.1 through 105.7.16.

[A] 105.7.1 **Automatic fire-extinguishing systems.** A construction permit is required for installation of or modification to an automatic fire-extinguishing system. Maintenance performed in accordance with this code is not considered a modification and does not require a permit.

[A] 105.7.2 **Battery systems.** A permit is required to install stationary storage battery systems having a liquid capacity of more than 50 gallons (189 L).

[A] 105.7.3 **Compressed gases.** When the compressed gases in use or storage exceed the amounts listed in Table 105.6.8, a construction permit is required to install, repair damage to, abandon, remove, place temporarily out of service, or close or substantially modify a compressed gas system.

Exceptions:

1. Routine maintenance.
2. For emergency repair work performed on an emergency basis, application for permit shall be made within two working days of commencement of work.

[A] 105.7.4 **Cryogenic fluids.** A construction permit is required for installation of or alteration to outdoor stationary cryogenic fluid storage systems where the system capacity exceeds the amounts listed in Table 105.6.10. Maintenance performed in accordance with this code is not considered an alteration and does not require a construction permit.

[A] 105.7.5 **Emergency responder radio coverage system.** A construction permit is required for installation of or modification to emergency responder radio coverage systems and related equipment. Maintenance performed in accordance with this code is not considered a modification and does not require a permit.

[A] 105.7.6 **Fire alarm and detection systems and related equipment.** A construction permit is required for installation of or modification to fire alarm and detection systems and related equipment. Maintenance performed in

SECTION 112 SERVICE UTILITIES

[A] 112.1 Authority to disconnect service utilities. The fire code official shall have the authority to authorize disconnection of utility service to the building, structure or system in order to safely execute emergency operations or to eliminate an immediate hazard. The fire code official shall notify the serving utility and, whenever possible, the owner and occupant of the building, structure or service system of the decision to disconnect prior to taking such action if not notified prior to disconnection. The owner or occupant of the building, structure or service system shall be notified in writing as soon as practical thereafter.

SECTION 113 FEES

[A] 113.1 Fees. A permit shall not be issued until the fees have been paid, nor shall an amendment to a permit be released until the additional fee, if any, has been paid.

[A] 113.2 Schedule of permit fees. A fee for each permit shall be paid as required, in accordance with the schedule as established by the applicable governing authority.

[A] 113.3 Work commencing before permit issuance. Any person who commences any work, activity or operation regulated by this code before obtaining the necessary permits shall be subject to an additional fee established by the applicable governing authority, which shall be in addition to the required permit fees.

[A] 113.4 Related fees. The payment of the fee for the construction, alteration, removal or demolition of work done in connection to or concurrently with the work or activity authorized by a permit shall not relieve the applicant or holder of the permit from the payment of other fees that are prescribed by law.

[A] 113.5 Refunds. The applicable governing authority is authorized to establish a refund policy.

State of California

GOVERNMENT CODE

Section 66014

66014. (a) Notwithstanding any other provision of law, when a local agency charges fees for zoning variances; zoning changes; use permits; building inspections; building permits; filing and processing applications and petitions filed with the local agency formation commission or conducting preliminary proceedings or proceedings under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3 (commencing with Section 56000) of Title 5; the processing of maps under the provisions of the Subdivision Map Act, Division 2 (commencing with Section 66410) of Title 7; or planning services under the authority of Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 or under any other authority; those fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

(b) The fees charged pursuant to subdivision (a) may include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations.

(c) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion authorizing the charge of a fee subject to this section shall be brought pursuant to Section 66022.

(Amended by Stats. 2002, Ch. 963, Sec. 1. Effective January 1, 2003.)

State of California

HEALTH AND SAFETY CODE

Section 13235

13235. (a) Upon receipt of a request from a prospective licensee of a community care facility, as defined in Section 1502, of a residential care facility for the elderly, as defined in Section 1569.2, or of a child day care facility, as defined in Section 1596.750, the local fire enforcing agency, as defined in Section 13244, or State Fire Marshal, whichever has primary jurisdiction, shall conduct a preinspection of the facility prior to the final fire clearance approval. At the time of the preinspection, the primary fire enforcing agency shall provide consultation and interpretation of fire safety regulations, and shall notify the prospective licensee of the facility in writing of the specific fire safety regulations which shall be enforced in order to obtain fire clearance approval. A fee equal to, but not exceeding, the actual cost of the preinspection services may be charged for the preinspection of a facility with a capacity to serve 25 or fewer persons. A fee equal to, but not exceeding, the actual cost of the preinspection services may be charged for a preinspection of a facility with a capacity to serve 26 or more persons.

(b) The primary fire enforcing agency shall complete the final fire clearance inspection for a community care facility, residential care facility for the elderly, or child day care facility within 30 days of receipt of the request for the final inspection, or as of the date the prospective facility requests the final preclearance inspection by the State Department of Social Services, whichever is later.

(Amended by Stats. 2009, 4th Ex. Sess., Ch. 12, Sec. 14. Effective July 28, 2009.)

HEALTH AND SAFETY CODE

Section 17951

17951. (a) The governing body of any county or city, including a charter city, may prescribe fees for permits, certificates, or other forms or documents required or authorized by this part or rules and regulations adopted pursuant to this part.

(b) The governing body of any county or city, including a charter city, or fire protection district, may prescribe fees to defray the costs of enforcement required by this part to be carried out by local enforcement agencies.

(c) The amount of the fees prescribed pursuant to subdivisions (a) and (b) shall not exceed the amount reasonably required to administer or process these permits, certificates, or other forms or documents, or to defray the costs of enforcement required by this part to be carried out by local enforcement agencies, and shall not be levied for general revenue purposes. The fees shall be imposed pursuant to Section 66016 of the Government Code.

(d) If the local enforcement agency fails to conduct an inspection of permitted work for which permit fees have been charged pursuant to this section within 60 days of receiving notice of the completion of the permitted work, the permittee shall be entitled to reimbursement of the permit fees. The local enforcement agency shall disclose in clear language on each permit or on a document that accompanies the permit that the permittee may be entitled to reimbursement of permit fees pursuant to this subdivision.

(e) (1) The provisions of this part are not intended to prevent the use of any manufactured home, mobilehome, multiunit manufactured home, material, appliance, installation, device, arrangement, or method of construction not specifically prescribed by the California Building Standards Code or this part, provided that this alternate has been approved by the building department.

(2) The building department of any city or county may approve an alternate material, appliance, installation, device, arrangement, method, or work on a case-by-case basis if it finds that the proposed design is satisfactory and that each such material, appliance, installation, device, arrangement, method, or work offered is, for the purpose intended, at least the equivalent of that prescribed in the California Building Standards Code or this part in performance, safety, and for the protection of life and health.

(3) The building department of any city or county shall require evidence that any material, appliance, installation, device, arrangement, or method of construction conforms to, or that the proposed alternate is at least equivalent to, the requirements of this part, building standards published in the California Building Standards Code, or the other rules and regulations promulgated pursuant to this part and in order to

substantiate claims for alternates, the building department of any city or county may require tests as proof of compliance to be made at the expense of the owner or the owner's agent by an approved testing agency selected by the owner or the owner's agent.

(Amended by Stats. 2004, Ch. 144, Sec. 1. Effective January 1, 2005.)

Section 106 is amended by adding subsection 106.2.3 to read as follows:
106.2.3 Reinspection Fee. A reinspection fee may be assessed for each inspection, test, or reinspection when such portion of work for which an inspection is requested is not complete or when corrections requested to be inspected are not made. This section is not to be interpreted as requiring reinspection fees the first time an inspection or test is rejected for failure to comply with the requirements of the code, but as controlling the practice of requesting inspections/tests before the job is ready for such inspection or test. Reinspection fees may be assessed when the approved plans are not readily available to the inspector, for failure to provide access on the date for which the inspection/test is requested, failure for those individuals conducting the test to show up at the scheduled time or deviating from the approved plans. The fee shall be equal to all incurred costs for inspection and administrative staff at the fully burdened rate.

PUBLIC RESOURCES CODE

Section 2705

2705. (a) A city, county, and city and county shall collect a fee from each applicant for a building permit. Each fee shall be equal to a specific amount of the proposed building construction for which the building permit is issued as determined by the local building officials. The fee amount shall be assessed in the following way:

(1) Group R occupancies, as defined in the California Building Code (Part 2 of Title 24 of the California Code of Regulations), one to three stories in height, except hotels and motels, shall be assessed at the rate of thirteen dollars (\$13) per one hundred thousand dollars (\$100,000), with appropriate fractions thereof.

(2) All other buildings shall be assessed at the rate of twenty-eight dollars (\$28) per one hundred thousand dollars (\$100,000), with appropriate fractions thereof.

(3) The fee shall be the amount assessed under paragraph (1) or (2), depending on building type, or fifty cents (\$0.50), whichever is the higher.

(b) (1) In lieu of the requirements of subdivision (a), a city, county, and city and county may elect to include a rate of thirteen dollars (\$13) per one hundred thousand dollars (\$100,000), with appropriate fractions thereof, in its basic building permit fee for any Group R occupancy defined in paragraph (1) of subdivision (a), and a rate of twenty-eight dollars (\$28) per one hundred thousand dollars (\$100,000), with appropriate fractions thereof, for all other building types. A city, county, and city and county electing to collect the fee pursuant to this subdivision need not segregate the fees in a fund separate from any fund into which basic building permit fees are deposited.

(2) "Building," for the purpose of this chapter, is any structure built for the support, shelter, or enclosure of persons, animals, chattels, or property of any kind.

(c) (1) A city, county, and city and county may retain up to 5 percent of the total amount it collects under subdivision (a) or (b) for data utilization, for seismic education incorporating data interpretations from data of the strong-motion instrumentation program and the seismic hazards mapping program, and, in accordance with paragraph (2), for improving the preparation for damage assessment after strong seismic motion events.

(2) A city, county, and city and county may use any funds retained pursuant to this subdivision to improve the preparation for damage assessment in its jurisdiction only after it provides the Department of Conservation with information indicating to the department that data utilization and seismic education activities have been adequately funded.

(d) Funds collected pursuant to subdivisions (a) and (b), less the amount retained pursuant to subdivision (c), shall be deposited in the Strong-Motion Instrumentation

and Seismic Hazards Mapping Fund, as created by Section 2699.5 to be used exclusively for purposes of this chapter, Chapter 7.5 (commencing with Section 2621), and Chapter 7.8 (commencing with Section 2690).

(Amended by Stats. 2014, Ch. 35, Sec. 129. (SB 861) Effective June 20, 2014.)

Tracy Municipal Code

3.36.010 - Fee schedule.

The City Council shall by resolution action taken from time to time establish a fee schedule for services provided to the public by the departments of the City.
(Prior code § 3-9.01)

4.12.780 - Noncompliance with sound level limits—Extensions—Variations.

- (a) If the noise resulting from any activity, event, or enterprise in any base district zone shall exceed the applicable area sound level limit prescribed Section 4.12.750 on three (3) or more days during any thirty (30) day period, the Community Development Director shall serve a notice of noncompliance on the owner of the property which produces the noise. Service shall be in the manner prescribed by Section 4.12.910. Such notice shall indicate the applicable sound level limit for the area, identify when and where excessive sound level measurements were taken, and report the sound level measured during each such measurement.
- (b) Within thirty (30) days of service of the notice of noncompliance, the owner of the property shall do one of the following:
- (1) Reduce the level of noise produced on the property so as to conform to the applicable sound level limit referenced in the notice;
 - (2) Deliver a written application to the Community Development Director for an extension of time in which to bring the noise into conformance with the referenced sound level limit; such extension may be granted for a period not to exceed thirty (30) days;
 - (3) Deliver to the Community Development Director a written objection to any or all of the findings indicated, identified, or reported in the notice; the Community Development Director shall rule on the validity of such objections within fifteen (15) days of such delivery and, if found to be invalid, shall order the owner to comply with the applicable sound level limit; or
 - (4) Apply for a variation from the sound level limit otherwise applicable. The Planning Commission shall hear applications for a variation during a duly noticed public hearing. The notice requirements shall be the same as those required by the Tracy zoning regulations in connection with an application for a conditional use permit which requires that notice of the hearing be provided in the local newspaper at least ten days prior to the hearing, and that a mailer be provided regarding the hearing to property owners within 300 feet of the exterior boundary of the subject property, also ten (10) days prior to the hearing.
- (Prior code § 4-3.1007)

7.04.020 - Fees.

In addition to the requirements set forth in this chapter, the applicant, at the time of filing the application, shall pay required fees determined by the Public Works Department in such amount as may be established from time to time by resolution of the City Council. No permit shall be issued until the fees have been paid.

Permit Fee. The permit fee shall be a standard administrative fee applicable to all permits and shall be in accordance with the prevailing fees as established from time to time by resolution of the City Council.

Inspection and engineering fees. In addition to the permit fees the applicant shall pay estimated inspection fees as determined by the Director of Public Works to monitor and inspect compliance of construction with the City Standards. Inspection fees shall be charged for the number of inspection hours estimated by the Public Works Department and the rates shall be in accordance with the prevailing rates established from time to time by resolution of the City Council.

The permittee shall also pay engineering fees as determined by the Director of Public Works in accordance with the fee schedule adopted by resolution by the City Council. The engineering fee shall be based upon the City services required for investigation, coordination, engineering review and compliance of other requirements for the requested application of the encroachment permit depending upon the size of the project.

(Prior code § 7-1.101.1)

9.02.030 - Adoption by reference of the Uniform Administrative Code.

The City hereby adopts by reference the code entitled "1997 Uniform Administrative Code," including all tables attached thereto, published by the International Conference of Building Officials (hereinafter "Uniform Administrative Code"), as amended by this chapter. The Uniform Administrative Code is on file with the City Clerk, and is available for inspection and copying in accordance with Government Code section 50022.6.

(Ord. 996 § 2 (part), 1999)

9.28.050 - Permit fees.

Each application for a sign for which a permit is required by this chapter shall be accompanied by a permit fee computed in accordance with the provisions of section 107 of the California Building Code as adopted by section 9.04.030 of this title.

(Ord. 1040 § 5 Exh. E (part), 2002; prior code § 9-7.05)

9.32.040 - Building moving permit—Application fee.

Before any application for a building moving permit is accepted, a fee of One Hundred and no/100ths (\$100.00) Dollars, as revised from time to time by City Council resolution, shall be paid by the applicant to cover the cost to the City of the investigation of the building to be moved to determine whether a building moving permit should be issued, the applicable post-building moving conditions and the inspection of the proposed new location if such new location is located within the City. Such application fee shall be in addition to any other building permit and inspection fees. No part of the application fee shall be refunded.

10.08.3630 - Variances.

When practical difficulties, unnecessary hardships, or results inconsistent with the general purposes of this chapter result through the strict and literal interpretation and enforcement of the provisions of this chapter, the Community Development Director shall have the authority as an

administrative act, subject to the provisions of this article, to grant, upon such conditions as he may determine, such variances from the provisions of this chapter as may be in harmony with its general purpose and intent so that the spirit of this chapter shall be observed, public safety and welfare secured, and substantial justice done.
(Prior code § 10-2.2801)

10.08.4150 - Filing fees.

The filing fees for all applications, appeals, requests for determinations, clarifications, and interpretations provided for in this chapter shall be set by resolution of the Council.
(Prior code § 10-2.3104)

10.08.4240 - Issuance of temporary use permits.

In order to assure the protection of the health, safety, and welfare of the citizens of the City, while still providing for their pleasure and convenience, the Community Development Director may issue a permit for the establishment of temporary uses within the City in accordance with the following procedure and conditions; however, at his discretion or at the request of the Commission, he may refer any application for a temporary use or structure to the Commission for consideration:

- (a) Prior to the establishment of any temporary use on any lot or parcel in the City, a temporary use permit shall be obtained from the Community Development Department. Such permit may be issued for a maximum of thirty (30) days after the date of issue for any use which is deemed by the Community Development Director to be of a temporary nature upon making the following findings:
 - (1) That the temporary use will not be detrimental to the zoning district in which it is proposed to be located; and
 - (2) That the temporary use will not be detrimental to adjoining properties through the creation of excessive dust, noise, light, odor, or other objectionable characteristics.
- (b) Temporary uses for which permits may be granted include, but are not limited to, carnivals, circuses, religious revivals, Christmas tree lots, promotions and sales in trucks or trailers, animal shows or displays, and food stands.
- (c) Temporary uses conducted entirely within a structure that is occupied by an existing business or organization shall be exempt from the provisions of this section.
- (d) Ingress and egress shall be limited to that designated by the Community Development Department. Appropriate directional signs, barricades, fences, or landscaping shall be provided where required. A security officer may be required for promotional events.
- (e) Off-street parking facilities shall be provided on the site of each temporary use.
- (f) Upon the termination of the temporary use permit or the abandonment of the site, the applicant shall remove all materials and equipment and restore the premises to its original condition.
- (g) The opening and closing time for promotional enterprises shall coincide with the hours of operation of the sponsoring commercial establishment. Reasonable time limits for other uses may be set by the Community Development Director.
- (h) Applications for temporary use permits shall be made to the Community Development Department and shall be accompanied by the following:

- (1) Five (5) copies of a dimensional plot plan showing the following:
 - (i) The subject property with the property lines and abutting properties;
 - (ii) The location of the temporary use related to the subject and adjoining properties;
 - (iii) The parking, driveways, and loading areas; and
 - (iv) The vehicular ingress, and egress; and
 - (2) One copy of the dimensioned elevations of any structure proposed for location.
 - (i) The Community Development Director shall have the authority to approve or disapprove the application, or to approve it subject to compliance with such conditions as may be deemed necessary to carry out the purposes of this chapter and to meet the requirements listed in subsection (a) of this section.
- (j) In the event the applicant is not satisfied with the decision of the Community Development Director, the applicant may appeal in writing to the Commission within ten (10) days, and the Commission shall render a decision within thirty (30) days following such appeal.
(Prior code § 10-2.3400)

10.08.4270 - Permits for conditional uses—Applications—Fees.

Applications for use permits shall be made to the Commission on a form which shall include the following data:

- (a) The name and address of the applicant;
- (b) A statement that the applicant is the owner of the property, or is the authorized agent of the owner, or the plaintiff in an action of eminent domain to acquire the property involved;
- (c) The address or description of the property;
- (d) A statement setting forth the precise circumstances or conditions applicable to the land, structure, or proposed use which makes the granting of a use permit necessary, together with any other data pertinent to the findings prerequisite to the granting of a use permit;
- (e) A drawing of the site and the surrounding area, for a distance of at least 300 feet from each boundary of the site, showing the existing locations of streets and property lines and a list of the names and last known addresses of the recorded legal owners as shown on the latest adopted assessment roll of the County of all properties shown on the drawing. The County Assessor's maps, copies of which are available at cost in the Community Development Department, may be used for this purpose;
- (f) Ten (10) prints of a site plan, drawn to scale, which shall indicate clearly and with full dimensions the following information:
 - (1) The lot or site dimensions;
 - (2) The buildings and structures; floor plan, front and side elevations; and location, size, and proposed use;
 - (3) The yards and space between buildings;
 - (4) The walls and fences, location and height;
 - (5) The off-street parking and off-street loading; the location, number of spaces, and dimensions of parking and loading areas; and the internal circulation pattern;
 - (6) The access, pedestrian, vehicular, and service; and the points of ingress and egress, including the internal circulation pattern;
 - (7) The signs, location, size, height, and type of illumination, if any, including hooding devices;

- (8) The lighting, location, general nature, and hooding devices;
 - (9) The street dedications and improvements;
 - (10) The landscaping, location and type; and
 - (11) Such other data as may be required by the Commission to make the required findings;
- (g) The site plan shall be so prepared by the applicant to enable the Commission to find that:
- (1) All the applicable provisions of this chapter are complied with;
 - (2) The following are so arranged that traffic congestion is avoided and pedestrian and vehicular safety and welfare are protected and there will be no adverse effect on surrounding property:
 - (i) Facilities and improvements;
 - (ii) Vehicular ingress, egress, and internal circulation;
 - (iii) Setbacks;
 - (iv) Height of buildings;
 - (v) Location of service;
 - (vi) Walls and fences;
 - (vii) Landscaping; and
 - (viii) Drainage of site;
 - (3) The proposed lighting is so arranged as to deflect the light away from adjoining properties; and
 - (4) The proposed signs and outdoor advertising structures will comply with all of the applicable provisions of this chapter.
- In making such findings, the Commission shall determine that approvals will be consistent with established legislative policies relating to traffic safety, street dedications, and street improvements; and
- (h) The application shall be accompanied by the required filing fee.
(Prior code § 10-2.3403) 10.08.4270

10.12.070 - Application requirements for RGAs.

No RGA shall be allocated by the City unless the developer submits an application in accordance with the requirements of this chapter and the requirements of the GMO guidelines.
(Ord. No. 1136, § 1, 2009)

10.20.040 - Initiation procedures.

- (a) General. The proposal to prepare a specific plan may be initiated either by the City or by another applicant.
- (b) City-initiated specific plan. A City-initiated proposal shall be submitted to the City Council for consideration. A written staff report shall include:
 - (1) A description of the proposed project;
 - (2) The reasons for the use of the specific plan process;
 - (3) A vicinity map, drawn to scale, showing the proposed specific plan area and areas within one mile of the property;

- (4) A description of the current use of the property, and the addresses and assessor's parcel numbers for the properties, listed from the latest assessor's roll;
- (5) The planned land use designations for the properties shown on a map;
- (6) Proposed amendments to other, existing plans or proposals to amend zoning regulations;
- (7) A statement of how the specific plan implements the general plan and any anticipated general plan amendments; and
- (8) Any additional information required by the Director of Development and Engineering Services.

If the City Council agrees with the proposal or a modification, it shall adopt a resolution of intention to adopt a specific plan and related environmental review.

(c) Application by another party.

(1) Complete application. A party wishing the City to adopt a specific plan shall first submit a complete application to the Development and Engineering Services Department and pay an application fee as established by the City Council under subsection 10.20.080(a). The applicant is not required to own or otherwise control a majority of the properties within the proposed specific plan area. The application shall include a City application form with accompanying diagrams and other pertinent information, including the information set forth in subsection (b) above.

(2) Meeting with DES. Within thirty (30) days of receipt of a complete application, the Development and Engineering Services Department shall schedule a meeting with the applicant to review the application. The department may propose modifications to the specific plan boundaries and scope in order to facilitate comprehensive planning. Due to the significant role an adopted specific plan plays in the implementation of the general plan, a project applicant should seek guidance from the Development and Engineering Services Department before submitting an application for a specific plan.

(Ord. No. 1126, § 1, 11-18-2008; Ord. No. 1144, § 2, 3-16-2010)

10.20.080 - Fees.

(a) Application and processing. An applicant other than the City shall pay the application and processing fees established by City Council resolution. This includes processing fees, through a cost recovery agreement, intended to cover the costs under subsection (b).

(b) Specific plan fee. The City Council may establish a specific plan fee for applicants seeking a land use entitlement within the area of a proposed or an already-adopted specific plan. (Government Code § 65456.) A specific plan fee shall only be established to reimburse the City for costs it incurs for preparation, adoption and administration of the specific plan (whether or not such costs are otherwise covered by a cost recovery agreement with a developer). It does not apply to a developer's own costs or its consultants' costs for a specific plan.

The purpose of the fee is to defray the cost of preparation, adoption and administration of the specific plan and to reimburse the City or other paying party for the costs of preparing the specific plan, including costs of consultants and environmental review. The fees charged shall be a prorated amount in accordance with the applicant's relative benefit derived from the specific plan. In the aggregate, the fees shall defray, but not exceed, the cost of preparation, administration and adoption of the specific plan.

(c) Infrastructure master plan costs. Because infrastructure master plans are a critical element of a workable specific plan, an applicant for a specific plan shall pay its fair share of the cost of the infrastructure master plans. The amount of the infrastructure master plan costs shall be established through one or more infrastructure master plan processing agreements and payment is a condition of proceeding with the specific plan application after the City Council direction to proceed. (The infrastructure master plan processing agreements are distinguished from the cost of implementing the infrastructure master plans through impact fees or other measures.)

(Ord. No. 1126, § 1, 11-18-2008; Ord. No. 1137, § 2, 2009; Ord. No. 1144, § 3, 3-16-2010)

10.28.808 - Adult business use permit requirement.

(a) No adult business may be established within the City by right. Each person wishing to establish an adult business within the City must apply for and receive an adult business use permit under this chapter.

(b) The applicant has the responsibility and the burden to supply evidence to justify the grant of an adult business use permit.

(c) A person who wishes to operate or establish an adult business within the City shall file with the Community Development Department an adult business use permit application on a standard application form supplied by the department.

(Ord. 982 § 4, 1998)

12.04.080 - Lot line adjustment procedure.

The procedure for request and approval of a lot line adjustment is as follows.

(a) The applicant shall submit a request to the Community Development Department (Planning Division) for a lot line adjustment, together with:

- (1) A letter from the owner requesting the lot line adjustment;
- (2) An original legal description and exhibit map for the lot line adjustment prepared by a registered civil engineer or licensed land surveyor;
- (3) A sketch (eight and one-half by eleven (8½" x 11") inches) showing the proposed lot line adjustment, including: (1) all existing structures, utilities and utility easements which are within fifty (50') feet of an existing or proposed property line, and (2) the existing and proposed property lines;

- (4) A preliminary title report prepared within ninety (90) days of the application; and

- (5) Applicable processing fees, as established by City Council resolution.

(b) The Community Development Director shall transmit a copy of the application to the City Engineer, and shall coordinate review with that of the City Engineer.

(c) The Community Development Director shall review and determine whether or not the parcels resulting from the lot line adjustment will conform to local zoning and building ordinances, under Government Code section 66412(d). If the director determines that the parcels resulting from the lot line adjustment will conform to local zoning and building ordinances, he or she shall promptly notify the City Engineer.

The Community Development Director may determine that the parcels resulting from the lot line adjustment substantially conform to the zoning regulations if the lot line adjustment will

significantly reduce the degree of non-conformity regarding nonconforming lot coverage, yard setbacks, or distances between structures.

(d) The City Engineer may require revisions, and may require right-of-way dedication required to conform to local zoning and building ordinances, or to facilitate the relocation of existing utilities, infrastructure, or easements, in accordance with Government Code section 66412(d).

The City Engineer is authorized to approve or deny the request for a lot line adjustment and, if approved, to record the final documents with the County Recorder.

(e) The decision of the City Engineer may be appealed to the Planning Commission within ten (10) days of the decision, under section 12.04.060.

(Ord. 934 C.S. § 1 (part), 1996: prior code § 12-1.108)

12.12.070 - Fees and deposits.

An applicant requesting any service from the City under this title shall pay all processing fees and deposits established by resolution of the City Council. The fees may not exceed the amount reasonably required to administer this title.

(Ord. 934 C.S. § 1 (part), 1996: prior code § 12-3.107)

12.16.060 - Department review and referral.

The tentative subdivision map application shall be accepted as complete only when the map conforms to Section 12.16.020 and when all accompanying data or reports, as required by Section 12.16.030 and all fees and/or deposits as required by Section 12.16.070 have been submitted by the subdivider and reviewed and accepted by the Department. The Department shall consult with the engineering division before accepting an application as complete. The subdivider shall file with the Department the number of copies of tentative maps the Department deems necessary. The Department shall forward copies of the tentative map to the affected public agencies and utilities, and to those agencies described in Section 12.12.090, for their findings and recommendations.

(Ord. 934 C.S. § 1 (part), 1996: prior code § 12-4.106)

12.28.050 - Fees.

(a) Upon filing a vesting tentative map, the subdivider shall pay all required fees and/or deposits for checking and processing maps, plans and reports. Any additional fees required due to changes of the maps, plans and reports are due and payable by the subdivider upon request by the City.

(b) Unless the conditions of approval provide otherwise, the amount of all other fees required by this title for the development shall be determined at the time an application for the building permit is made (to the extent permitted by state law).

(Ord. 934 C.S. § 1 (part), 1996: prior code § 12-7.105)

ture or building service equipment have been submitted or approved, provided adequate information and detailed statements have been filed complying with all pertinent requirements of the technical codes. The holder of a partial permit shall proceed without assurance that the permit for the entire building, structure or building service will be granted.

303.2 Retention of Plans. One set of approved plans, specifications and computations shall be retained by the building official for a period of not less than 90 days from the date of completion of the work covered therein; and one set of approved plans and specifications shall be returned to the applicant and shall be kept on the site of the building or work at all times during which the work authorized thereby is in progress.

303.3 Validity of Permit. The issuance of a permit or approval of plans, specifications and computations shall not be construed to be a permit for, or an approval of, any violation of any of the provisions of this code or the technical codes, or of any other ordinance of the jurisdiction. Permits presuming to give authority to violate or cancel the provisions of this code or of other ordinances of the jurisdiction shall not be valid.

The issuance of a permit based on plans, specifications and other data shall not prevent the building official from thereafter requiring the correction of errors in said plans, specifications and other data, or from preventing building operations being carried on thereunder when in violation of these codes or of any other ordinances of this jurisdiction.

303.4 Expiration. Every permit issued by the building official under the provisions of the technical codes shall expire by limitation and become null and void, if the building or work authorized by such permit is not commenced within 180 days from the date of such permit, or if the building or work authorized by such permit is suspended or abandoned at any time after the work is commenced for a period of 180 days. Before such work can be recommenced, a new permit shall be first obtained to do so, and the fee therefor shall be one half the amount required for a new permit for such work, provided no changes have been made or will be made in the original plans and specifications for such work; and provided further that such suspension or abandonment has not exceeded one year. In order to renew action on a permit after expiration, the permittee shall pay a new full permit fee.

A permittee holding an unexpired permit may apply for an extension of the time within which work may commence under that permit when the permittee is unable to commence work within the time required by this section for good and satisfactory reasons. The building official may extend the time for action by the permittee for a period not exceeding 180 days upon written request by the permittee showing that circumstances beyond the control of the permittee have prevented action from being taken. Permits shall not be extended more than once.

303.5 Suspension or Revocation. The building official may, in writing, suspend or revoke a permit issued under the provisions of this code and the technical codes when the permit is issued in error or on the basis of incorrect information supplied, or in violation of an ordinance or regulation or the provisions of these codes.

SECTION 304 — FEES

304.1 General. Fees shall be assessed in accordance with the provisions of this section or shall be as set forth in the fee schedule adopted by this jurisdiction.

304.2 Permit Fees. The fee for each permit shall be as set forth in Tables 3-A through 3-H. Where a technical code has been adopted by the jurisdiction for which no fee schedule is shown in

this code, the fee required shall be in accordance with the schedule established by the legislative body.

The determination of value or valuation under any of the provisions of these codes shall be made by the building official. The value to be used in computing the building permit and building plan review fees shall be the total value of all construction work for which the permit is issued as well as all finish work, painting, roofing, electrical, plumbing, heating, air-conditioning, elevators, fire-extinguishing systems and other permanent equipment.

304.3 Plan Review Fees. When submittal documents are required by Section 302.2, a plan review fee shall be paid at the time of submitting the submittal documents for plan review. Said plan review fee shall be 65 percent of the building permit fee as shown in Table 3-A.

The plan review fees for electrical, mechanical and plumbing work shall be equal to 25 percent of the total permit fee as set forth in Tables 3-B, 3-C and 3-D.

The plan review fee for grading work shall be as set forth in Table 3-G.

The plan review fees specified in this section are separate fees from the permit fees specified in Section 304.2 and are in addition to the permit fees.

When submittal documents are incomplete or changed so as to require additional plan review or when the project involves deferred submittal items as defined in Section 302.4.2, an additional plan review fee shall be charged at the rate shown in Tables 3-A through 3-G.

304.4 Expiration of Plan Review. Applications for which no permit is issued within 180 days following the date of application shall expire by limitation, and plans and other data submitted for review may thereafter be returned to the applicant or destroyed by the building official. The building official may extend the time for action by the applicant for a period not exceeding 180 days on written request by the applicant showing that circumstances beyond the control of the applicant have prevented action from being taken. An application shall not be extended more than once. An application shall not be extended if this code or any other pertinent laws or ordinances have been amended subsequent to the date of application. In order to renew action on an application after expiration, the applicant shall resubmit plans and pay a new plan review fee.

304.5 Investigation Fees: Work without a Permit.

304.5.1 Investigation. Whenever work for which a permit is required by this code has been commenced without first obtaining a permit, a special investigation shall be made before a permit may be issued for such work.

304.5.2 Fee. An investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. The investigation fee shall be equal to the amount of the permit fee required by this code. The minimum investigation fee shall be the same as the minimum fee set forth in Tables 3-A through 3-H. The payment of such investigation fee shall not exempt an applicant from compliance with all other provisions of either this code or the technical codes nor from the penalty prescribed by law.

304.6 Fee Refunds. The building official may authorize refunding of a fee paid hereunder which was erroneously paid or collected.

The building official may authorize refunding of not more than 80 percent of the permit fee paid when no work has been done under a permit issued in accordance with this code.

The building official may authorize refunding of not more than 80 percent of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any examination time has been expended.

The building official shall not authorize the refunding of any fee paid except upon written application filed by the original permittee not later than 180 days after the date of fee payment.

SECTION 305 — INSPECTIONS

305.1 General. Construction or work for which a permit is required shall be subject to inspection by the building official and the construction or work shall remain accessible and exposed for inspection purposes until approved by the building official. In addition, certain types of construction shall have continuous inspection as specified in Section 306.

Approval as a result of an inspection shall not be construed to be an approval of a violation of the provisions of this code or of other ordinances of the jurisdiction. Inspections presuming to give authority to violate or cancel the provisions of this code or of other ordinances of the jurisdiction shall not be valid.

It shall be the duty of the permit applicant to cause the work to remain accessible and exposed for inspection purposes. Neither the building official nor this jurisdiction shall be liable for expense entailed in the removal or replacement of any material required to allow inspection.

A survey of the lot may be required by the building official to verify that the structure is located in accordance with the approved plans.

305.2 Inspection Record Card. Work requiring a permit shall not be commenced until the permit holder or the agent of the permit holder shall have posted or otherwise made available an inspection record card such as to allow the building official conveniently to make the required entries thereon regarding inspection of the work. This card shall be maintained available by the permit holder until final approval has been granted by the building official.

305.3 Inspection Requests. It shall be the duty of the person doing the work authorized by a permit to notify the building official that such work is ready for inspection. The building official may require that every request for inspection be filed at least one working day before such inspection is desired. Such request may be in writing or by telephone at the option of the building official.

It shall be the duty of the person requesting any inspections required either by this code or the technical codes to provide access to and means for inspection of the work.

305.4 Approval Required. Work shall not be done beyond the point indicated in each successive inspection without first obtaining the approval of the building official. The building official, upon notification, shall make the requested inspections and shall either indicate that that portion of the construction is satisfactory as completed or shall notify the permit holder or an agent of the permit holder wherein the same fails to comply with this code. Any portions which do not comply shall be corrected and such portion shall not be covered or concealed until authorized by the building official.

There shall be a final inspection and approval of all buildings and structures when completed and ready for occupancy and use.

305.5 Required Building Inspections. Reinforcing steel or structural framework of a part of a building or structure shall not be covered or concealed without first obtaining the approval of the building official. Protection of joints and penetrations in fire-

resistive assemblies shall not be concealed from view until inspected and approved.

The building official, upon notification, shall make the following inspections:

1. **Foundation inspection.** To be made after excavations for footings are complete and required reinforcing steel is in place. For concrete foundations, required forms shall be in place prior to inspection. All materials for the foundation shall be on the job, except when concrete is ready-mixed in accordance with approved nationally recognized standards, the concrete need not be on the job. When the foundation is to be constructed of approved treated wood, additional inspections may be required by the building official.

2. **Concrete slab or under-floor inspection.** To be made after in-slab or under-floor building service equipment, conduit, piping accessories and other ancillary equipment items are in place but before any concrete is placed or floor sheathing installed, including the subfloor.

3. **Frame inspection.** To be made after the roof, framing, fire blocking and bracing are in place and all pipes, chimneys and vents are complete and the rough electrical, plumbing, and heating wires, pipes, and ducts are approved.

4. **Lath and/or wallboard inspection.** To be made after lathing and wallboard, interior and exterior, is in place but before plaster is applied or before wallboard joints and fasteners are taped and finished.

5. **Final inspection.** To be made after finish grading and the building is completed and ready for occupancy.

305.6 Required Building Service Equipment Inspections.

305.6.1 General. Building service equipment for which a permit is required by this code shall be inspected by the building official. Building service equipment intended to be concealed by a permanent portion of the building shall not be concealed until inspected and approved. When the installation of building service equipment is complete, an additional and final inspection shall be made. Building service equipment regulated by the technical codes shall not be connected to the water, fuel or power supply, or sewer system until authorized by the building official.

305.6.2 Operation of building service equipment. The requirements of this section shall not be considered to prohibit the operation of building service equipment installed to replace existing building service equipment serving an occupied portion of the building in the event a request for inspection of such building service equipment has been filed with the building official not more than 48 hours after the replacement work is completed, and before any portion of such building service equipment is concealed by permanent portions of the building.

305.7 Other Inspections. In addition to the called inspections specified above, the building official may make or require other inspections of construction work to ascertain compliance with the provisions of this code or technical codes and other laws which are enforced by the code enforcement agency.

305.8 Reinspections. A reinspection fee may be assessed for each inspection or reinspection when such portion of work for which inspection is called is not complete or when corrections called for are not made.

This section is not to be interpreted as requiring reinspection fees the first time a job is rejected for failure to comply with the requirements of the technical codes, but as controlling the practice of calling for inspections before the job is ready for such inspection or reinspection.

TABLE 3-A
TABLE 3-B

TABLE 3-A—BUILDING PERMIT FEES

TOTAL VALUATION	FEE
\$1.00 to \$500.00	\$23.50
\$501.00 to \$2,000.00	\$23.50 for the first \$500.00 plus \$3.05 for each additional \$100.00, or fraction thereof, to and including \$2,000.00
\$2,001.00 to \$25,000.00	\$69.25 for the first \$2,000.00 plus \$14.00 for each additional \$1,000.00, or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$391.75 for the first \$25,000.00 plus \$10.10 for each additional \$1,000.00, or fraction thereof, to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$643.75 for the first \$50,000.00 plus \$7.00 for each additional \$1,000.00, or fraction thereof, to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$993.75 for the first \$100,000.00 plus \$5.60 for each additional \$1,000.00, or fraction thereof, to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$3,233.75 for the first \$500,000.00 plus \$4.75 for each additional \$1,000.00, or fraction thereof, to and including \$1,000,000.00
\$1,000,001.00 and up	\$5,608.75 for the first \$1,000,000.00 plus \$3.45 for each additional \$1,000.00, or fraction thereof
Other Inspections and Fees:	
1. Inspections outside of normal business hours	\$47.00 per hour*
(minimum charge—two hours)	
2. Reinspection fees assessed under provisions of Section 305.8	\$47.00 per hour*
3. Inspections for which no fee is specifically indicated	\$47.00 per hour*
(minimum charge—one-half hour)	
4. Additional plan review required by changes, additions or revisions to plans	\$47.00 per hour*
(minimum charge—one-half hour)	
5. For use of outside consultants for plan checking and inspections, or both	Actual costs**

*Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

**Actual costs include administrative and overhead costs.

TABLE 3-B—ELECTRICAL PERMIT FEES

Permit Issuance	\$23.50
1. For the issuance of each electrical permit	\$7.25
2. For the issuing of each supplemental permit for which the original permit has not expired, been canceled, or finalized	
System Fee Schedule	
(Note: The following do not include permit-issuing fee.)	
1. New Residential Buildings	
The following fees shall include all wiring and electrical equipment in or on each building, or other electrical equipment on the same premises constructed at the same time.	
Multifamily. For new multifamily buildings (apartments and condominiums) having three or more dwelling units constructed at the same time, not including the area of garages, carports and accessory buildings, per square foot (0.09 m ²)	0.050
Single- and two-family. For new single- and two-family residential buildings constructed at the same time and not including the area of garages, carports and accessory buildings, per square foot (0.09 m ²)	0.056
For other types of residential occupancies and for alterations, additions and modifications to existing residential buildings, use the Unit Fee Schedule.	
2. Private Swimming Pools	
For new private, in-ground swimming pools for single-family and multifamily occupancies, including a complete system of necessary branch circuit wiring, bonding, grounding, underwater lighting, water pumping and other similar electrical equipment directly related to the operation of a swimming pool, each pool	49.50
3. Carnivals and Circuses	
Carnivals, circuses, or other traveling shows or exhibitions utilizing transportable-type rides, booths, displays and attractions.	23.50
For electrical generators and electrically driven rides, each	7.25
For mechanically driven rides and walk-through attractions or displays having electric lighting, each	7.25
For a system of area and booth lighting, each	
For permanently installed rides, booths, displays and attractions, use the Unit Fee Schedule.	
4. Temporary Power Service	
For a temporary service pole or pedestal, including all pole or pedestal-mounted receptacle outlets and appurtenances, each	23.50
For a temporary distribution system and temporary lighting and receptacle outlets for construction sites, decorative lights, Christmas tree sales lots, fireworks stands, etc., each	12.30
Unit Fee Schedule	
(Note: The following do not include permit-issuing fee.)	
1. Receptacle, Switch and Light Outlets	
For receptacle, switch, light or other outlets at which current is used or controlled, except services, feeders and meters:	1.10
First 20 fixtures, each	0.73
Additional fixtures, each	
Note: For multioutlet assemblies, each 5 feet (1524 mm) or fraction thereof may be considered as one outlet.	
2. Lighting Fixtures	
For lighting fixtures, sockets or other lamp-holding devices:	1.10
First 20 fixtures, each	\$ 0.73
Additional fixtures, each	

For pole or platform-mounted lighting fixtures, each	1.10
For theatrical-type lighting fixtures or assemblies, each	1.10
3. Residential Appliances	
For fixed residential appliances or receptacle outlets for same, including wall-mounted electric ovens; counter-mounted cooking tops; electric ranges; self-contained room, console or through-wall air conditioners; space heaters; food waste grinders; dishwashers; washing machines; water heaters; clothes dryers; or other motor-operated appliances not exceeding 1 horsepower (HP) (746 W) in rating, each	4.75
Note: For other types of air conditioners and other motor-driven appliances having larger electrical ratings, see Power Apparatus.	
4. Nonresidential Appliances	
For nonresidential appliances and self-contained factory-wired, nonresidential appliances not exceeding 1 horsepower (HP), kilowatt (kW) or kilovolt-ampere (kVA), in rating, including medical and dental devices; food, beverage and ice cream cabinets; illuminated show cases; drinking fountains; vending machines; laundry machines; or other similar types of equipment, each	4.75
Note: For other types of air conditioners and other motor-driven appliances having larger electrical ratings, see Power Apparatus.	
5. Power Apparatus	
For motors, generators, transformers, rectifiers, synchronous converters, capacitors, industrial heating, air conditioners and heat pumps, cooking or baking equipment and other apparatus, as follows:	
Rating in horsepower (HP), kilowatts (kW), kilovolt-amperes (kVA) or kilovolt-amperes-reactive (kVAR):	4.75
Up to and including 1, each	12.30
Over 1 and not over 10, each	24.60
Over 10 and not over 50, each	49.50
Over 50 and not over 100, each	74.50
Over 100, each	
Notes:	
1. For equipment or appliances having more than one motor, transformer, heater, etc., the sum of the combined ratings may be used.	
2. These fees include all switches, circuit breakers, contactors, thermostats, relays and other directly related control equipment.	
6. Busways	
For trolley and plug-in-type busways, each 100 feet (30 480 mm) or fraction thereof	7.25
Note: An additional fee is required for lighting fixtures, motors and other appliances that are connected to trolley and plug-in-type busways. A fee is not required for portable tools.	
7. Signs, Outline Lighting and Marquees	
For signs, outline lighting systems or marquees supplied from one branch circuit, each	24.60
For additional branch circuits within the same sign, outline lighting system or marquee, each	4.75
8. Services	
For services of 600 volts or less and not over 200 amperes in rating, each	30.50
For services of 600 volts or less and over 200 amperes to 1,000 amperes, each	62.15
For services over 600 volts or over 1,000 amperes in rating, each	124.30
9. Miscellaneous Apparatus, Conduits and Conductors	
For electrical apparatus, conduits and conductors for which a permit is required but for which no fee is herein set forth	18.20
Note: This fee is not applicable when a fee is paid for one or more services, outlets, fixtures, appliances, power apparatus, busways, signs or other equipment.	
Other Inspections and Fees:	
1. Inspections outside of normal business hours, per hour (minimum charge—two hours)	\$49.50*
2. Reinspection fees assessed under provisions of Section 305.8, per inspection	\$49.50*
3. Inspections for which no fee is specifically indicated, per hour (minimum charge—one-half hour)	\$49.50*
4. Additional plan review required by changes, additions or revisions to plans or to plans for which an initial review has been completed (minimum charge—one-half hour)	\$49.50*
*Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.	

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TABLE 3-C

TABLE 3-C—MECHANICAL PERMIT FEES

Permit Issuance and Heaters	\$23.50
1. For the issuance of each mechanical permit	7.25
2. For issuing each supplemental permit for which the original permit has not expired, been canceled or finalized	
Unit Fee Schedule	
<i>(Note: The following do not include permit-issuing fee.)</i>	
1. Furnaces	
For the installation or relocation of each forced-air or gravity-type furnace or burner, including ducts and vents attached to such appliance, up to and including 100,000 Btu/h (29.3 kW)	14.80
For the installation or relocation of each forced-air or gravity-type furnace or burner, including ducts and vents attached to such appliance over 100,000 Btu/h (29.3 kW)	18.20
For the installation or relocation of each floor furnace, including vent	14.80
For the installation or relocation of each suspended heater, recessed wall heater or floor-mounted unit heater	14.80
2. Appliance Vents	
For the installation, relocation or replacement of each appliance vent installed and not included in an appliance permit	7.25
3. Repairs or Additions	
For the repair of, alteration of, or addition to each heating appliance, refrigeration unit, cooling unit, absorption unit, or each heating, cooling, absorption or evaporative cooling system, including installation of controls regulated by the Mechanical Code	13.70
4. Boilers, Compressors and Absorption Systems	
For the installation or relocation of each boiler or compressor to and including 3 horsepower (10.6 kW), or each absorption system to and including 100,000 Btu/h (29.3 kW)	14.70
For the installation or relocation of each boiler or compressor over 3 horsepower (10.6 kW) to and including 15 horsepower (52.7 kW), or each absorption system over 100,000 Btu/h (29.3 kW) to and including 500,000 Btu/h (146.6 kW)	27.15
For the installation or relocation of each boiler or compressor over 15 horsepower (52.7 kW) to and including 30 horsepower (105.5 kW), or each absorption system over 500,000 Btu/h (146.6 kW) to and including 1,000,000 Btu/h (293.1 kW)	37.25
For the installation or relocation of each boiler or compressor over 30 horsepower (105.5 kW) to and including 50 horsepower (176 kW), or each absorption system over 1,000,000 Btu/h (293.1 kW) to and including 1,750,000 Btu/h (512.9 kW)	55.45
For the installation or relocation of each boiler or compressor over 50 horsepower (176 kW), or each absorption system over 1,750,000 Btu/h (512.9 kW)	92.65
5. Air Handlers	
For each air-handling unit to and including 10,000 cubic feet per minute (cfm) (4719 L/s), including ducts attached thereto	10.65
Note: This fee does not apply to an air-handling unit which is a portion of a factory-assembled appliance, cooling unit, evaporative cooler or absorption unit for which a permit is required elsewhere in the Mechanical Code.	
For each air-handling unit over 10,000 cfm (4719 L/s)	18.10
6. Evaporative Coolers	
For each evaporative cooler other than portable type	10.65
7. Ventilation and Exhaust	
For each ventilation fan connected to a single duct	7.25
For each ventilation system which is not a portion of any heating or air-conditioning system authorized by a permit	10.65
For the installation of each hood which is served by mechanical exhaust, including the ducts for such hood	10.65
8. Incinerators	
For the installation or relocation of each domestic-type incinerator	18.20
For the installation or relocation of each commercial or industrial-type incinerator	14.50
9. Miscellaneous	
For each appliance or piece of equipment regulated by the Mechanical Code but not classed in other appliance categories, or for which the fee is listed in the table	10.65
Other Inspections and Fees:	
1. Inspections outside of normal business hours, per hour (minimum charge—two hours)	\$49.50*
2. Reinspection fees assessed under provisions of Section 305.8, per inspection	\$49.50*
3. Inspections for which no fee is specifically indicated, per hour (minimum charge—one-half hour)	\$49.50*
4. Additional plan review required by changes, additions or revisions to plans or to plans for which an initial review has been completed (minimum charge—one-half hour)	\$49.50*
*Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.	

TABLE 3-D—PLUMBING PERMIT FEES

Permit Issuance

1. For the issuance of each plumbing permit	\$23.50
2. For issuing each supplemental permit for which the original permit has not expired, been canceled or finalized	7.25

Unit Fee Schedule

(Note: The following do not include permit-issuing fee.)

1. Fixtures and Vents	
For each plumbing fixture or trap or set of fixtures on one trap (including water, drainage piping and backflow protection thereof)	9.80
For repair or alteration of drainage or vent piping, each fixture	4.75
2. Sewers, Disposal Systems and Interceptors	
For each building sewer and each trailer park sewer	24.65
For each cesspool	37.25
For each private sewage disposal system	74.50
For each industrial waste pretreatment interceptor, including its trap and vent, excepting kitchen-type grease interceptors functioning as fixture traps	19.90
Rainwater systems—per drain (inside building)	9.80
3. Water Piping and Water Heaters	
For installation, alteration, or repair of water piping or water-treating equipment, or both, each	4.75
For each water heater including vent	12.30
For vents only, see Table 3-C.	
4. Gas Piping Systems	
For each gas piping system of one to five outlets	6.15
For each additional outlet over five, each	1.10
5. Lawn Sprinklers, Vacuum Breakers and Backflow Protection Devices	
For each lawn sprinkler system on any one meter, including backflow protection devices thereof	14.80
For atmospheric-type vacuum breakers or backflow protection devices not included in Item 1:	
1 to 5 devices	12.30
Over 5 devices, each	2.25
For each backflow-protection device other than atmospheric-type vacuum breakers:	
2 inches (50.8 mm) and smaller	12.30
Over 2 inches (50.8 mm)	24.65
6. Swimming Pools	
For each swimming pool or spa:	
Public pool	91.25
Public spa	60.75
Private pool	60.75
Private spa	30.25
7. Miscellaneous	
For each appliance or piece of equipment regulated by the Plumbing Code but not classed in other appliance categories, or for which no other fee is listed in this code	9.80

Other Inspections and Fees:

1. Inspections outside of normal business hours, per hour (minimum charge—two hours)	\$49.50*
2. Reinspection fees assessed under provisions of Section 305.8, per inspection	\$49.50*
3. Inspections for which no fee is specifically indicated, per hour (minimum charge—one-half hour)	\$49.50*
4. Additional plan review required by changes, additions or revisions to plans or to plans for which an initial review has been completed (minimum charge—one-half hour)	\$49.50*

*Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

TABLE 3-E
TABLE 3-H

TABLE 3-E—ELEVATOR PERMIT FEES

New Installations:

Passenger or freight elevator, escalator, moving walk:

Up to and including \$40,000.00 of valuation—\$89.00

Over \$40,000.00 of valuation—\$89.00 plus \$1.65 for each \$1,000.00 or fraction thereof over \$40,000.00

Dumbwaiter or private residence elevator:

Up to and including \$10,000 of valuation—\$25.00

Over \$10,000.00 of valuation—\$25.00 plus \$1.65 for each \$1,000.00 or fraction thereof over \$10,000.00

Major Alterations:

Fees for major alterations shall be as set forth in Table 3-A. Installation fees include charges for the first year's annual inspection fee and charges for electrical equipment on the conveyance side of the disconnect switch.

TABLE 3-F—ELEVATOR ANNUAL CERTIFICATES OF INSPECTION FEES

For each elevator	\$41.50
For each escalator or moving walk	24.65
For each commercial dumbwaiter	16.75
(Each escalator or moving walk unit powered by one motor shall be considered as a separate escalator or moving walk.)	

TABLE 3-G—GRADING PLAN REVIEW FEES

50 cubic yards (38.2 m ³) or less	No fee
51 to 100 cubic yards (40 to 76.5 m ³)	\$23.50
101 to 1,000 cubic yards (77.2 to 764.6 m ³)	37.00
1,001 to 10,000 cubic yards (765.3 to 7645.5 m ³)	49.25
10,001 to 100,000 cubic yards (7646.3 to 76 455 m ³)	\$49.25 for the first 10,000 cubic yards (7645.5 m ³), plus \$24.50 for each additional 10,000 cubic yards (7645.5 m ³) or fraction thereof.
100,001 to 200,000 cubic yards (76 456 to 152 911 m ³)	\$269.75 for the first 100,000 cubic yards (76 455 m ³), plus \$13.25 for each additional 10,000 cubic yards (7645.5 m ³) or fraction thereof.
200,001 cubic yards (152 912 m ³) or more	\$402.25 for the first 200,000 cubic yards (152 911 m ³), plus \$7.25 for each additional 10,000 cubic yards (7645.5 m ³) or fraction thereof.

Other Fees:

Additional plan review required by changes, additions or revisions to plans or to plans for which an initial review has been completed \$50.50*

*Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

TABLE 3-H—GRADING PERMIT FEES¹

50 cubic yards (38.2 m ³) or less	\$23.50
51 to 100 cubic yards (40 to 76.5 m ³)	37.00
101 to 1,000 cubic yards (77.2 to 764.6 m ³)	\$37.00 for the first 100 cubic yards (76.5 m ³) plus \$17.50 for each additional 100 cubic yards (76.5 m ³) or fraction thereof.
1,001 to 10,000 cubic yards (765.3 to 7645.5 m ³)	\$194.50 for the first 1,000 cubic yards (764.6 m ³), plus \$14.50 for each additional 1,000 cubic yards (764.6 m ³) or fraction thereof.
10,001 to 100,000 cubic yards (7646.3 to 76 455 m ³)	\$325.00 for the first 10,000 cubic yards (7645.5 m ³), plus \$66.00 for each additional 10,000 cubic yards (7645.5 m ³) or fraction thereof.
100,001 cubic yards (76 456 m ³) or more	\$919.00 for the first 100,000 cubic yards (76 455 m ³), plus \$36.50 for each additional 10,000 cubic yards (7645.5 m ³) or fraction thereof.

Other Inspections and Fees:

1. Inspection outside of normal business hours, per hour (minimum charge—two hours)	\$50.50 ²
2. Reinspections fees assessed under provisions of Section 305.8, per inspection	\$50.50 ²
3. Inspections for which no fee is specifically indicated, per hour (minimum charge—one-half hour)	\$50.50 ²

¹The fee for a grading permit authorizing additional work to that under a valid permit shall be the difference between the fee paid for the original permit and the fee shown for the entire project.

²Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

Development Services Department

Resolutions

RESOLUTION 2014-141

APPROVING AN AMENDMENT TO THE MASTER FEE SCHEDULE TO MODIFY THE
DEVELOPMENT SERVICES PUBLIC IMPROVEMENT PLAN CHECK FEES

WHEREAS, On April 18, 2000, City Council increased engineering services fees to recoup actual costs incurred by the City (Resolution 2000-131), and

WHEREAS, At that time, the plan check fee for public improvement plans was increased from a flat 3.5% to 5.78% of the value of the proposed improvements, and

WHEREAS, There have been recent requests by the development community to review and revise the plan check fees for larger projects, and

WHEREAS, Staff reviewed the plan check fees of several cities and determined that in the City of Tracy, the plan check fees for projects with improvements valued over \$1 million are higher than the other communities that were surveyed, and

WHEREAS, Staff recommends modifying the plan check fee for public improvement plans for projects valued over \$1 million, and

WHEREAS, Staff recommends amending the Master Fee Schedule to modify the public improvement plan check fee as shown on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves an amendment to the Master Fee Schedule to modify the Development Services public improvement plan check fee.

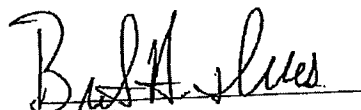
The foregoing Resolution 2014-141 was adopted by the Tracy City Council on the 2nd day of September, 2014, by the following vote:

AYES: COUNCIL MEMBERS: MACIEL, MANNE, RICKMAN, YOUNG, IVES

NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: NONE


MAYOR

ATTEST:


INTERIM CITY CLERK

EXHIBIT A

SERVICE OR APPLICATION	PROPOSED FEE	LEGAL AUTHORITY
PUBLIC IMPROVEMENTS Inspection Improvement agreement (SIA, DIA, OIA, PIRA, any amendment) Plan check ▪ for Improvements valued between \$0 and ▪ for Improvements valued over \$1,000,000 ▪ for Improvements valued over \$5,000,000 Inspection (% of Improvement constr cost) As-builts, review after construction	\$6,607 5.78% x Improvement constr cost \$57,800 + (3.6% x value of Improvements over \$1M) Actual Cost, Deposit of \$100,000 due upon submittal of plans 3.50% \$32	TMC §3.36.010 Reso. 2013-086
Micro-Imaging Fees (+ 2% of Invoice total for pick-up and delivery): ▪ 11" x 17" and smaller, black & white or gray scale document with 2" field Index ▪ anything larger than 11" x 17", black and white or gray scale document with a two field Index ▪ 11" x 17" and smaller, color document with a two-field Index ▪ 18" x 24" color document, with a two-field Index ▪ 24" x 36" color document, with a two field Index	 \$0.08 each +2% ¹ \$0.81 each +2% ¹ \$0.14 each +2% ¹ \$0.49 each +2% ¹ \$1 each +2% ¹	
SEGREGATION OF ASSESSMENT (Within any assessment districts)	\$42 / lot	
RECORD OF SURVEY	\$313	
STREET/EASEMENT ABANDONMENT	\$1,521	
ENCROACHMENT PERMIT Sidewalks, plus whichever is less Driveways, Curbs, plus whichever is less Trees, Utility Boxes/per hour (1 hour minimum) Miscellaneous Encroachment Permit, plus hourly rate for inspection and engineering review.	\$370 plus \$16 / Sq Ft or \$53 / hr \$58 plus \$16 / Sq Ft or \$53 / hr \$58 plus \$53 / hr \$58 / permit plus \$89 / hr \$116	TMC §7.04.020
OVERSIZE LOAD PERMIT Single Permit Annual or Blanket Permit (fix route)	\$16 \$95	
BUILDING MOVING OR OVERSIZED LOAD Permit fee Other	\$604 Hourly rate for City personnel	TMC §9.32.040
Legend:		
* Not subject to CPI adjustment	CBC - CA Building Code	CFR - Code of Federal Regulations
TMC - Tracy Municipal Code	PC - Penal Code	DOJ - CA Department of Justice
GC - CA Government Code	VC - Vehicle Code	H&S - CA Health and Safety Code
PRC - CA Public Resources Code	CFC - CA Fire Code	FAC - CA Food & Agriculture Code
		B & P - CA Bus. & Professions Code
		CCR - CA Code of Regulations

RESOLUTION 98-373

ADOPTING REVISED FEES FOR PLANNING AND ENGINEERING SERVICES

WHEREAS, The City commissioned the Management Services Institute (MSI) to prepare a comprehensive cost allocation plan and fee study which identifies the City's cost to provide planning and engineering services and the corresponding fee revenue for these services, and

WHEREAS, If the cost of the service exceeds the current fee revenue, then a subsidy from general taxes is necessary and if the fee revenue exceeds the costs, then net revenue is received and no contribution from general taxes is necessary, and

WHEREAS, At the August 31, 1998 City Council workshop, Council indicated a desire to not increase those fees which would adversely impact homeowners or serve as a detriment for citizen compliance with zoning or building matters, and

WHEREAS, It is necessary to lower fees for four services for which the revenue exceeds the cost of service so that their cost equals the fee charged, and

WHEREAS, There are two services for which the City incurs significant costs but for which no fee is currently charged;

NOW, THEREFORE BE IT RESOLVED, That the City Council hereby adopt the attached fee schedule for Planning and Engineering services.

BE IT FURTHER RESOLVED, That this resolution and corresponding fee schedule shall become effective 60 days after adoption.

The foregoing Resolution 98-373 was adopted by the Tracy City Council on the 1st day of December, 1998 by the following vote:

AYES: COUNCIL MEMBERS: IVES, MATTHEWS, TUCKER, BILBREY

NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: TOLBERT

Jan Bilbrey
Mayor

ATTEST

Sharon Smith
City Clerk

PLANNING & ENGINEERING FEES			
PLANNING SERVICES:			
CONDITIONAL USE REVIEW	CLASS A	\$7,100.00	PER APPLICATION
	CLASS B	\$3,435.00	PER APPLICATION
	CLASS C	\$2,325.00	PER APPLICATION
DEVELOPMENT REVIEW	CLASS A	\$3,630.00	PER APPLICATION
	CLASS B	\$2,510.00	PER APPLICATION
	CLASS C		
PLANNED UNIT DEVELOPMENT		\$6,500.00	PER APPLICATION
PLANNED UNIT DEVELOPMENT AMENDMENT		\$3,500.00	
TENTATIVE PARCEL MAP	1-2 LOTS	\$4,895.00	PER APPLICATION
	3-4 LOTS		
TENTATIVE SUBDIVISION MAP REVIEW		\$8,600.00	per application
		\$4,100.00	additional fee
ENVIRONMENTAL DETERMINATION		\$75.00	PER APPLICATION
ENVIR. INITIAL STUDY/NEGATIVE DECL.		\$1,260.00	PER APPLICATION PLUS ANY RECORDATION FEES AND FEES FROM OTHER AGENCIES
ENVIR. IMPACT REPORT REVIEW AND/OR NEGATIVE DECLARATION		AMOUNT SET BY REIMBURSEMENT AGREEMENT	
SPECIFIC PLAN REVIEW		AMOUNT SET BY REIMBURSEMENT AGREEMENT	
SPECIFIC PLAN AMENDMENT		\$4,000.00	Per application
GENERAL PLAN AMENDMENT		AMOUNT SET BY REIMBURSEMENT AGREEMENT	
ANNEXATION PROCESSING		\$10,000.00	PER APPLICATION
ZONE TEXT AMENDMENT		\$2,070.00	PER APPLICATION
ZONE CHANGE REVIEW		\$2,400.00	PER APPLICATION
NOISE ORDINANCE VARIATION REVIEW		\$3,500.00	PLUS ACTUAL CONSULTANT COST
VARIANCE REVIEW		\$560.00	PER APPLICATION
LOT LINE ADJUSTMENT		\$340.00	PER APPLICATION
SIGN PERMIT		\$755.00	MASTER SIGN PROGRAM
		\$55.00	INDIVIDUAL SIGNS COMPLYING WITH MSP
		\$340.00	ALL OTHER SIGNS

ENGINEERING SERVICES:			
GRADING PLAN CHECK	0-10,000 CY	\$1,485.00	
	10,000-100,000 CY	\$81.00	ADDITIONAL EACH 10,000 CY
	100,000-200,000 CY	\$69.00	ADDITIONAL EACH 10,000 CY
	200,000+ CY	\$54.00	ADDITIONAL EACH 10,000 CY
GRADING INSPECTION	5 OR LESS LOTS	\$1,185.00	PER APPLICATION
	MORE THAN 5 LOTS	\$3,000.00	
FINAL PARCEL MAP REVIEW		\$1,375.00	PER APPLICATION
FINAL SUBDIVISION MAP REVIEW		\$1,115.00	PER APPLICATION
PUBLIC IMPROVEMENT PLAN CHK		3.50%	OF IMPROVEMENT CONSTRUCTION COST
		\$250.00	PER SHEET MINIMUM
PUBLIC IMPROVEMENT INSPECT.		\$350.00	PERMIT FEE PLUS ACTUAL COSTS OF
			INSPECTION & MANAGMENT W/ A DEPOSIT
			OF 3.5% OF DEVELOPMENT CONSTRUCTION
			COSTS (\$2,000 MINIMUM DEPOSIT)
INSPECTION IMPROVEMENT AGREEMENT		\$3,790.00	PER APPLICATION
DEFER IMPROV./REIMBRS.AGRMT		\$3,790.00	PER APPLICATION
MAP AMENDMENT REVIEW		\$685.00	PER APPLICATION PLUS A PER HOUR
			CHARGE FOR THE ENGINEERING STAFF
SEGREGATION OF ASSESSMENT		\$40.00	FOR EACH NEW LOT CREATED
RECORD OF SURVEY		\$150.00	PER APPLICATION
CERTIFICATE OF COMPLIANCE		\$1,685.00	PER APPLICATION
CERTIFICATE OF CORRECTION		\$2,140.00	PER APPLICATION
STREET/EASEMENT ABANDONMENT		\$1,200.00	PER APPLICATION
ENCROACHMENT PERMI	Sidewalks	\$35.00	plus \$10 per sq ft or \$40 hr whichever is less
	Driveways, curbs	\$35.00	plus \$10 per lin fit or \$40/hr whichever is less
	Trees, Utility Boxes	\$40.00	per hour (1 hour minimum)
MISC.ENCROACHMENT PERMIT		\$80.00	PER PERMIT PLUS \$75 PER HOUR FOR THE
			INSPECTION AND ENGINEERING REVIEW
STREET USE PERMIT		\$125.00	PER PERMIT
WIDE,OVERWEIGHT LOAD REV.		\$16.00	SINGLE PERMIT
		\$90.00	ANNUAL OR REPETITIVE PERMIT
			FEES ARE SET BY THE STATE
RECORD OF SURVEY		\$150.00	PER APPLICATION
STREET EASMENT ABANDONMENT		\$1,200.00	PER APPLICATION
FOR ALL SERVICES		DUE TO THE SPECIFIC NATURE OF THE APPLICATION, IF COSTS	
		ARE DETERMINED TO BE EXTRAORDIANRY, THE FEE WILL BE	
		A DEPOSIT DETERMINED BY STAFF	

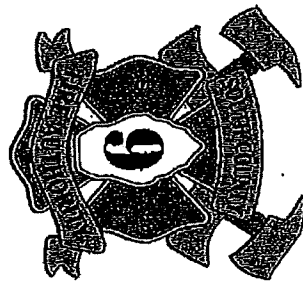
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Development Services Department

Special Studies



Think Inside the Triangle™



City of Tracy

Fire Department

Cost of Services study findings April, 2009

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EXECUTIVE SUMMARY

Introduction

MGT of America (MGT) is pleased to present the City of Tracy (City) with this summary of findings for the cost of services study for the Fire Department.

The Fire Department has never undertaken a comprehensive cost of services study. Since the original fee structure was adopted, the department has made some minor adjustments to the original fee levels, but has largely maintained the fee levels that had been previously adopted. The City is interested in accurately reporting the true cost of providing various fee-related services, and exploring the possibilities of modifying current fees to better reflect the increasing cost of providing services over time. In May 2008, the City contracted with MGT to perform this cost analysis using the adopted 2007-2008 fiscal year budget, staffing and operational information. Additionally, all information was provided through the period ending December 2008. Fees should be reviewed on a regular basis and adjusted in accordance with established City policies on user fee cost recovery.

This report is the culmination of the past eight months of work between MGT and Fire Department management and staff. MGT would like to take this opportunity to acknowledge all Fire management and staff who participated on this project for their efforts and coordination. Their responsiveness and continued interest in the outcome of this study contributed greatly to the success of this study.

Study Scope and Objectives

The study was performed under the general direction of the Fire Marshal. The primary goals of the study were to:

- ❖ Define what it costs the city to provide various fee-related services.
- ❖ Determine whether there are any opportunities to implement new fees based on city cost recovery policies.
- ❖ Identify service areas where the City might adjust fees based on the full cost of services and other economic or policy considerations.
- ❖ Develop revenue projections based on recommended increases (or decreases) to fees.
- ❖ Provide comparative data for recovery levels to other MGT clients.

The information summarized in this report addresses each of these issues and provides the City with the tools necessary to make informed decisions about any proposed fee adjustments and the resulting impact on general fund revenues.

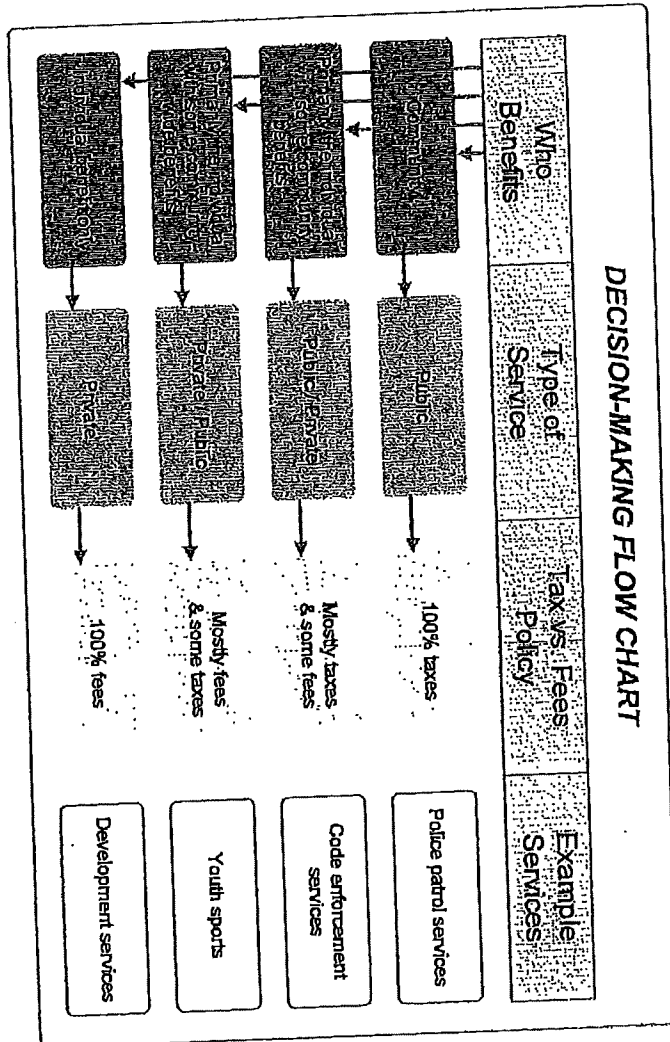
Economic & Policy Considerations

Calculating the true cost of providing city services is a critical step in the process of establishing user fees and corresponding cost recovery levels. Although it is an important factor, other factors must also be given consideration. City decision-makers must also consider the effects that establishing fees for services will have on the individuals purchasing those services, as well as the community as a whole. The following economic and policy issues help illustrate these considerations.

- ❖ A consideration of community-wide benefit versus individual benefit might be of concern for certain services.
- ❖ In conjunction with the second point above, the issue of who is the service recipient versus the service driver should also be considered. For example, code enforcement activities benefit the community as a whole, but the service is driven by the individual or business owner that violates city code.
- ❖ Elasticity of demand is a factor in pricing certain city services; increasing the price of some services results in a reduction of demand for those services, and vice versa.
- ❖ Public sector agencies have a monopoly on providing certain services within its boundaries, such as development-related services. However, other services, such as recreation classes, may be provided by neighboring communities or the private sector, and therefore demand for these services can be highly dependent on what else may be available at lower prices.
- ❖ It may be a desired policy to establish fees at a level that permits lower income groups to use services that they might not otherwise be able to afford.

The flow chart on the following page helps illustrate the economic and policy considerations listed above.

DECISION-MAKING FLOW CHART



Study Findings

While the purpose of this study is to identify the cost of fee-related activities, one of the outcomes of the analysis is to provide a complete picture of the full cost of all services offered. It is necessary to identify *all* costs, whether fee-related or not, so that there is a fair and equitable distribution of all departmental overhead costs (discussed in a previous section of this report) across all activities, thereby ensuring a definitive relationship between the cost of the service and the fee that is charged. No service should be burdened with costs that cannot be directly or indirectly linked to that service. Therefore, the first task in this study is to separate the fee-for-service activities from the non-fee activities. Some non-fee related activities are appropriately funded by general fund monies (or other special revenue or

impact fee sources), such as advanced planning or public improvement projects. The costs of these other services (*column A minus column B*) are identified and set aside from the user fee services.

The study's primary objective is to provide the city's decision-makers with basic data needed for setting fees. This report details the full cost of services, and presents proposed fees and projected revenues based on recommended user fee cost recovery levels. Recommendations were based upon careful consideration of the results of the cost analysis, historical cost recovery levels, and market comparisons. The exhibit on the following page displays the costs and revenues of each department/division into the following categories:

Column A, Total Costs – Displays the total costs of each department.

Column B, User Fee Costs – Of the \$907,709 in total costs analyzed, \$540,499 (or 60%) of that total is related to user fee services. It is this \$540,499 that is the focus of this study and represents the total potential for user fee-related revenues for the Fire department.

Column C, Current Revenues – Based on current individual fee levels, the Fire department generates fee related revenues of \$64,375 and is experiencing a 12% cost recovery level. Within each activity, current cost recovery levels range from 0% to 188%. The detailed analysis of individual fees may be found in subsequent sections of this report.

Column D, General Fund Subsidy – Current fee levels recover 12% of full cost, leaving 88% or \$476,124 to be funded by other funding sources. This \$476,124 represents a "window of opportunity" for the Fire department to increase fees and general fund revenues, with a corresponding decrease in the subsidization of services by the general fund.

Column E, Recommended Recovery – It is estimated that adoption of the recommended cost recovery policy would increase fee revenue to \$302,715. This would bring the overall cost recovery level up to 56%. With the exception of a few fees, the department has recommended a three phase implementation for fee adjustments. The goal of year one recommendations is to achieve an overall recovery level of 50% increasing to 75% in year 2 and 100% in year 3.

Column F, Increased Revenue – \$238,340 in potential new revenue could be generated. This would represent a 370% increase over the revenue currently being collected for these activities by the Fire department on an annualized basis.

City of Tracy User Fee Revenue Analysis 2007/2008

Department	Current				Recommended	
	Total Costs (A)	Costs User Fee/Services (B)	Current Revenue (C)	General Fund Subsidy (D)	Cost Recovery Policy (E)	Increased Revenue (F)
Fire	\$907,709	\$540,499	\$64,375	\$276,125	\$302,715	\$238,340
Grand Total:	\$907,709	\$540,499	\$64,375	\$276,125	\$302,715	\$238,340

Methodology

A cost of service study analyzes two components of costs: the direct costs associated with providing each fee-for-service activity, and the indirect costs that support these activities. A brief discussion of each of these components follows. (A complete, detailed report of calculations is provided as an attachment to this report).

Direct Costs. The direct costs associated with fee-for-service activities were analyzed in great detail in this study. MGT worked with staff to develop the analysis that is summarized in the following sections of this report. The fiscal year 2007-2008 adopted budget was used to identify direct costs.

The first step in the process was to identify staff time spent directly on each of the user fee activities. Each staff person involved in the user fee services identified the average time required to review or inspect each service area. Salary and benefit dollars were assigned to the time estimates to come up with the direct staff costs.

Indirect Costs. A proportionate share of other operating expenses and internal department administrative costs were layered onto the direct costs as a departmental overhead. (Note: Citywide internal service charges are already directly budgeted into program budgets). Many of the costs that support all divisions and programs are budgeted in a centralized division such as Fire Administration, which provides budgeting, personnel, reception, customer outreach and general oversight, but provides support to all Fire divisions. The costs of these activities and other centralized services are considered indirect overhead that support fee-for-service activities, as well as other programs and functions within the department. The end result of this analysis is the allocation of all indirect costs to all operating divisions and activities. The indirect costs are then added to the direct

costs to determine the full cost of all department operations – whether fee-related or not. This accounting exercise is important in that it can result in an increase in general fund revenues for reimbursement of support for user fee services and state or federally funded programs. The three components of the indirect costs included in this analysis are 1) departmental overhead, 2) prevention administration and 3) Citywide budgeted indirect costs.

Program Highlights

- ❖ The current recovery level of 13% is relatively low for Prevention activities. The chart on the following page displays current and recommended fee recovery levels for recent MGT clients. This chart can be a very useful, “apples to apples”, comparison because these cities have undertaken the same study (methodology) as Tracy.

	FIRE - PREVENTION	
	current	recommended
Modesto	39%	100%
Santa Clara	75%	TBD
Livermore	101%	100%
Pleasanton	23%	100%
Folsom	29%	100%
Hollister	47%	99%
Huntington Beach	56%	68%
La Habra	22%	n/a
Long Beach	94%	94%
Lemoore	73%	100%
La Mesa	88%	99%
Redlands	22%	33%
Newport Beach	81%	100%

- ❖ The department has drastically restructured the fee schedule. The Fire department feels that the recommended structure is a much better reflection of the services being provided. Many development related services have been added. Previously, these services were being subsidized by the general fund.

- ❖ Recovery levels for the weed and vehicle abatement category have been artificially lowered. Since fees have never been fully recovered, the department is being cautious to not over inflate the potential revenue generation. Additionally, these services have been listed as non-fee related because current city policy assigns abatement revenue to the general fund and not the Fire department.
- ❖ Services provided to the Tracy Rural Fire District are considered non-fee related.
- ❖ Fully burdened hourly rates per position have also been calculated which can be used for any service not listed in the fee schedule.

Department Summary Charts

Each subsequent page displays department results and individual activity analysis. The first six pages display costs and revenues on a per unit/occurrence basis. The final seven pages reflect annual costs and revenues. The various subtotals tie to the exhibit charts discussed earlier in this report. The hourly rates per position are included after the summary pages.

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations		
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level
1 Design Review/Consultation	Hourly	40	\$0	0%	\$258	\$258	50%	\$129	\$129
2 Subdivision - Commercial 1-4 lots	Flat fee	7	\$0	0%	\$320	\$320	50%	\$160	\$160
3 Subdivision - Commercial 4 or more lots	Flat fee	6	\$0	0%	\$576	\$576	50%	\$288	\$288
4 Subdivision - Residential 1-4 lots	Flat fee	2	\$0	0%	\$244	\$244	50%	\$122	\$122
5 Subdivision - Residential 5-24 lots	Flat fee	1	\$0	0%	\$410	\$410	50%	\$205	\$205
6 Subdivision - Residential 25 or more lots	Flat fee	1	\$0	0%	\$470	\$470	50%	\$235	\$235
7 Annexation	Flat fee	1	\$0	0%	\$435	\$435	50%	\$218	\$218
8 Use Permit	Flat fee	10	\$0	0%	\$224	\$224	50%	\$112	\$112
9 Variance	Flat fee	2	\$0	0%	\$276	\$276	50%	\$138	\$138
10 Lot Line Alteration	Flat fee	2	\$0	0%	\$874	\$874	50%	\$437	\$437
11 EIR Review	Flat fee	250	\$0	0%	\$687	\$687	50%	\$344	\$344
12 Building Plan Check/Fire Final - including first revision	Flat fee	40	\$0	0%	\$258	\$258	50%	\$129	\$129
13 Building Plan Check - 2nd Revision	Flat fee	10	\$0	0%	\$482	\$482	100%	\$482	\$0
14 Building Plan Check - 3rd Revision and any subsequent revisions	Flat fee	1	\$895	101%	\$895	\$0	100%	\$895	\$0
15 Fire sprinkler system new installation - Under 25 sprinklers	Flat fee	12	\$695	188%	\$366	\$164	100%	\$489	\$0
16 Fire sprinkler system new installation - 26 - 100 sprinklers	Flat fee	8	\$325	66%	\$489	\$164	100%	\$264	\$0
17 Fire sprinkler system new installation - each additional 100 sprinklers	Flat fee	26	\$325	123%	\$531	\$206	50%	\$265	\$265
18 Fire sprinkler system tenant improvement - each additional 50 sprinklers	Flat fee	1	\$325	61%	\$960	\$960	50%	\$480	\$480
19 Fire sprinkler system tenant improvement - each additional 50 sprinklers	Flat fee	2	\$0	0%	\$514	\$514	100%	\$514	\$0
20 Fire Pump	Flat fee	3	\$0	0%	\$694	\$694	100%	\$694	\$0
21 Battery Systems	Flat fee	20	\$495	71%	\$694	\$189	100%	\$694	\$0
22 Underground/Private Service Fire Main	Flat fee	20	\$495	59%	\$1271	\$231	100%	\$1271	\$0
23 Fire alarm system - New Installation	Flat fee	1	\$890	78%	\$488	\$488	100%	\$488	\$0
24 Fire alarm system - Tenant Improvement	Flat fee	4	\$0	0%	\$531	\$531	50%	\$340	\$340
25 Fire alarm system - High rise/large project	Flat fee	7	\$0	0%	\$680	\$680	50%	\$340	\$340
26 LP Gas Systems	Flat fee	1	\$165	31%	\$531	\$366	100%	\$531	\$0
27 Standpipes	Flat fee	8	\$0	0%	\$531	\$531	100%	\$531	\$0
28 Clean agent suppression system (FM-200, Inergen, CO2, etc.)	Flat fee	1	\$0	0%	\$531	\$531	100%	\$531	\$0
29 Hood and duct suppression system	Flat fee	1	\$0	0%	\$531	\$531	100%	\$531	\$0

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

File

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations			
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level	
31 Compressed gas system - hazardous materials	Flat fee	23	\$0	0%	\$680	\$680	50%	\$340	\$340	\$249
32 Compressed gas system - medical gas	Flat fee	4	\$0	0%	\$468	\$468	50%	\$234	\$234	\$177
33 Smoke management system	Flat fee	1	\$0	0%	\$2,154	\$2,154	50%	\$1,077	\$1,077	\$249
34 Spray Booths (includes fire protection system)	Flat fee	4	\$0	0%	\$498	\$498	50%	\$249	\$249	\$251
35 Flammable/combustible liquids (install, construct, or alter vehicles, equipment, or facilities)	Flat fee	2	\$168	33%	\$503	\$338	50%	\$169	\$169	\$251
36 Flammable/combustible liquids (install, alter, remove, or abandon tanks)	Flat fee	2	\$245	49%	\$498	\$253	50%	\$127	\$127	\$0
37 Fire flow/hydrant test	Flat fee	31	\$110	32%	\$338	\$228	100%	\$102	\$102	\$102
38 Administrative charge for excessive re-submittals	Flat fee	10	\$0	0%	\$204	\$204	50%	\$102	\$102	\$296
39 Administrative charge for excessive re-submittals	Flat fee	3	\$0	0%	\$473	\$473	50%	\$236	\$236	\$405
40 Technical report/alternative material or method request per code item	Flat fee	30	\$0	0%	\$811	\$811	50%	\$405	\$405	\$248
41 Plan review after normal business hours - two hour minimum at time and a half	Hourly	6	\$0	0%	\$498	\$498	50%	\$249	\$249	\$133
42 Plan review requests - not otherwise specified in this fee schedule - two hour minimum	Hourly	80	\$0	0%	\$285	\$285	50%	\$143	\$143	\$133
43 Re-inspection fee	Flat fee	20	\$0	0%	\$282	\$282	50%	\$141	\$141	\$141
44 Inspections for which no fee is specifically indicated	Flat fee	1	\$95	34%	\$282	\$187	50%	\$94	\$94	\$141
45 Aerosol Products Level 2 or 3 Products in excess of 500-lbs	Flat fee	1	\$95	34%	\$282	\$187	50%	\$94	\$94	\$203
46 Amusement Buildings	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203	\$0
47 Aviation Facilities	Flat fee	1	\$311	110%	\$282	\$282	100%	\$282	\$282	\$141
48 Carwashes and Pairs	Flat fee	8	\$95	34%	\$282	\$187	50%	\$94	\$94	\$100
49 Cellulose Nitrate Film	Flat fee	1	\$0	0%	\$201	\$201	50%	\$100	\$100	\$203
50 Christmas Tree Lots	Flat fee	6	\$95	23%	\$406	\$311	50%	\$203	\$203	\$172
51 Combustible Dust-Producing Operations	Flat fee	2	\$95	28%	\$344	\$249	50%	\$172	\$172	\$203
52 Combustible Fibers in excess of 100 Cubic Ft.	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203	\$203
53 Compressed Gases in excess of CFC Table 105.5.3	Flat fee	1	\$95	24%	\$282	\$187	50%	\$94	\$94	\$141
54 Covered Mail Buildings - Fixtures and displays, concession equipment, displays of high count	Flat fee	1	\$95	34%	\$282	\$187	50%	\$94	\$94	\$141
55 Covered Mail Buildings - Display of Liquid or gas-fired equipment	Flat fee	1	\$95	34%	\$282	\$187	50%	\$94	\$94	\$141

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations			
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level	
56 Covered Mail Buildings - Use of open-flame or flame-producing equipment	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141		\$141
57 Cryogenic Fuels in excess of CFC, Table 105.5.10	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203		\$203
58 Cutting and Welding	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141		\$141
59 Dry Cleaning Plants	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172		\$172
60 Exhibits and Trade Shows	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141		\$141
61 Explosives (manufacture, storage, handling)	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203		\$203
62 Fire Hydrants and Valves	Flat fee	1	\$95	46%	\$193	\$104	50%	\$100		\$100
63 Flammable and Combustible Liquids - Use, operate, repair or modify a pipeline	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141		\$141
64 Flammable and Combustible Liquids - Class B over 5 gal inside or > 10 gallons outside	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141		\$141
65 Flammable and Combustible Liquids - Class III/IV, over 25 gals. inside or 80 gals. outside	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172		\$172
66 Flammable and Combustible Liquids - Remove class I or II fluid from underground tanks	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172		\$172
67 Flammable and Combustible Liquids - Place above/underground tanks out of service	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172		\$172
68 Flammable and Combustible Liquids - Change of product within tank	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172		\$172
69 Flammable and Combustible Liquids - Manufacture, process, blend, or refine	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172		\$172
70 Flammable and Combustible Liquids - To dispense into motor vehicle tanks	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172		\$172
71 Flammable and Combustible Liquids - To use a site for dispensing	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141		\$141
72 Floor Finishing	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203		\$203
73 Fuel and Crop Rerolling Processes	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141		\$141
74 Fueling or Thermal Incinerator Fuging (Emergency Response Only)	Flat fee	3	\$0	0%	\$201	\$201	50%	\$100		\$100
75 Hazardous materials amounts in excess of CFC Table 105.5.20	Flat fee	1	\$95	14%	\$688	\$593	50%	\$344		\$344
76 Hazardous Production Materials Facilities	Flat fee	1	\$95	14%	\$688	\$593	50%	\$344		\$344
77 High Piled Storage area exceeding 500 sq. ft.	Flat fee	4	\$95	17%	\$851	\$456	50%	\$275		\$275
80 Hot-Work Operations	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141		\$141

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations		
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level
85 Industrial Ovens	Flat fee	1	\$85	34%	\$282	\$187	50%	\$141	\$141
86 Lumberyards and Woodworking Plant in excess of 100,000 board ft	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203
87 Lumberyards and Woodworking Plant in excess of 30,000 Board board ft	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203
88 Pallet, Crate, Bin Box storage in excess of 30,000 Board board ft	Flat fee	1	\$95	30%	\$261	\$165	50%	\$131	\$131
89 Liquid or Gas fueled vehicles in Assembly buildings (display, operation, etc.)	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141
90 LP Gas (storage, use, or transportation)	Flat fee	1	\$95	17%	\$553	\$458	50%	\$277	\$277
91 Miscellaneous combustible Storage in excess of 2,500 cubic ft	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172
92 Miscellaneous combustible Storage in excess of 10 lbs.	Flat fee	1	\$95	42%	\$228	\$133	50%	\$114	\$114
93 Open Burning	Flat fee	1	\$95	34%	\$220	\$125	50%	\$110	\$110
94 Open Flames and Torches	Flat fee	1	\$95	43%	\$220	\$125	50%	\$141	\$141
95 Open Flames and Torches	Flat fee	1	\$95	34%	\$282	\$187	50%	\$203	\$203
96 Organic Coatings -manufacturing producing >1 gal/day	Flat fee	1	\$95	23%	\$406	\$311	50%	\$141	\$141
97 Places of Assembly - A-1	Flat fee	31	\$85	34%	\$282	\$187	50%	\$141	\$141
98 Places of Assembly - A-2	Flat fee	2	\$85	34%	\$282	\$187	50%	\$203	\$203
99 Places of Assembly - A-3	Flat fee	1	\$95	23%	\$406	\$311	50%	\$141	\$141
100 Places of Assembly - A-4	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141
101 Places of Assembly - A-5	Flat fee	1	\$95	43%	\$220	\$125	50%	\$110	\$110
102 Private Fire Hydrants (use or removal from service)	Flat fee	6	\$311	62%	\$154	\$98	50%	\$77	\$77
103 Pumpkin Patches	Flat fee	6	\$311	59%	\$331	\$220	100%	\$331	\$0
104 Pyrotechnical Special Effects Material	Flat fee	3	\$95	25%	\$375	\$280	50%	\$188	\$188
105 Proxym Plastics in excess of 25 lbs.	Flat fee	3	\$95	25%	\$375	\$280	50%	\$188	\$188

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations			
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level	
106 Refrigeration Equipment - 220-lbs. of group A-1	Flat fee	1	\$95	18%	\$531	\$436	50%	\$265	\$265	\$172
107 Refrigeration Equipment - 30-lbs. of any other refrigerant	Flat fee	1	\$95	28%	\$244	\$249	50%	\$172	\$172	\$141
108 Repair Garages and Motor Fuel-Dispensing Facilities	Flat fee	1	\$95	34%	\$282	\$197	50%	\$141	\$141	\$141
109 Rooftop Heliports	Flat fee	1	\$95	23%	\$405	\$311	50%	\$203	\$203	\$203
110 Spraying or Dipping - Lubricating liquids or powders	Flat fee	1	\$95	28%	\$244	\$249	50%	\$172	\$172	\$172
111 Storage of Scrap Tires and Byproducts in excess of 2,500 cubic ft.	Flat fee	7	\$95	36%	\$261	\$166	50%	\$131	\$131	\$131
112 Temporary Membrane Structures, Tents, and Canopies - Tents in excess of 200 sq. ft.	Flat fee	15	\$95	38%	\$261	\$166	50%	\$131	\$131	\$131
113 Temporary Membrane Structures, Tents, and Canopies - Canopies in excess of 400 ft.	Flat fee	1	\$95	36%	\$261	\$166	50%	\$131	\$131	\$131
114 Temporary Membrane Structures, Tents, and Canopies - annual blanket permit	Flat fee	1	\$95	28%	\$244	\$249	50%	\$172	\$172	\$172
115 Tire Rebuilding Plants	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	\$141
116 Waste Handling (wrecking, junk yards, waste mgmt.)	Flat fee	5	\$95	28%	\$244	\$249	50%	\$172	\$172	\$172
117 Wood Products in excess of 200 ft.	Flat fee	1	\$95	28%	\$244	\$249	50%	\$172	\$172	\$172
118 S.F.M. Mobile Production Operators	Flat fee	1	\$95	18%	\$282	\$232	18%	\$80	\$80	\$182
121 Pre-Inspection Fee for Care Facilities - Facilities ≤ 25 people	Stamp Set	40	\$50	35%	\$282	\$182	35%	\$100	\$100	\$159
122 Pre-Inspection Fee for Care Facilities - Facilities > 25 people	Stamp Set	1	\$100	0%	\$318	\$318	50%	\$230	\$230	\$230
123 E Occupancy - School occupant load 50 - 149	Flat fee	1	\$0	0%	\$460	\$460	50%	\$230	\$230	\$230
124 E Occupancy - School occupant load 150 - 499	Flat fee	4	\$0	0%	\$742	\$742	50%	\$371	\$371	\$371
125 E Occupancy - School occupant load 500 plus	Flat fee	40	\$0	0%	\$282	\$282	50%	\$141	\$141	\$141
126 E Occupancy - Daycare	Flat fee	1	\$0	0%	\$244	\$244	50%	\$172	\$172	\$172
127 I Occupancies - I-1	Flat fee	1	\$0	0%	\$655	\$655	50%	\$328	\$328	\$328
128 I Occupancies - I-2	Flat fee	1	\$0	0%	\$344	\$344	50%	\$172	\$172	\$172
129 I Occupancies - I-2.1	Flat fee	1	\$0	0%	\$531	\$531	50%	\$265	\$265	\$265
130 I Occupancies - I-3	Flat fee	1	\$0	0%	\$531	\$531	50%	\$265	\$265	\$265

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy
Fire
2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations			
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level	
131 I Occupancies - 1-4	Flat fee	1	\$0	0%	\$344	\$344	50%	\$172		\$172
132 R-1 Occupancies 3-16	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141		\$141
133 R-1 Occupancies 17-32	Flat fee	1	\$0	0%	\$344	\$344	50%	\$172		\$172
134 R-1 Occupancies 33 or more	Flat fee	1	\$0	0%	\$531	\$531	50%	\$265		\$265
135 R-2 Occupancies 3-16	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141		\$141
136 R-2 Occupancies 17-32	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141		\$141
137 R-2 Occupancies 33 or more	Flat fee	1	\$0	0%	\$531	\$531	50%	\$265		\$265
138 R-3 Occupancies (State Licensed Care Facilities)	Flat fee	1	\$125	44%	\$282	\$157	50%	\$141		\$141
139 R-3.1 Occupancies	Flat fee	6	\$0	0%	\$448	\$448	50%	\$224		\$224
140 R-4 Occupancies	Flat fee	1	\$0	0%	\$406	\$406	50%	\$203		\$203
141 Wild-Fire Inspection - 4 or less floors	Flat fee	1	\$0	0%	\$655	\$655	50%	\$328		\$328
142 High-rise 7 or less floors	Flat fee	1	\$0	0%	\$779	\$779	50%	\$390		\$390
143 High-rise each floor above 7	Flat fee	50	\$0	0%	\$67	\$67	50%	\$34		\$34
144 Copies of reports - per incident	Flat fee	10	\$0	0%	\$132	\$132	50%	\$66		\$66
145 Environmental hazard research	Flat fee	1	\$0	0%	\$851	\$851	50%	\$426		\$426
146 Fire code appeals	Flat fee	28	\$0	0%	\$282	\$282	50%	\$141		\$141
147 False Alarm response (3rd Response in Calendar Year)	Flat fee	40	\$0	0%	\$399	\$399	50%	\$199		\$199
148 Vehicle Abatement	Flat fee	100	\$0	0%	\$719	\$719	50%	\$360		\$360
149 Weed Abatement	Flat fee	1	\$0	0%	\$0	\$0	0%	\$0		\$0
150 Counter Time	Overhead	1	\$0	0%	\$130	\$130	50%	\$65		\$65
151 New Business License Inspection	New Fee	410	\$20,500	7%	\$279,322	\$258,822	7%	\$20,500		\$258,822
152 Tracy Rural Fire District	Non fee	1								

- a) The fee calculated includes two reviews and two inspections. Additionally required review under inspections will be charged at the established hourly rates.
b) An additional fee of \$18 will be added to the recommended fee for the digitizing of plans and files.
c) This service has been reallocated across all development fee services as an overhead.

USER FEE STUDY SUMMARY SHEET

- TOTAL PROGRAM INFORMATION -

City of Tracy
Fire
2007/08

Service Name	Service Type	Revenue @ Current Fee	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy	Recommendations		
						Cost Recovery Policy Level (%)	Revenue @ Policy Level	Increased Revenue
1 Design Review/Consultation	Hourly	\$0	0%	\$10,300	\$10,300	50%	\$5,150	\$5,150
2 Subdivision - Commercial 1-4 lots	Flat fee	\$0	0%	\$2,238	\$2,238	50%	\$1,119	\$1,119
3 Subdivision - Commercial 4 or more lots	Flat fee	\$0	0%	\$3,457	\$3,457	50%	\$1,728	\$1,728
4 Subdivision - Residential 1-4 lots	Flat fee	\$0	0%	\$4,67	\$4,67	50%	\$2,34	\$2,34
5 Subdivision - Residential 5-24 lots	Flat fee	\$0	0%	\$4,10	\$4,10	50%	\$2,05	\$2,05
6 Subdivision - Residential 25 or more lots	Flat fee	\$0	0%	\$4,70	\$4,70	50%	\$2,35	\$2,35
7 Annexation	Flat fee	\$0	0%	\$4,56	\$4,56	50%	\$2,28	\$2,28
8 Use Permit	Flat fee	\$0	0%	\$2,240	\$2,240	50%	\$1,120	\$1,120
9 Variance Exception	Flat fee	\$0	0%	\$4,48	\$4,48	50%	\$2,24	\$2,24
10 Lot Line Alteration	Flat fee	\$0	0%	\$1,656	\$1,656	50%	\$828	\$828
11 EIR Review	Flat fee	\$0	0%	\$1,228	\$1,228	50%	\$614	\$614
12 Building Plan Check/Fire Final - Including first revision	Flat fee	\$0	0%	\$171,790	\$171,790	50%	\$85,895	\$85,895
13 Building Plan Check - 2nd Revision and any subsequent revisions	Flat fee	\$0	0%	\$10,329	\$10,329	50%	\$5,165	\$5,165
14 Building Plan Check - 3rd Revision and any subsequent revisions	Flat fee	\$0	0%	\$2,582	\$2,582	50%	\$1,291	\$1,291
15 Fire sprinkler system new installation - Under 25 sprinklers	Flat fee	\$325	67%	\$482	\$157	100%	\$482	\$157
16 Fire sprinkler system new installation - 25 - 100 sprinklers	Flat fee	\$8,340	101%	\$8,226	-\$114	100%	\$8,226	-\$114
17 Fire sprinkler system new installation - each additional 100 sprinklers	Flat fee	\$5,580	188%	\$2,952	-\$2,608	100%	\$2,952	-\$2,608
18 Fire sprinkler system tenant improvement - each additional 50 sprinklers	Flat fee	\$8,450	69%	\$12,723	\$4,273	100%	\$12,723	\$4,273
19 Fire sprinkler system tenant improvement - each additional 50 sprinklers	Flat fee	\$3,200	123%	\$4,225	-\$975	100%	\$4,225	-\$975
20 Fire sprinkler system - Residential	Flat fee	\$325	61%	\$531	\$206	50%	\$265	-\$60
21 Fire Pump	Flat fee	\$0	0%	\$1,520	\$1,520	50%	\$760	\$760
22 Battery Systems	Flat fee	\$0	0%	\$1,842	\$1,842	100%	\$1,842	\$1,842
23 Underground/Private Service Fire Main	Flat fee	\$0	0%	\$13,594	\$13,594	50%	\$6,797	\$6,797
24 Fire alarm system - New Installation	Flat fee	\$9,900	71%	\$13,871	\$3,971	100%	\$13,871	\$3,971
25 Fire alarm system - Tenant Improvement	Flat fee	\$485	93%	\$531	\$36	100%	\$531	\$36
26 Fire alarm system - High rise/large project	Flat fee	\$890	78%	\$1,271	\$281	100%	\$1,271	\$281
27 LP Gas Systems	Flat fee	\$0	0%	\$1,992	\$1,992	100%	\$1,992	\$1,992
28 Standpipes	Flat fee	\$0	0%	\$3,716	\$3,716	100%	\$3,716	\$3,716
29 Clean agent suppression system (FM-200, Inergen, CO2, Etc.)	Flat fee	\$0	0%	\$680	\$680	50%	\$340	\$340
30 Hood and duct suppression system	Flat fee	\$1,320	31%	\$4,247	\$2,927	100%	\$4,247	\$2,927

USER FEE STUDY SUMMARY SHEET

- TOTAL PROGRAM INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Revenue @ Current Fee	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy	Recommendations		
						Cost Recovery Policy Level (%)	Revenue @ Policy Level	Increased Revenue
31 Compressed gas system - hazardous materials	Flat fee	\$0	0%	\$15,633	\$15,633	50%	\$7,816	\$7,816
32 Compressed gas system - medical gas	Flat fee	\$0	0%	\$1,992	\$1,992	50%	\$996	\$996
33 Smoke management system	Flat fee	\$0	0%	\$2,154	\$2,154	50%	\$1,077	\$1,077
34 Spray Booths (includes fire protection system)	Flat fee	\$0	0%	\$1,992	\$1,992	50%	\$996	\$996
35 Flammable/combustible liquids (first-aid, alter, remove, or abandon tanks)	Flat fee	\$330	33%	\$1,005	\$575	50%	\$502	\$173
36 Flammable/combustible liquids (first-aid, alter, remove, or abandon tanks)	Flat fee	\$490	49%	\$1,005	\$515	100%	\$10,493	\$7,083
37 Fire flow/hydrant test	Flat fee	\$3,410	32%	\$10,493	\$7,083	50%	\$1,019	\$709
38 Fire flow/hydrant test	Flat fee	\$0	0%	\$2,038	\$2,038	50%	\$1,019	\$709
39 Administrative charge for excessive re-submittals	Flat fee	\$0	0%	\$1,419	\$1,419	50%	\$709	\$709
40 Technical report/alternative material or method request per code item	Flat fee	\$0	0%	\$24,319	\$24,319	50%	\$12,159	\$12,159
41 Plan review after normal business hours - two hour minimum at time and a half	Hourly	\$0	0%	\$2,978	\$2,978	50%	\$1,488	\$1,488
42 Plan review requests - not otherwise specified in this fee schedule - two hour min	Hourly	\$0	0%	\$21,222	\$21,222	50%	\$10,611	\$10,611
43 Re-inspection fee	Flat fee	\$0	0%	\$5,306	\$5,306	50%	\$2,653	\$2,653
44 Inspections for which no fee is specifically indicated	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
45 Aerial Products Level 2 or 3 Products in excess of 500-lbs.	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
46 Amusement Buildings	Flat fee	\$95	23%	\$406	\$371	50%	\$203	\$108
47 Aviation Facilities	Flat fee	\$2,799	110%	\$2,538	-\$261	100%	\$2,538	-\$261
48 Canals and Pans	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
49 Cellulose Nitrate Film	Flat fee	\$0	0%	\$1,205	\$1,205	50%	\$602	\$602
50 Christmas Tree Lots	Flat fee	\$190	23%	\$813	\$623	50%	\$408	\$215
51 Combustible Dust-Producing Operations	Flat fee	\$95	28%	\$344	\$249	50%	\$122	\$77
52 Combustible Fibers in excess of 100 Cubic Ft.	Flat fee	\$95	22%	\$406	\$311	50%	\$203	\$108
53 Compressed Gases in excess of CFC Table 105.6.3	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
54 Covered Mail Buildings - Features and displays, concession equipment, display	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
55 Covered Mail Buildings - Display of liquid or gas-fired equipment	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46

USER FEE STUDY SUMMARY SHEET

- TOTAL PROGRAM INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Revenue @ Current Fee	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy	Recommendations		
						Cost Recovery Policy Level (%)	Revenue @ Policy Level	Increased Revenue
55 Covered Mail Buildings - Use of open-flame or flame-producing equipment	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
57 Cryogenic Fluids in excess of CFC, Table 105.6.10	Flat fee	\$95	23%	\$405	\$311	50%	\$203	\$108
58 Cutting and Welding	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
59 Dry Cleaning Plants	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
60 Exhibits and Trade Shows	Flat fee	\$0	0%	\$282	\$282	50%	\$141	\$141
61 Explosives (manufacture, storage, handling)	Flat fee	\$95	23%	\$405	\$311	50%	\$203	\$108
62 Fire Hydrants and Valves	Flat fee	\$95	48%	\$199	\$104	50%	\$100	\$5
63 Flammable and Combustible Liquids - Use, operate, repair or modify a pipeline	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
64 Flammable and Combustible Liquids - Class I; over 5 gal inside or > 10 gallons	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
65 Flammable and Combustible Liquids - Class II/III; over 25 gals, inside or 60 g	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
66 Flammable and Combustible Liquids - Remove class I or II fluid from underrol	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
67 Flammable and Combustible Liquids - Operate fuel dispensing stations, tank v	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
68 Flammable and Combustible Liquids - Place above/underground tanks out of s	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
69 Flammable and Combustible Liquids - Change of product within tank	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
70 Flammable and Combustible Liquids - Manufacture, process, blend, or refine	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
71 Flammable and Combustible Liquids - To dispense into motor vehicle tanks	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
72 Flammable and Combustible Liquids - To use a site for dispensing	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
73 Floor Finishing	Flat fee	\$95	23%	\$405	\$311	50%	\$203	\$108
74 Fruit and Crop Ripening Processes	Flat fee	\$0	0%	\$282	\$282	50%	\$141	\$141
75 Fumigation or Thermal Insecticide Fogging (Emergency Response Only)	Flat fee	\$0	0%	\$603	\$603	50%	\$301	\$301
76 Haunted Houses or Corn Mazes	Flat fee	\$0	0%	\$603	\$603	50%	\$301	\$301
77 Hazardous materials amounts in excess of CFC Table 105.6.20	Flat fee	\$95	14%	\$688	\$593	50%	\$344	\$249
78 Hazardous Production Materials Facilities	Flat fee	\$95	14%	\$688	\$593	50%	\$344	\$249
79 High Piled Storage area exceeding 500 sq. ft.	Flat fee	\$390	17%	\$2,204	\$1,824	50%	\$1,102	\$722
80 HotWork Operations	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46

USER FEE STUDY SUMMARY SHEET

- TOTAL PROGRAM INFORMATION -

City of Tracy

File

2007/08

Service Name	Service Type	Revenue @ Current Fee	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy	Recommendations		
						Cost Recovery Policy Level (%)	Revenue @ Policy Level	Increased Revenue
86 Industrial Ovens	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
87 Lumberyards and Woodworking Plant in excess of 100,000 board ft	Flat fee	\$95	23%	\$406	\$311	50%	\$203	\$108
88 Pallet, Crate, Bin Box storage in excess of 30,000 Board board ft	Flat fee	\$95	23%	\$406	\$311	50%	\$203	\$108
89 Liquid or Gas fueled vehicles in Assembly buildings (display, operation, etc.)	Flat fee	\$95	36%	\$261	\$166	50%	\$131	\$36
90 LP Gas (storage, use, or transportation)	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
91 Miscellaneous combustible Storage in excess of 2,500 cubic ft	Flat fee	\$95	17%	\$553	\$458	50%	\$277	\$77
92 Open Burning	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$77
93 Open Flames and Torches	Flat fee	\$95	42%	\$228	\$133	50%	\$114	\$46
94 Open Flames and Candles	Flat fee	\$95	34%	\$220	\$125	50%	\$110	\$15
95 Organic Coatings - manufacturing producing +1 gallon/day	Flat fee	\$95	43%	\$282	\$187	50%	\$141	\$46
96 Places of Assembly - A-1	Flat fee	\$95	23%	\$406	\$311	50%	\$203	\$108
97 Places of Assembly - A-2	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
98 Places of Assembly - A-3	Flat fee	\$95	23%	\$406	\$311	50%	\$203	\$108
99 Places of Assembly - A-4	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
100 Places of Assembly - A-5	Flat fee	\$95	43%	\$220	\$125	50%	\$110	\$15
101 Private Fire Hydrants (use or removal from service)	Flat fee	\$570	62%	\$423	\$353	50%	\$261	\$72
102 Pyrotechnical Special Effects Material	Flat fee	\$1,866	59%	\$3,185	\$1,319	100%	\$3,185	\$1,319
103 Pyrotechnical Special Effects Material	Flat fee	\$285	25%	\$1,126	\$841	50%	\$568	\$278
104 Pyrotechnical Special Effects Material	Flat fee	\$285	25%	\$1,126	\$841	50%	\$568	\$278
105 Pyrotechnical Special Effects Material	Flat fee	\$285	25%	\$1,126	\$841	50%	\$568	\$278

USER FEE STUDY SUMMARY SHEET

- TOTAL PROGRAM INFORMATION -

City of Tracy
Fire
2007/08

Service Name	Service Type	Revenue @ Current Fee	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy	Recommendations		
						Cost Recovery Policy Level (%)	Revenue @ Policy Level	Increased Revenue
106 Refrigeration Equipment - 220-lbs. of group A-1	Flat fee	\$95	18%	\$531	\$436	50%	\$255	\$170
107 Refrigeration Equipment - 30-lbs. of any other refrigerant	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$17
108 Repair Garages and Motor Fuel-Dispensing Facilities	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
109 Roofing Heliports	Flat fee	\$95	23%	\$408	\$311	50%	\$203	\$108
110 Spraying or Dipping - utilizing liquids or powders	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$17
111 Storage of Scrap Tires and Byproducts in excess of 2,500 cubic ft.	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$17
112 Temporary Membrane Structures, Tents, and Canopies - Tents in excess of 20	Flat fee	\$655	38%	\$1,829	\$1,164	50%	\$915	\$250
113 Temporary Membrane Structures, Tents, and Canopies - Tents in excess of 20	Flat fee	\$1,425	36%	\$3,920	\$2,495	50%	\$1,980	\$535
114 Temporary Membrane Structures, Tents, and Canopies - annual blanket permit	Flat fee	\$95	36%	\$251	\$185	50%	\$131	\$36
115 Tire Rebuilding Plants	Flat fee	\$85	28%	\$344	\$249	50%	\$172	\$17
116 Waste Handling (wrecking, junk yards, waste mgmt.)	Flat fee	\$95	34%	\$282	\$187	50%	\$141	\$46
117 Wood Products in excess of 200 Ft.	Flat fee	\$570	28%	\$2,055	\$1,485	50%	\$1,033	\$463
118 S.E.M. Movie Production Operators	Flat fee	\$95	28%	\$344	\$249	50%	\$172	\$17
121 Pre-Inspection Fee for Cave Facilities - Facilities ≤ 25 people	State Set	\$2,000	18%	\$11,281	\$9,281	18%	\$2,000	\$0
122 Pre-Inspection Fee for Cave Facilities - Facilities > 25 people	State Set	\$100	35%	\$282	\$182	35%	\$100	\$0
123 E Occupancy - School occupant load 50 - 149	Flat fee	\$0	0%	\$318	\$318	50%	\$159	\$159
124 E Occupancy - School occupant load 150 - 499	Flat fee	\$0	0%	\$1,838	\$1,838	50%	\$919	\$919
125 E Occupancy - School occupant load 500 plus	Flat fee	\$0	0%	\$29,574	\$29,574	50%	\$14,837	\$14,837
126 E Occupancy - Daycare	Flat fee	\$0	0%	\$282	\$282	50%	\$141	\$141
127 I Occupancies - I-1	Flat fee	\$0	0%	\$344	\$344	50%	\$172	\$172
128 I Occupancies - I-2	Flat fee	\$0	0%	\$855	\$855	50%	\$328	\$328
129 I Occupancies - I-2.1	Flat fee	\$0	0%	\$344	\$344	50%	\$172	\$172
130 I Occupancies - I-3	Flat fee	\$0	0%	\$531	\$531	50%	\$265	\$265

USER FEE STUDY SUMMARY SHEET - TOTAL PROGRAM INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Revenue @ Current Fee	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy	Recommendations		
						Cost Recovery Policy Level (%)	Revenue @ Policy Level	Increased Revenue
131 Occupancies - 1-4	Flat fee	\$0	0%	\$344	\$344	50%	\$172	\$172
132 R-1 Occupancies 3-16	Flat fee	\$0	0%	\$282	\$282	50%	\$141	\$141
133 R-1 Occupancies 17-32	Flat fee	\$0	0%	\$344	\$344	50%	\$172	\$172
134 R-1 Occupancies \$3 or more	Flat fee	\$0	0%	\$531	\$531	50%	\$265	\$265
135 R-2 Occupancies 3-16	Flat fee	\$0	0%	\$282	\$282	50%	\$141	\$141
136 R-2 Occupancies 17-32	Flat fee	\$0	0%	\$531	\$531	50%	\$265	\$265
137 R-2 Occupancies 33 or more	Flat fee	\$0	0%	\$282	\$282	50%	\$141	\$141
138 R-3 Occupancies (State Licensed Care Facilities)	Flat fee	\$125	44%	\$282	\$157	50%	\$141	\$16
139 R-3.1 Occupancies	Flat fee	\$0	0%	\$2,065	\$2,065	50%	\$1,033	\$1,033
140 R-4 Occupancies	Flat fee	\$0	0%	\$469	\$469	50%	\$234	\$234
141 Mid-Rise Inspection - 4 or less floors	Flat fee	\$0	0%	\$406	\$406	50%	\$203	\$203
142 High-Rise 7 or less floors	Flat fee	\$0	0%	\$655	\$655	50%	\$328	\$328
143 High-Rise each floor above 7	Flat fee	\$0	0%	\$779	\$779	50%	\$390	\$390
144 Copies of reports - per incident	Flat fee	\$0	0%	\$3,364	\$3,364	50%	\$1,682	\$1,682
145 Environmental hazard research	Flat fee	\$0	0%	\$1,318	\$1,318	50%	\$659	\$659
146 Fire code appeals	Flat fee	\$0	0%	\$651	\$651	50%	\$325	\$325
147 False Alarm response (3rd Response in Calendar Year)	Flat fee	\$0	0%	\$7,903	\$7,903	50%	\$3,952	\$3,952
148 Vehicle Abatement	Non Fee	\$0	0%	\$15,957	\$15,957	50%	\$3,989	\$3,989
149 Weed Abatement	Non Fee	\$0	0%	\$71,930	\$71,930	50%	\$28,772	\$28,772
150 Counter Time	Overhead	\$0	0%	\$0	\$0	0%	\$0	\$0

USER FEE STUDY SUMMARY SHEET

- TOTAL PROGRAM INFORMATION -

City of Tracy
Fire
2007/08

Service Name	Service Type	Revenue @ Current Fee	% of Full Cost	Revenue @ Full Cost	Current Subsidy	Recommendations		
						Cost Recovery Policy Level (%)	Revenue @ Policy Level	Increased Revenue
151 New Business License Inspection	New Fee	\$0	0%	\$53,230	\$53,230	50%	\$26,615	\$26,615
152 Tracy Rural Fire District	Non Fee	\$20,500	7%	\$279,322	\$258,822	7%	\$20,500	\$0
Total User Fees		\$54,375		\$540,489	\$478,124		\$302,715	\$238,340
% of Full Cost		12%		100%	88%		58%	370%
Total Other Services		\$20,500		\$367,210	\$346,710		\$53,261	\$32,761
% of Full Cost		6%		100%	94%		15%	9%
Department Totals		\$84,875		\$907,709	\$822,834		\$355,977	\$271,102
% of Full Cost		9%		100%	91%		39%	319%

- a) Actual recovery for these services is estimated at 50% for the initial year. Please note this revenue is collected and listed in the general fund.
b) Actual recovery for these services is estimated at 80% for the initial year. Please note this revenue is collected and listed in the general fund.

CITY OF TRACY
FIRE DEPARTMENT
FISCAL 2007/2008

Full Cost Hourly Rates

Position		Hourly			
		Salary	Benefits	Overhead	Total
1	Admin Assistant	\$ 28.36	\$ 12.19	\$ 33.53	\$ 74.08
2	Fire Inspector	\$ 43.68	\$ 18.78	\$ 51.84	\$ 114.10
3	Fire Marshal	\$ 55.28	\$ 23.77	\$ 65.36	\$ 144.40
4	Division Chief	\$ 76.81	\$ 33.02	\$ 90.81	\$ 200.65

Hourly salary rate is calculated by dividing annual salary by 1,800 productive hours.

Hourly benefit rate of 42.99% is applied to hourly salary rate.

Hourly overhead rate of 82.68% is applied to hourly salary plus benefits.

Plan Review

6.1 ENTITLEMENT PROCESS

This Modified Specific Plan and accompanying approvals, including certification of the Revised Environmental Impact Report, provide the basic authority of the development of a minimum of 1,000 units and a maximum of 2,250 residential units (not including secondary residential units); up to 180,000 square feet of retail, office, and other commercial uses; neighborhood parks; and a proposed Family Swim Center serving as a Community Park.

6.2 SUBDIVISIONS

All subdivision maps processed within the Ellis Specific Plan Area shall follow the process set forth in the Tracy Municipal Code.

All streets, sidewalks, landscaping, and other public property improvements shall be consistent with regulations and guidelines of the ESP and Pattern Book. Each tentative map application shall demonstrate compliance with the street sections, lot sizes, and other standards of the ESP, to the extent applicable on the tentative map. Prior to approval of each final map, the final map and associated improvement plans shall demonstrate compliance with the street sections, lot sizes, and all other applicable standards of the ESP.

6.3 ELLIS PATTERN BOOK CERTIFICATION

The Ellis Pattern Book guides the development of structures on individual parcels within the Ellis community and works in conjunction with the ESP to create and implement the vision for Ellis. The Ellis Pattern Book is Appendix A of the ESP, and will be adopted by Resolution of the City Council.

Before a building permit may be obtained for any structure within Ellis, the applicant must first obtain a Pattern Book Certification (PBC) by the City to demonstrate that the proposal is in compliance with

the site development and architectural patterns set forth in the Pattern Book. Compliance with the ESP and Pattern Book is required for all improvements except as provided below. Pattern Book Certification is not required for (1) residential swimming pools, patio covers, shade structures, or similar residential accessory structures; (2) interior improvements such as plumbing, electrical or partition wall modifications where no modifications or improvements are made to or affect the appearance from the exterior of the structure; or (3) modifications to existing structures that have already received PBC and are in substantial compliance with the architecture, site plan, and other elements of the certified plans and the Pattern Book.

In order to obtain PBC, the applicant shall submit the following to the Development and Engineering Services (DES) Department:

- 1 Completed City of Tracy Development Application Form;
- 2 Application processing fee as established by Resolution of the City Council;
- 3 Five copies (15 for non-residential projects) of a detailed site plan showing all existing and proposed improvements on the site;
- 4 Five copies (15 for non-residential) (plus one color copy) of architectural elevations for all sides of proposed structures;
- 5 A check list (see pages 5-6 of this section) showing how the proposed site plan and architecture comply with the Pattern Book;
- 6 Five copies of a preliminary landscape plan for non-residential projects; and
- 7 For non-residential projects, all sewer, water, storm drainage and other utility plans and information as required by the City Engineer.

Upon receipt of a PBC application and checklist, the Department shall determine whether the application is complete for processing within 30 days. If the application is incomplete, the Department shall notify the

applicant, in writing, of all specific items to complete the application. After receipt of a complete application, the DES Director shall approve, conditionally approve, or deny the application. The DES Director determination for residential projects shall be made within 10 days from receipt of a complete application and within 30 days for a mixed-use or non-residential project. The submittal shall be in compliance with the EPB Checklist. If the DES Director determines that the submittal is not in compliance with the EPB Checklist he/she shall have the option to refer the application to the Planning Commission for review of conformance with the Checklist.

The DES Director's, or Planning Commission's, determination for approval regarding PBC shall be based on the finding that the project application is consistent with the ESP and Pattern Book site design, architecture, and all other standards and guidelines as determined by conformance to EPB checklist.

6.4 INTERPRETATION OF THE MODIFIED ELLIS SPECIFIC PLAN

Every effort has been made with the Modified Ellis Specific Plan to provide policies and regulations that are clear; however, interpretations will be necessary when issues that were not anticipated arise. The DES Director is responsible for interpretation of the ESP.

If any situation arises in the implementation of the ESP that is not addressed by specific development regulations or if an issue, condition, or situation arises that is not clearly addressed in the ESP, the DES Director shall provide an interpretation based on such City codes, goals, policies, plans, and requirements as are most closely related to the subject matter of the issue or situation to be interpreted.

In all matters, if there is a conflict between the provisions of the ESP and the provisions of the Tracy Municipal Code, the ESP shall prevail. As to matters not categorically superseded and not otherwise specifically addressed by the ESP, the Tracy Municipal Code shall apply and shall be interpreted in a manner that is

Appendix IV

Fire Department

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Fire Department

Legal Codes

Legal Codes

Tracy Municipal Code

3.04.020 - Public displays; permits required.

- (a) Notwithstanding the prohibitions on dangerous and safe and sane fireworks set forth in this chapter, this section shall not prohibit public fireworks displays which may be allowed upon issuance of a permit therefore under the provisions of the Health and Safety Code of the State of California. This chapter also does not prohibit the use by railroad or other transportation agencies, for signal purposes or illumination, of torpedoes, flares or fuses; nor the sale or use of blank cartridges for theatrical or ceremonial purposes, athletic events, or military ceremonials or demonstrations.
- (b) Fireworks display permits are required to conduct a fireworks display as required by local and state regulations. Permit application shall be made not less than sixty (60) days prior to the scheduled date of the display. The permit application shall include a diagram of the grounds on which the display is to be held showing the point at which the fireworks are to be discharged; the location of buildings, highways and other lines of communication; the lines behind which the audiences will be restrained; and the location of nearby overhead obstructions. At the time of permit application, the Fire Chief or his/her designee shall be consulted regarding reasonable conditions or requirements for standby personnel and fire apparatus. Fireworks display permits shall only be granted to licensed pyrotechnic operators.
- (c) Fireworks display permits may be secured by application to the Fire Chief with the concurrence of the Police Chief. The Fire Chief and Police Chief may deny issuance of such permits, provided such denial is reasonably based on public health and safety concerns, including, but not limited to, an application for another event to be held on the same date as that requested has been previously filed or approved, and the other event is so close in time and location to the event proposed as to cause undue traffic congestion or to place the City in a position of being unable to meet the needs for Fire, Police or Public Works services for both events. Any decision regarding such permits may be appealed to the City Manager as set forth in section 1.12.010 of this Code.
- (d) Fireworks displays may also require a special events permit pursuant to chapter 4.40 of this Code.
- (e) The fireworks display permit fee, requisite deposits, time of payment, and insurance requirements shall be set by resolution of the City Council.

(Ord. No. 1158, § 1, 5-17-2011; Ord. No. 1162, § 1, 10-4-2011)

3.04.040 - Permit to sell and store safe and sane fireworks.

- (a) The City Council shall establish, by resolution, the process by which the City will issue annual permits to sell safe and sane fireworks and the conditions to protect health, safety,

aesthetics, and such other conditions the City Council finds reasonably necessary that applicants must satisfy to receive the permits.

(b) It is unlawful for any person to engage in the sale or distribution of fireworks within the City of Tracy without first having secured a permit to do so from the Fire Chief or his or her designee.

(c) It is unlawful to store fireworks within the City of Tracy without first having secured a permit to do so from the Fire Chief or his or her designee.

(d) The annual permit fee for the sale of safe and sane fireworks shall be set by resolution of the City Council and payable prior to permit issuance.

(e) A temporary use permit and City business license is required pursuant to this Code.

(f) Lottery awardees and alternates, as defined by the process set forth in a Council resolution pursuant to section 3.04.050(b), may apply for a permit prior to the end of April of each year.

(Ord. No. 1158, § 1, 5-17-2011; Ord. No. 1162, § 1, 10-4-2011)

3.36.010 - Fee schedule.

The City Council shall by resolution action taken from time to time establish a fee schedule for services provided to the public by the departments of the City.

(Prior code § 3-9.01)

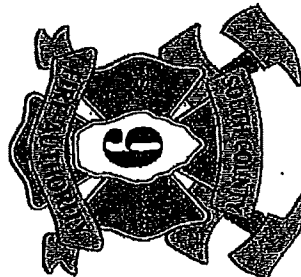
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Fire Department

Special Studies



Think Inside the Triangle™



City of Tracy

Fire Department

Cost of Services study findings April, 2009

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EXECUTIVE SUMMARY

Introduction

MGT of America (MGT) is pleased to present the City of Tracy (City) with this summary of findings for the cost of services study for the Fire Department.

The Fire Department has never undertaken a comprehensive cost of services study. Since the original fee structure was adopted, the department has made some minor adjustments to the original fee levels, but has largely maintained the fee levels that had been previously adopted. The City is interested in accurately reporting the true cost of providing various fee-related services, and exploring the possibilities of modifying current fees to better reflect the increasing cost of providing services over time. In May 2008, the City contracted with MGT to perform this cost analysis using the adopted 2007-2008 fiscal year budget, staffing and operational information. Additionally, all information was provided through the period ending December 2008. Fees should be reviewed on a regular basis and adjusted in accordance with established City policies on user fee cost recovery.

This report is the culmination of the past eight months of work between MGT and Fire Department management and staff. MGT would like to take this opportunity to acknowledge all Fire management and staff who participated on this project for their efforts and coordination. Their responsiveness and continued interest in the outcome of this study contributed greatly to the success of this study.

Study Scope and Objectives

The study was performed under the general direction of the Fire Marshal. The primary goals of the study were to:

- ❖ Define what it costs the city to provide various fee-related services.
- ❖ Determine whether there are any opportunities to implement new fees, based on city cost recovery policies.
- ❖ Identify service areas where the City might adjust fees based on the full cost of services and other economic or policy considerations.
- ❖ Develop revenue projections based on recommended increases (or decreases) to fees.
- ❖ Provide comparative data for recovery levels to other MGT clients.

The information summarized in this report addresses each of these issues and provides the City with the tools necessary to make informed decisions about any proposed fee adjustments and the resulting impact on general fund revenues.

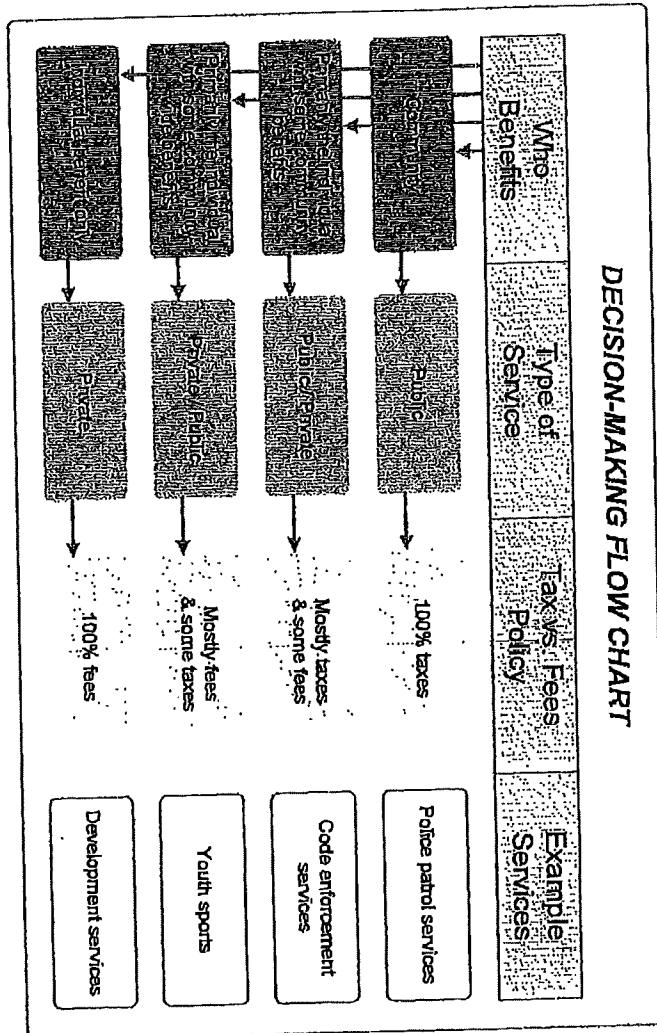
Economic & Policy Considerations

Calculating the true cost of providing city services is a critical step in the process of establishing user fees and corresponding cost recovery levels. Although it is an important factor, other factors must also be given consideration. City decision-makers must also consider the effects that establishing fees for services will have on the individuals purchasing those services, as well as the community as a whole. The following economic and policy issues help illustrate these considerations.

- ❖ A consideration of community-wide benefit versus individual benefit might be of concern for certain services.
- ❖ In conjunction with the second point above, the issue of who is the service recipient versus the service driver should also be considered. For example, code enforcement activities benefit the community as a whole, but the service is driven by the individual or business owner that violates city code.
- ❖ Elasticity of demand is a factor in pricing certain city services; increasing the price of some services results in a reduction of demand for those services, and vice versa.
- ❖ Public sector agencies have a monopoly on providing certain services within its boundaries, such as development-related services. However, other services, such as recreation classes, may be provided by neighboring communities or the private sector, and therefore demand for these services can be highly dependent on what else may be available at lower prices.
- ❖ It may be a desired policy to establish fees at a level that permits lower income groups to use services that they might not otherwise be able to afford.

The flow chart on the following page helps illustrate the economic and policy considerations listed above.

DECISION-MAKING FLOW CHART



Study Findings

While the purpose of this study is to identify the cost of fee-related activities, one of the outcomes of the analysis is to provide a complete picture of the full cost of all services offered. It is necessary to identify *all* costs, whether fee-related or not, so that there is a fair and equitable distribution of all departmental overhead costs (discussed in a previous section of this report) across all activities, thereby ensuring a definitive relationship between the cost of the service and the fee that is charged. No service should be burdened with costs that cannot be directly or indirectly linked to that service. Therefore, the first task in this study is to separate the fee-for-service activities from the non-fee activities. Some non-fee related activities are appropriately funded by general fund monies (or other special revenue or

impact fee sources), such as advanced planning or public improvement projects. The costs of these other services (*column A minus column B*) are identified and set aside from the user fee services.

The study's primary objective is to provide the city's decision-makers with basic data needed for setting fees. This report details the full cost of services, and presents proposed fees and projected revenues based on recommended user fee cost recovery levels, and market Recommendations were based upon careful consideration of the results of the cost analysis, historical cost recovery levels, and market comparisons. The exhibit on the following page displays the costs and revenues of each department/division into the following categories:

Column A, Total Costs – Displays the total costs of each department. It is

Column B, User Fee Costs – Of the \$907,709 in total costs analyzed, \$540,499 (or 60%) of that total is related to user fee services. It is this \$540,499 that is the focus of this study and represents the total potential for user fee-related revenues for the Fire department.

Column C, Current Revenues – Based on current individual fee levels, the Fire department generates fee related revenues of \$64,375 and is experiencing a 12% cost recovery level. Within each activity, current cost recovery levels range from 0% to 188%. The detailed analysis of individual fees may be found in subsequent sections of this report.

Column D, General Fund Subsidy – Current fee levels recover 12% of full cost, leaving 88% or \$476,124 to be funded by other funding sources. This \$476,124 represents a "window of opportunity" for the Fire department to increase fees and general fund revenues, with a corresponding decrease in the subsidization of services by the general fund.

Column E, Recommended Recovery – It is estimated that adoption of the recommended cost recovery policy would increase fee revenue to \$302,715. This would bring the overall cost recovery level up to 56%. With the exception of a few fees, the department has recommended a three phase implementation for fee adjustments. The goal of year one recommendations is to achieve an overall recovery level of 50% increasing to 75% in year 2 and 100% in year 3.

Column F, Increased Revenue – \$238,340 in potential new revenue could be generated. This would represent a 370% increase over the revenue currently being collected for these activities by the Fire department on an annualized basis.

City of Tracy

User Fee Revenue Analysis

2007/2008

Department	Current				Recommended	
	Total Costs (A)	Costs - User Fee Services (B)	Current Revenue (C)	General Fund Subsidy (D)	Cost Recovery Policy (E)	Integrated Revenue (F)
Fire	\$907,769	\$540,499	\$64,375	\$46,124	\$302,715	\$238,340
Grand Total:	\$907,769	\$540,499	\$64,375	\$46,124	\$302,715	\$238,340

Methodology

A cost of service study analyzes two components of costs: the direct costs associated with providing each fee-for-service activity, and the indirect costs that support these activities. A brief discussion of each of these components follows. (A complete, detailed report of calculations is provided as an attachment to this report).

Direct Costs. The direct costs associated with fee-for-service activities were analyzed in great detail in this study. MGT worked with staff to develop the analysis that is summarized in the following sections of this report. The fiscal year 2007-2008 adopted budget was used to identify direct costs.

The first step in the process was to identify staff time spent directly on each of the user fee activities. Each staff person involved in the user fee services identified the average time required to review or inspect each service area. Salary and benefit dollars were assigned to the time estimates to come up with the direct staff costs.

Indirect Costs. A proportionate share of other operating expenses and internal department administrative costs were layered onto the direct costs as a departmental overhead. (Note: Citywide internal service charges are already directly budgeted into program budgets). Many of the costs that support all divisions and programs are budgeted in a centralized division such as Fire Administration, which provides budgeting, personnel, reception, customer outreach and general oversight, but provides support to all Fire divisions. The costs of these activities and other centralized services are considered indirect overhead that support fee-for-service activities, as well as other programs and functions within the department. The end result of this analysis is the allocation of all indirect costs to all operating divisions and activities. The indirect costs are then added to the direct

costs to determine the full cost of all department operations – whether fee-related or not. This accounting exercise is important in that it can result in an increase in general fund revenues for reimbursement of support for user fee services and state or federally funded programs. The three components of the indirect costs included in this analysis are 1) departmental overhead, 2) prevention administration and 3) Citywide budgeted indirect costs.

Program Highlights

- ❖ The current recovery level of 13% is relatively low for Prevention activities. The chart on the following page displays current and recommended fee recovery levels for recent MGT clients. This chart can be a very useful, “apples to apples”, comparison because these cities have undertaken the same study (methodology) as Tracy.

	FIRE - PREVENTION	
	current	recommended
Modesto	39%	100%
Santa Clara	75%	TBD
Livermore	101%	100%
Pleasanton	23%	100%
Folsom	29%	100%
Hollister	47%	99%
Huntington Beach	56%	68%
La Habra	22%	n/a
Long Beach	94%	94%
Lemoore	73%	100%
La Mesa	86%	99%
Redlands	22%	33%
Newport Beach	81%	100%

- ❖ The department has drastically restructured the fee schedule. The Fire department feels that the recommended structure is a much better reflection of the services being provided. Many development related services have been added. Previously, these services were being subsidized by the general fund.

- ❖ Recovery levels for the weed and vehicle abatement category have been artificially lowered. Since fees have never been fully recovered, the department is being cautious to not over inflate the potential revenue generation. Additionally, these services have been listed as non-fee related because current city policy assigns abatement revenue to the general fund and not the Fire department.
- ❖ Services provided to the Tracy Rural Fire District are considered non-fee related.
- ❖ Fully burdened hourly rates per position have also been calculated which can be used for any service not listed in the fee schedule.

Department Summary Charts

Each subsequent page displays department results and individual activity analysis. The first six pages display costs and revenues on a per unit/occurrence basis. The final seven pages reflect annual costs and revenues. The various subtotals tie to the exhibit charts discussed earlier in this report. The hourly rates per position are included after the summary pages.

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy
Fire
2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations		
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level
1 Design Review/Consultation	Hourly	40	\$0	0%	\$258	\$258	50%	\$129	\$129
2 Subdivision - Commercial 1-4 lots	Flat fee	7	\$0	0%	\$320	\$320	50%	\$160	\$160
3 Subdivision - Commercial 4 or more lots	Flat fee	6	\$0	0%	\$576	\$576	50%	\$288	\$288
4 Subdivision - Residential 1-4 lots	Flat fee	2	\$0	0%	\$244	\$244	50%	\$122	\$122
5 Subdivision - Residential 5-24 lots	Flat fee	1	\$0	0%	\$410	\$410	50%	\$205	\$205
6 Subdivision - Residential 25 or more lots	Flat fee	1	\$0	0%	\$470	\$470	50%	\$235	\$235
7 Annexation	Flat fee	1	\$0	0%	\$458	\$458	50%	\$229	\$229
8 Use Permit	Flat fee	10	\$0	0%	\$224	\$207	50%	\$112	\$104
9 Variance	Flat fee	2	\$0	0%	\$224	\$207	50%	\$112	\$104
10 Lot Line Allocation	Flat fee	6	\$0	0%	\$276	\$256	50%	\$138	\$128
11 EIR Review	Flat fee	2	\$0	0%	\$814	\$586	50%	\$307	\$294
12 Building Plan Check/Fire Final - including first revision	Flat fee	250	\$0	0%	\$687	\$687	50%	\$344	\$344
13 Building Plan Check - 2nd Revision	Flat fee	40	\$0	0%	\$258	\$258	50%	\$129	\$129
14 Building Plan Check - 3rd Revision and any subsequent revisions	Flat fee	10	\$0	0%	\$258	\$258	50%	\$129	\$129
15 Fire sprinkler system new installation - Under 25 sprinklers	Flat fee	1	\$325	67%	\$482	\$157	100%	\$482	\$0
16 Fire sprinkler system new installation - 25 - 100 sprinklers	Flat fee	12	\$895	101%	\$896	\$9	100%	\$896	\$0
17 Fire sprinkler system new installation - each additional 100 sprinklers	Flat fee	8	\$695	188%	\$369	-\$326	100%	\$369	\$0
18 Fire sprinkler system tenant improvement - each additional 50 sprinklers	Flat fee	26	\$325	65%	\$489	\$164	100%	\$489	\$0
19 Fire sprinkler system tenant improvement - each additional 50 sprinklers	Flat fee	16	\$325	123%	\$264	-\$61	100%	\$264	\$0
20 Fire sprinkler system - Residential	Flat fee	1	\$325	61%	\$531	\$206	50%	\$265	\$265
21 Fire Pump	Flat fee	2	\$0	0%	\$960	\$960	50%	\$480	\$480
22 Battery Systems	Flat fee	3	\$0	0%	\$514	\$514	100%	\$514	\$0
23 Underground/Private Service Fire Main	Flat fee	20	\$0	0%	\$680	\$680	50%	\$340	\$340
24 Fire alarm system - New Installation	Flat fee	20	\$495	71%	\$694	\$199	100%	\$694	\$0
25 Fire alarm system - Tenant Improvement	Flat fee	1	\$495	93%	\$531	\$36	100%	\$531	\$0
26 Fire alarm system - High rise/large project	Flat fee	1	\$890	78%	\$1,221	\$331	100%	\$1,221	\$0
27 LP Gas Systems	Flat fee	4	\$0	0%	\$498	\$498	100%	\$498	\$0
28 Standpipes	Flat fee	7	\$0	0%	\$531	\$531	100%	\$531	\$0
29 Clean agent suppression system (FM-200, Inertgas, CO2, etc.)	Flat fee	1	\$0	0%	\$680	\$680	50%	\$340	\$340
30 Hood and duct suppression system	Flat fee	8	\$165	31%	\$531	\$366	100%	\$531	\$0

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations			
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level	
a.b) 31 Compressed gas system - hazardous materials	Flat fee	23	\$0	0%	\$880	\$880	50%	\$340	\$340	
a.b) 32 Compressed gas system - medical gas	Flat fee	4	\$0	0%	\$498	\$498	80%	\$249	\$249	
a.b) 33 Smoke management system	Flat fee	1	\$0	0%	\$2,154	\$2,154	50%	\$1,077	\$1,077	
a.b) 34 Spray Boilers (includes fire protection system)	Flat fee	4	\$0	0%	\$498	\$498	50%	\$249	\$249	
a.b) 35 Flammable/combustible liquids (install, alter, remove, or abandon tanks)	Flat fee	2	\$165	33%	\$503	\$338	50%	\$251	\$251	
a.b) 36 Fire flow/hydrant test	Flat fee	2	\$245	49%	\$503	\$258	50%	\$251	\$251	
a.b) 37 Administrative charge for excessive re-submittals	Flat fee	31	\$0	0%	\$338	\$228	100%	\$0	\$0	
a.b) 38 Technical report/alternative material or method request per code item	Flat fee	10	\$0	0%	\$204	\$204	50%	\$102	\$102	
a.b) 39 Plan review after normal business hours - two hour minimum at time and a half	Flat fee	3	\$0	0%	\$473	\$473	50%	\$236	\$236	
a.b) 40 Plan review requests - not otherwise specified in this fee schedule - two hour minimum	Hourly	30	\$0	0%	\$811	\$811	50%	\$405	\$405	
a.b) 41 Re-inspection fee	Flat fee	6	\$0	0%	\$498	\$498	50%	\$249	\$249	
a.b) 42 Inspections for which no fee is specifically indicated	Flat fee	20	\$0	0%	\$285	\$285	50%	\$141	\$141	
a.b) 43 Aerial Products Level 2 or 3 Products in excess of 500-lbs.	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	
a.b) 44 Amusement Buildings	Flat fee	1	\$95	28%	\$406	\$311	50%	\$203	\$203	
a.b) 45 Aviation Facilities	Flat fee	9	\$311	110%	\$282	\$28	100%	\$0	\$0	
a.b) 46 Carnival and Fairs	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	
a.b) 47 Christmas Tree Lots	Flat fee	6	\$0	0%	\$201	\$201	50%	\$100	\$100	
a.b) 48 Combustible Dust-Producing Operations	Flat fee	2	\$95	28%	\$344	\$249	50%	\$172	\$172	
a.b) 49 Combustible Fibers in excess of 100 Cubic Ft.	Flat fee	1	\$95	28%	\$406	\$311	50%	\$203	\$203	
a.b) 50 Compressed Gases in excess of CFC Table 105.5.3	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	
a.b) 51 Covered Mail Buildings - Display of Liquid or gas, fired equipment	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations			
							Cost Recovery Policy Level (%)	Free @ Policy Level	Subsidy @ Policy Level	
56 Covered Mail Buildings - Use of open-flame or flame-producing equipment	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$203	\$141
57 Cryogenic Fluids in excess of CFC Table 105.5.10	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203	\$203
58 Cutting and Welding	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	\$141
59 Dry Cleaning Plants	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
60 Exhilarant and Trade Shows	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141	\$141	\$141
61 Explosives (manufacture, storage, handling)	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203	\$203
62 Fire Hydrants and Valves	Flat fee	1	\$95	48%	\$198	\$104	50%	\$100	\$100	\$100
63 Flammable and Combustible Liquids - Use, operate, repair or modify a pipeline	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	\$141
64 Flammable and Combustible Liquids - Class I; over 5 gal inside or > 10 gallons outside	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
65 Flammable and Combustible Liquids - Class II/III; over 25 gals. inside or 60 gals. outside	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
66 Flammable and Combustible Liquids - Remove class I or II fluid from underground tanks	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
67 Flammable and Combustible Liquids - Operate fuel dispensing stations, tank vehicles, equip	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
68 Flammable and Combustible Liquids - Place aboveground tanks out of service	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
69 Flammable and Combustible Liquids - Change of product within tank	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
70 Flammable and Combustible Liquids - Manufacture, process, blend, or refine	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
71 Flammable and Combustible Liquids - To dispense into motor vehicle tanks	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	\$172
72 Flammable and Combustible Liquids - To use a site for dispensing	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	\$141
73 Floor Finishing	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203	\$203
74 Fuel and Crop Ripening Processes	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141	\$141	\$141
75 Fumigation or Thermal Insecticide Fogging (Emergency Response Only)	Flat fee	3	\$0	0%	\$201	\$201	50%	\$100	\$100	\$100
76 Hauled Houses or Corn Mazes	Flat fee	1	\$95	14%	\$688	\$593	50%	\$344	\$344	\$344
77 Hazardous materials amounts in excess of CFC Table 105.6.20	Flat fee	1	\$95	14%	\$688	\$593	50%	\$344	\$344	\$344
78 Hazardous Production Materials Facilities	Flat fee	4	\$95	17%	\$551	\$456	50%	\$275	\$275	\$275
79 High Piled Storage area exceeding 500 sq. ft.	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	\$141
80 Hot/Volx Operations	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	\$141

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations		
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level
86 Industrial Ovens	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141
87 Lumberyards and Woodworking Plant in excess of 100,000 board ft.	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203
88 Pallet, Crates, Bin Box storage in excess of 30,000 Board board ft.	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203
89 Liquid or Gas fueled vehicles in Assembly buildings (display, operation, etc.)	Flat fee	1	\$95	36%	\$261	\$166	50%	\$131	\$131
90 LP Gas (storage, use, or transportation)	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141
91 Miscellaneous combustible Storage in excess of 10 lbs.	Flat fee	1	\$95	17%	\$553	\$458	50%	\$277	\$277
92 Miscellaneous combustible Storage in excess of 2,500 cubic ft.	Flat fee	1	\$95	23%	\$344	\$249	50%	\$172	\$172
93 Open Burning	Flat fee	1	\$95	42%	\$228	\$133	50%	\$114	\$114
94 Open Flames and Torches	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141
95 Open Flames and Candles	Flat fee	1	\$95	43%	\$220	\$125	50%	\$110	\$110
96 Organic Coatings - manufacturing producing -1 gal/day	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141
97 Places of Assembly - A-1	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203
98 Places of Assembly - A-2	Flat fee	31	\$95	34%	\$282	\$187	50%	\$141	\$141
99 Places of Assembly - A-3	Flat fee	2	\$95	34%	\$282	\$187	50%	\$141	\$141
100 Places of Assembly - A-4	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203
101 Places of Assembly - A-5	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141
102 Private Fire Hydrants (use or removal from service)	Flat fee	1	\$95	43%	\$220	\$125	50%	\$110	\$110
103 Pumpkin Patches	Flat fee	6	\$95	62%	\$154	\$59	50%	\$77	\$77
104 Pyrotechnical Special Effects Material	Flat fee	6	\$311	59%	\$531	\$220	100%	\$531	\$0
105 Pyro/in Plastics in excess of 25 lbs.	Flat fee	3	\$95	25%	\$375	\$280	50%	\$188	\$188

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy
Fire
2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations			
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level	
106 Refrigeration Equipment - 220-lbs. of group A-1	Flat fee	1	\$95	18%	\$531	\$436	50%	\$265	\$265	
107 Refrigeration Equipment - 30-lbs. of any other refrigerant	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	
108 Repair Garages and Motor Fuel-Dispensing Facilities	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	
109 Roadtop Heliports	Flat fee	1	\$95	23%	\$406	\$311	50%	\$203	\$203	
110 Spraying or Dipping - solking, liquids or powders	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	
111 Storage of Scrap Tires and Byproducts in excess of 2,500 cubic ft.	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	
112 Temporary Membrane Structures, Tents, and Canopies - Tents in excess of 200 sq. ft.	Flat fee	7	\$95	36%	\$251	\$156	50%	\$131	\$131	
113 Temporary Membrane Structures, Tents, and Canopies - Tents in excess of 400 sq. ft.	Flat fee	15	\$95	39%	\$281	\$166	50%	\$131	\$131	
114 Temporary Membrane Structures, Tents, and Canopies - annual blanket permit	Flat fee	1	\$95	36%	\$251	\$156	50%	\$131	\$131	
115 Tire Rebuilding Plants	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	
116 Waste Handling (wrecking, junk yards, waste mgmt.)	Flat fee	1	\$95	34%	\$282	\$187	50%	\$141	\$141	
117 Wood Products in excess of 200 Ft.	Flat fee	6	\$95	28%	\$344	\$249	50%	\$172	\$172	
118 S.F.M. Mobile Production Operations	Flat fee	1	\$95	28%	\$344	\$249	50%	\$172	\$172	
121 Pre-inspection Fee for Care Facilities - Facilities < 25 people	State Set	40	\$50	18%	\$282	\$232	18%	\$80	\$222	
122 Pre-inspection Fee for Care Facilities - Facilities > 25 people	State Set	1	\$100	35%	\$282	\$182	35%	\$100	\$182	
123 E Occupancy - School occupant load 50 - 149	Flat fee	1	\$0	0%	\$318	\$318	50%	\$199	\$199	
124 E Occupancy - School occupant load 150 - 499	Flat fee	4	\$0	0%	\$450	\$450	50%	\$230	\$230	
125 E Occupancy - School occupant load 500 plus	Flat fee	40	\$0	0%	\$742	\$742	50%	\$371	\$371	
126 E Occupancy - Daycare	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141	\$141	
127 Occupancies - h1	Flat fee	1	\$0	0%	\$344	\$344	50%	\$172	\$172	
128 Occupancies - h2	Flat fee	1	\$0	0%	\$655	\$655	50%	\$328	\$328	
129 Occupancies - h2,1	Flat fee	1	\$0	0%	\$344	\$344	50%	\$172	\$172	
130 Occupancies - h3	Flat fee	1	\$0	0%	\$531	\$531	50%	\$265	\$265	

USER FEE STUDY SUMMARY SHEET

- PER UNIT INFORMATION -

City of Tracy

Fire

2007/08

Service Name	Service Type	Annual Volume	Current Fee	% of Full Cost	100% of Full Cost	Current Subsidy	Recommendations			
							Cost Recovery Policy Level (%)	Fee @ Policy Level	Subsidy @ Policy Level	
131 I Occupancies - 1-4	Flat fee	1	\$0	0%	\$344	\$344	50%	\$172	\$172	
132 R-1 Occupancies 3-16	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141	\$141	
133 R-1 Occupancies 17-32	Flat fee	1	\$0	0%	\$344	\$344	50%	\$172	\$172	
134 R-1 Occupancies 33 or more	Flat fee	1	\$0	0%	\$531	\$531	50%	\$265	\$265	
135 R-2 Occupancies 3-16	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141	\$141	
136 R-2 Occupancies 17-32	Flat fee	1	\$0	0%	\$282	\$282	50%	\$141	\$141	
137 R-2 Occupancies 33 or more	Flat fee	1	\$0	0%	\$531	\$531	50%	\$265	\$265	
138 R-3 Occupancies (State Licensed Camp Facilities)	Flat fee	1	\$125	44%	\$282	\$157	50%	\$141	\$141	
139 R-3,1 Occupancies	Flat fee	6	\$0	0%	\$344	\$344	50%	\$172	\$172	
140 R-4 Occupancies	Flat fee	1	\$0	0%	\$469	\$469	50%	\$234	\$234	
141 Mid-Rise Inspection - 4 or less floors	Flat fee	1	\$0	0%	\$406	\$406	50%	\$203	\$203	
142 High-Rise 7 or less floors	Flat fee	1	\$0	0%	\$655	\$655	50%	\$328	\$328	
143 High-Rise each floor above 7	Flat fee	1	\$0	0%	\$779	\$779	50%	\$390	\$390	
144 Copies of reports - per incident	Flat fee	50	\$0	0%	\$67	\$67	50%	\$34	\$34	
145 Environmental hazard research	Flat fee	10	\$0	0%	\$132	\$132	50%	\$66	\$66	
146 Fire code appeals	Flat fee	1	\$0	0%	\$651	\$651	50%	\$326	\$326	
147 False Alarm response (3rd Response in Calendar Year)	Flat fee	28	\$0	0%	\$282	\$282	50%	\$141	\$141	
148 Vehicle Abatement	Non Fee	40	\$0	0%	\$399	\$399	50%	\$199	\$199	
149 Vehicle Abatement	Non Fee	100	\$0	0%	\$719	\$719	50%	\$360	\$360	
150 Counter Time	Overhead	1	\$0	0%	\$0	\$0	0%	\$0	\$0	
151 New Business License Inspection	New Fee	410	\$0	0%	\$130	\$130	50%	\$65	\$65	
152 Tracy Rural Fire District	Non fee	1	\$20,500	7%	\$279,322	\$258,822	7%	\$20,500	\$258,822	

- The fee calculated includes two reviews and two inspections. Additionally required review and/or inspections will be charged at the established hourly rates.
- An additional fee of \$18 will be added to the recommended fee for the digitizing of plans and files.
- This survey has been reallocated across all development fee services as an overhead.

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Appendix V

Parks & Recreation Department

Parks & Recreation Department

Legal Codes

Parks & Recreation Department

Legal Codes

Legal Codes

Tracy Municipal Code

3.36.010 - Fee schedule.

The City Council shall by resolution action taken from time to time establish a fee schedule for services provided to the public by the departments of the City.
(Prior code § 3-9.01)

Parks & Recreation Department

Resolutions

RESOLUTION 2009-003

ADOPTING RECOMMENDED GENERAL FUND SUBSIDY LIMIT GOALS
AND ASSOCIATED FEES FOR PROGRAMS AND FACILITY USE
PROVIDED THROUGH THE PARKS AND COMMUNITY SERVICES
DEPARTMENT AND THE CULTURAL ARTS DIVISION

WHEREAS, The City of Tracy charges certain fees for public use of City buildings and rooms, park facilities, and sports fields; and

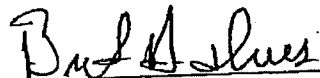
WHEREAS, The City of Tracy also charges fees for public participation in City cultural arts and recreation programs and for admission to events and facilities; and

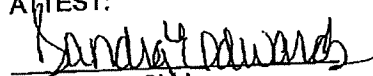
WHEREAS, The Parks and Community Services Commission has recommended adoption of the facility rental and recreation program fees.

NOW, THEREFORE, BE IT RESOLVED, That the City Council hereby adopts the Facility Rental and Recreation and Cultural Arts Program Fee Schedules attached to the staff report accompanying this agenda item, the Cultural Arts Admission fee calculation methodology set forth in the staff report accompanying this agenda item, and the Interim Program Fee Calculation Policy attached to the staff report accompanying this agenda item.

The foregoing Resolution 2009-003 was passed and adopted by the Tracy City Council on the 6th day of January, 2009, by the following vote:

AYES: COUNCIL MEMBERS: ABERCROMBIE, MACIEL, TOLBERT, TUCKER, IVES
NOES: COUNCIL MEMBERS: NONE
ABSENT: COUNCIL MEMBERS: NONE
ABSTAIN: COUNCIL MEMBERS: NONE


Mayor

ATTEST:

City Clerk

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

EXHIBIT "C"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
ADMINISTRATION FEES/CHARGES/SERVICES					\$18,130
Insurance Processing Fee	Per Transaction	\$30	\$35	\$5	\$330
Fee for public purchase of event insurance	Per Transaction	\$0	\$5	\$5	\$8,500
Program Transaction Fee (New) Administrative Fee for participants requesting a withdrawal, refund, credit, or transfer.	Per Transaction	\$35	\$35	\$0	\$7,000
Facility Rental and Event Permit Application Processing Fee (New fee for Facility and Park Rentals)	Per Event	\$0	\$575	\$575	\$2,300
Block Park Service Fee (New) Costs for Public Works to provide services for a one-block block party.					
TEEN PROGRAMS					\$2,885
BBQ and Game Day	Per Person	\$3	\$3	\$0	\$0
Teen Swim Events	Per Person	\$5	\$5	\$0	\$0
Teen Dances (5 per year)					
In Advance	Per Person	\$4	\$4	\$0	\$0
At the Door	Per Person	\$5	\$5	\$0	\$0
Girls Retreat	Per Person	\$10	\$10	\$0	\$0
Teen Camps	Per Week	\$70	\$70	\$0	\$0
Movie and Popcorn Night	Per Person	\$3	\$3	\$0	\$0
Extreme Sports Day (competition registration)	Per Person	\$10	\$10	\$0	\$0
Ski/Snowboard Trip					
Lift ticket only	Per Person	\$45	\$90	\$45	\$270
Rentals and lift ticket	Per Person	\$55	\$125	\$70	\$770
Rentals, lift and lessons	Per Person	\$80	\$125	\$65	\$845
Transportation only	Per Person	\$25	\$55	\$30	\$0
Helmet rental	Per Helmet	\$5	\$5	\$0	\$0
S.A.F.E. (Teen After School Program)	Per School Year	\$25	\$50	\$25	\$1,000
S.A.F.E. Annual Membership	Per Day	\$0	\$0	\$0	\$0
S.A.F.E. Drop-In (for Members)	Per Person	\$5	\$5	\$0	\$0
Scrapbooking Class	Per Person	\$5	\$5	\$0	\$0
Cooking Classes					
YOUTH DEVELOPMENT					\$25,574
ROC (Recreation on Campus After School)					
Regular Monthly Rate	Per Month	\$170	\$180	\$10	\$4,500
Daily Rate	Per Day	\$12	\$15	\$3	\$660
Hourly Rate (for 25 Hours) (After & Before)	Per Month	\$100	\$105	\$5	\$1,200
ROC (Recreation on Campus Before School)					
Regular Monthly Rate	Per Month	\$85	\$95	\$10	\$800
Daily Rate	Per Day	\$12	\$15	\$3	\$30
Summer Camp					
Day Camp Only (9am-3pm)	Per Week	\$138	\$149	\$10	\$2,480
Camp Extended Care	Per Week	\$30	\$45	\$15	\$2,100
Field Trip Only	Per Person	\$49	\$55	\$6	\$384
Alphabet Stew Preschool Program					
Ages 3-4 (9am-11am, 3days/wk)	Per hr	\$6	\$7	\$1	\$4,972
Ages 4-5 (11:30am-2:30pm, 3days/wk)	Per hr	\$6	\$7	\$1	\$7,458
* Monthly fees vary depending on actual number of days in the month					
Preschool Summer Day Camp					
Ages 3-4 (9am-11:30am)	Per 2-Week	\$90	\$105	\$15	\$450
Ages 4-5 (12pm-3pm)	Per 2-Week	\$108	\$126	\$18	\$540

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

EXHIBIT "C"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEES +/-	ANNUAL REVENUE +/-
MCYSN (MAYOR'S COMMUNITY YOUTH SUPPORT NETWORK)					\$0
Mobile Recreation ("Roll'n Rec")	Per Person	\$0	\$0	\$0	\$0
Midnight Basketball	Per Person	\$0	\$0	\$0	\$0
SPECIAL INTEREST (CONTRACTOR) CLASSES					\$84,334
Babysitter Training	Per Session	\$75	\$77	\$2	\$60
Challenger British Soccer Camp - First Kicks	Per Week	\$86	\$87	\$1	\$20
Challenger British Soccer Camp - Mini Soccer	Per Week	\$121	\$122	\$1	\$20
Challenger British Soccer Camp - 1/2-Day Camp	Per Week	\$144	\$145	\$1	\$20
Cheer Prep (New)	Per Session	\$0	\$51	\$51	\$3,060
Cheer - Pee Wee (New)	Per Session	\$0	\$45	\$45	\$5,940
Chess (New)	Per Session	\$0	\$36	\$36	\$2,916
Children's Safety Club	Per Session	\$40	\$40	\$0	\$0
Classic Gymnastics - Preschool (New)	Per Session	\$0	\$45	\$45	\$17,550
Classic Gymnastics - Youth (New)	Per Session	\$0	\$56	\$56	\$4,760
Computer Explorers Camps - Rockets (New)	Per Week	\$0	\$170	\$170	\$1,190
Computer Explorers Camps - Video (New)	Per Week	\$0	\$182	\$182	\$1,274
Dog Obedience - Advanced Obedience	Per Session	\$95	\$95	\$0	\$0
Dog Obedience - Basic Obedience	Per Session	\$115	\$115	\$0	\$0
First Aid/CPR	Per Session	\$55	\$58	\$1	\$30
Future Stars Tennis Lessons - Tots	Per Session	\$24	\$28	\$4	\$576
Future Stars Tennis Lessons - Youth	Per Session	\$64	\$64	\$0	\$0
Future Stars Tennis Lessons - Adults	Per Session	\$32	\$32	\$0	\$0
Future Stars Tennis Camps (New)	Per Session	\$0	\$60	\$60	\$780
Golf Lessons - Adult (New)	Per Session	\$0	\$49	\$49	\$8,330
Junior Golf Lessons (New)	Per Session	\$0	\$45	\$45	\$7,200
Junior Golf Camp - Learn-n-Play (New)	Per Week	\$100	\$100	\$0	\$0
Junior Golf Camp - Stripes (New)	Per Week	\$185	\$185	\$0	\$0
Just 4 Kicks Soccer	Per Session	\$80	\$80	\$0	\$0
Preschool (8 Weeks)	Per Session	\$80	\$80	\$0	\$0
Youth (8 Weeks)	Per Session	\$80	\$80	\$0	\$0
Special Needs (8 Weeks)	Per Session	\$45	\$46	\$1	\$120
Kindergym	Per Session	\$58	\$57	\$1	\$140
KidSAFE Self-Defense Workout - Youth	Per Session	\$64	\$64	\$0	\$0
Cardio Kick Boxing (8 Weeks)	Per Week	\$167	\$177	\$10	\$690
LEGO Engineering Camp	Per Week	\$175	\$175	\$0	\$0
Mad Science Camps	Per Session	\$45	\$46	\$1	\$190
Mom and Me Creative Play (New)	Per Session	\$30	\$48	\$18	\$3,168
Play & Learn	Per Session	\$0	\$51	\$51	\$5,712
Power Tumbling (New)	Per Session	\$44	\$44	\$0	\$0
Rhythmic Gymnastics	Per Session	\$44	\$44	\$0	\$0
Rhythmic Preschool (4 Weeks)	Per Session	\$44	\$44	\$0	\$0
Rhythmic School Age (4 Weeks)	Per Week	\$108	\$108	\$0	\$0
Sky Hawks - Flag Football	Per Week	\$134	\$134	\$0	\$0
Sky Hawks - Mini-Hawks	Per Week	\$134	\$134	\$0	\$0
Sky Hawks - Mini-Sports Camp	Per Session	\$99	\$99	\$0	\$0
Sky Hawks - Sports Sampler	Per Session	\$80	\$80	\$0	\$0
Tracy Online Learning	Per Class	\$0	\$29	\$29	\$348
Travel Smart (New)	Per Session	\$40	\$41	\$1	\$240
Yoga (4 Week)	Per Session	\$40	\$41	\$1	\$240

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

EXHIBIT "C"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEES +/-	ANNUAL REVENUE +/-
ATHLETICS					\$6,150
Adult Slow Pitch Leagues	Per Team	\$560	\$560	\$0	\$0
Maximum	Per Team	\$280	\$280	\$0	\$0
Minimum					
*League fees pending format, number of games and services					
Adult/Youth Fast Pitch Leagues	Per Team	\$480	\$450	(\$30)	(\$2,550)
Minimum	Per Team	\$480	\$600	\$120	\$6,600
Maximum					
*League fees pending format, number of games and services					
Adult/Youth Softball Tournament	Per Team	\$250	\$250	\$0	\$0
Minimum	Per Team	\$350	\$400	\$50	\$100
Maximum					
*Tournaments vary based on type of tournament and awards provided					
Softball Field Preparations	Per Preparation	\$5	\$5	\$0	\$0
Light Watering	Per Preparation	\$12	\$12	\$0	\$0
Light Watering, Minor Dragging	Per Preparation	\$25	\$25	\$0	\$0
Full Field Preparation	Per Field	\$100	\$100	\$0	\$0
Use of Temporary Outfield Fencing	Per player	\$60	\$70	\$10	\$2,000
Youth Basketball League	Per player	No fee	No fee	\$0	\$0
Jr. Giants Youth Baseball	Per player	No fee	No fee	\$0	\$0
AQUATICS					\$11,872
General Recreation Swim	Per Person	\$2	\$2	\$0	\$0
10-Visit Pass	Per Pass	\$15	\$15	\$0	\$0
Swim Lessons	Per Parent/Tot	\$25	\$30	\$5	\$1,285
Parent/Tot					
Learn to Swim	Per Person	\$26	\$28	\$2	\$634
Minimum*	Per Person	\$47	\$50	\$3	\$5,981
Maximum*					
*Fees vary based on number of instruction days					
Junior Lifeguard	Per Student	\$90	\$100	\$10	\$250
Swim Camp	Per Person	\$65	\$100	\$35	\$1,400
Water Aerobics	Per Person	\$4	\$4	\$0	\$0
Drop-In	Per Pass	\$30	\$30	\$0	\$0
10-Visit Pass	Per Person	\$47	\$50	\$3	\$72
Diving	Per Person	\$3	\$3	\$0	\$0
Lap Swimming	Per Pass	\$20	\$20	\$0	\$0
10-Visit Pass	Per Person	\$47	\$62	\$15	\$525
Basic Water Polo	Per Person	\$175	\$200	\$25	\$625
Lifeguard Training	Per Person	\$0	\$20	\$20	\$100
Private Swim Lessons (one 1/2-hour session)	Per Person	\$0	\$20	\$20	\$100
SENIOR PROGRAMS/EVENTS					\$72
Health & Wellness	Per Class	\$0	\$0	\$0	\$0
Wii Jubilee Fitness	Per Class	\$0	\$0	\$0	\$0
Virtues	Per Class	\$0	\$0	\$0	\$0
Power Walk	Per Class	\$1	\$1	\$0	\$0
Cardio and Core	Per Class	\$1	\$1	\$0	\$0
Cardio and Stretch	Per Class	\$1	\$1	\$0	\$0
Tone Your Body	Per Class	\$1	\$1	\$0	\$0
Abs, Backs and Gluts	Per Class	\$1	\$1	\$0	\$0
Cardio Drill	Per Class	\$1	\$1	\$0	\$0
25-Visit Senior Fitness Pass	Per Card	\$20	\$20	\$0	\$0

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

EXHIBIT "C"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEES +/-	ANNUAL REVENUE +/-
Arts & Music					
Senior Idol	Per Class	\$0	\$0	\$0	\$0
Wood Carving	Per Class	\$0	\$0	\$0	\$0
Painting	Per Class	\$0	\$0	\$0	\$0
Scrapbooking	Per Class	\$0	\$0	\$0	\$0
Sewing	Per Class	\$0	\$0	\$0	\$0
Beading	Per Month	\$7	\$7	\$0	\$0
Card Making (New)	Per Class	\$2	\$2	\$0	\$0
Tap Dancing	Per Class	\$2	\$2	\$0	\$0
Line Dancing	Per Class	\$2	\$2	\$0	\$0
Country Jams	Per Class	\$2	\$2	\$0	\$0
Recreation					
Bingo	Per Class	\$0	\$0	\$0	\$0
Social Recreation Programs (7)	Per Class	\$0	\$0	\$0	\$0
Table Games (6)	Per Class	\$0	\$0	\$0	\$0
Special Events					
St. Patty's Day & Octoberfest Lunch	Per Person	\$2	\$2	\$0	\$0
Winter/Spring Ball	Per Person	\$5	\$5	\$0	\$0
Country Summer Dance	Per Person	\$3	\$5	\$2	\$72
SNAP! Friday Night Dance	Per Person	\$5	\$5	\$0	\$0
20-Visit Drop-In Activities Card	Per Card	\$20	\$20	\$0	\$0
Golden Agers Bus Trips	Per Person	\$30	\$30	\$0	\$0
Social Services					
Lunch Program	Per Month	\$0	\$0	\$0	\$0
AARP Programs (2)	Per Month	\$0	\$0	\$0	\$0
Other Services (3)	Per Month	\$0	\$0	\$0	\$0
Clubs (2)					
Senior Special Events					
Older Americans Month (May)	Per Person	\$0	\$0	\$0	\$0
Health Fair (2)	Per Person	\$0	\$0	\$0	\$0
Craft Boutique (2)	Per Person	\$0	\$0	\$0	\$0
Thanksgiving Dinner	Per Person	\$0	\$0	\$0	\$0
Other Annual Events (4)	Per Person	\$0	\$0	\$0	\$0
SPECIAL EVENTS					\$0
Park Dedications	Per Event	\$0	\$0	\$0	\$0
Downtown Halloween Parade	Per Event	\$0	\$0	\$0	\$0
Make a Difference Day	Per Event	\$0	\$0	\$0	\$0
Holiday Parade & Tree Lighting	Per Event	\$0	\$0	\$0	\$0
Volunteer Luncheon	Per Event	\$0	\$0	\$0	\$0
My Own Marathon	Per Event	\$0	\$0	\$0	\$0
Movies In the Plaza	Per Event	\$0	\$0	\$0	\$0
Park Clean Ups	Per Event	\$0	\$0	\$0	\$0
TOTALS					\$129,017

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

EXHIBIT "C"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEE +/-	ANNUAL REVENUE +/-
TRACY COMMUNITY CENTER RENTAL					\$20,890
Main Hall ~ Week Day Only (New: 4 hour minimum)	Per Hour	\$20	\$32	\$12	\$240
Non-Profit Classification	Per Hour	\$35	\$56	\$21	\$0
Private Classification	Per Hour	\$50	\$80	\$30	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Conference Room A or B ~ Week Day Only (New: 2 hour minimum)	Per Hour	\$5	\$5	\$0	\$0
Non-Profit Classification	Per Hour	\$9	\$9	\$0	\$0
Private Classification	Per Hour	\$13	\$13	\$0	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Entire Facility ~ Week Day (New: 4 hour minimum)	Per Hour	\$25	\$37	\$12	\$2,160
Non-Profit Classification	Per Hour	\$44	\$65	\$21	\$5,250
Private Classification	Per Hour	\$63	\$93	\$30	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Entire Facility ~ Week End (New: 4 hour minimum)	Per Hour	\$38	\$58	\$18	\$3,600
Non-Profit Classification	Per Hour	\$87	\$97	\$30	\$9,000
Private Classification	Per Hour	\$95	\$139	\$44	\$440
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Deposits*	Per Rental	\$400	\$400	\$0	\$0
Main Hall	Per Rental	\$200	\$200	\$0	\$0
Conference Room A or B	Per Rental	\$400	\$400	\$0	\$0
Entire Facility	Per Rental	\$400	\$400	\$0	\$0
*An additional \$400 Deposit is required for all activities where alcohol is sold					
TRACY SPORTS COMPLEX MEETING ROOM RENTAL					\$2,280
TSC Meeting Room ~ Week Day & Week End (New: 2 hour minimum)	Per Hour	\$7	\$14	\$7	\$2,100
Non-Profit Classification	Per Hour	\$12	\$25	\$13	\$0
Private Classification	Per Hour	\$17	\$35	\$18	\$180
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Deposits*	Per Rental	\$200	\$200	\$0	\$0
Meeting Room	Per Rental	\$200	\$200	\$0	\$0
*An additional \$200 Deposit is required for all activities where alcohol is sold					
LOLLY HANSEN SENIOR CENTER RENTAL					\$0
Multi-Purpose Room ~ Week Day & Week End (New: 4 hour minimum)	Per Hour	\$13	\$13	\$0	\$0
Non-Profit Classification	Per Hour	\$23	\$23	\$0	\$0
Private Classification	Per Hour	\$0	\$0	\$0	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
Arts and Crafts Room ~ Week Day & Week End (New: 4 hour minimum)	Per Hour	\$5	\$5	\$0	\$0
Non-Profit Classification	Per Hour	\$9	\$9	\$0	\$0
Private Classification	Per Hour	\$0	\$0	\$0	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
Entire Facility ~ Week Day & Week End (New: 4 hour minimum)	Per Hour	\$26	\$26	\$0	\$0
Non-Profit Classification	Per Hour	\$46	\$46	\$0	\$0
Private Classification	Per Hour	\$0	\$0	\$0	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEES +/-	ANNUAL REVENUE +/-
Deposits*	Per Rental	\$200	\$200	\$0	\$0
Multi-Purpose Room	Per Rental	\$200	\$200	\$0	\$0
Arts and Crafts Room	Per Rental	\$200	\$200	\$0	\$0
Entire Facility	Per Rental	\$200	\$200	\$0	\$0
*An additional \$400 Deposit is required for all activities where alcohol is sold					
TRACY CIVIC CENTER RENTAL					\$780
Council Chambers ~ Week Day & Week End (New: 4 hour minimum)	Per Hour	\$20	\$35	\$15	\$0
Non-Profit Classification	Per Hour	\$0	\$0	\$0	\$0
Private Classification	Per Hour	\$0	\$0	\$0	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Conference Room 109 ~ Week Day Only (New: 2 hour minimum)	Per Hour	\$10	\$15	\$5	\$0
Non-Profit Classification	Per Hour	\$18	\$26	\$8	\$0
Private Classification	Per Hour	\$26	\$38	\$12	\$300
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Conference Room 203 ~ Week Day Only (New: 2 hour minimum)	Per Hour	\$15	\$25	\$10	\$100
Non-Profit Classification	Per Hour	\$26	\$44	\$18	\$0
Private Classification	Per Hour	\$37	\$63	\$26	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Lobby and Both Conf Rooms ~ Week Day (New: 4 hour minimum)	Per Hour	\$25	\$40	\$15	\$0
Non-Profit Classification	Per Hour	\$44	\$70	\$26	\$0
Private Classification	Per Hour	\$63	\$100	\$37	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Lobby and Both Conf Rooms ~ Week End (New: 4 hour minimum)	Per Hour	\$38	\$60	\$22	\$0
Non-Profit Classification	Per Hour	\$67	\$105	\$38	\$380
Private Classification	Per Hour	\$95	\$150	\$55	\$0
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
MOU - Hours Provided to Non-Profits/Gov	Per Hour	\$0	\$0	\$0	\$0
Deposits*	Per Rental	\$400	\$400	\$0	\$0
Rental Deposit	Per Rental	\$400	\$400	\$0	\$0
*An additional \$400 Deposit is required for all activities where alcohol is sold					
PARK AND PICNIC AREA RENTAL					\$2,175
Park/Picnic ~ 1 to 50 people (New: 4 hour minimum)	Per Hour	\$11	\$13	\$2	\$180
Non-Profit Classification	Per Hour	\$19	\$23	\$4	\$863
Private Classification	Per Hour	\$28	\$33	\$5	\$338
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
Park/Picnic ~ 51 to 100 people (New: 4 hour minimum)	Per Hour	\$16	\$19	\$3	\$195
Non-Profit Classification	Per Hour	\$28	\$33	\$5	\$394
Private Classification	Per Hour	\$40	\$48	\$8	\$38
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
Park/Picnic ~ 101+ people (New: 4 hour minimum)	Per Hour	\$21	\$25	\$4	\$60
Non-Profit Classification	Per Hour	\$37	\$44	\$7	\$34
Private Classification	Per Hour	\$53	\$63	\$10	\$95
Commercial Classification	Per Hour	\$0	\$0	\$0	\$0
Non-Profit Org ~ \$100 Max	Per Rental	\$100	\$100	\$0	\$0

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

EXHIBIT "C"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEES +/-	ANNUAL REVENUE +/-
Deposits					
less than 50, traditional activity	Per Rental	\$0	\$0	\$0	\$0
50-100; or less than 5 non-traditional	Per Rental	\$100	\$100	\$0	\$0
101-200 attendees	Per Rental	\$200	\$200	\$0	\$0
201-300 attendees	Per Rental	\$300	\$300	\$0	\$0
301 and above attendees	Per Rental	\$500	\$500	\$0	\$0
SPORT FACILITIES (Tracy Ball Park, Sports Complex, Placentia Fields, Tiago, Galli, & Bland Ball Fields)					\$0
Hourly Fee ~ League/Individual					
Non-Profit Youth Classification	Per Hour, Per Fld	\$5	\$5	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Fld	\$10	\$10	\$0	\$0
Private Classification	Per Hour, Per Fld	\$18	\$18	\$0	\$0
Commercial Classification	Per Hour, Per Fld	\$25	\$25	\$0	\$0
Lights Fee ~ League/Individual					
Non-Profit Youth Classification	Per Hour, Per Fld	\$7	\$7	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Fld	\$10	\$10	\$0	\$0
Private Classification	Per Hour, Per Fld	\$12	\$12	\$0	\$0
Commercial Classification	Per Hour, Per Fld	\$18	\$18	\$0	\$0
Staff for Sports Complex ~ League Individual					
Non-Profit Youth Classification	Per Hour, Per Fld	\$0	\$0	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Fld	\$25	\$25	\$0	\$0
Private Classification	Per Hour, Per Fld	\$25	\$25	\$0	\$0
Commercial Classification	Per Hour, Per Fld	\$25	\$25	\$0	\$0
Hourly Fee ~ Tournaments					
Non-Profit Youth Classification	Per Hour, Per Fld	\$60	\$60	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Fld	\$100	\$100	\$0	\$0
Private Classification	Per Hour, Per Fld	\$120	\$120	\$0	\$0
Commercial Classification	Per Hour, Per Fld	\$120	\$120	\$0	\$0
Lights Fee ~ Tournaments					
Non-Profit Youth Classification	Per Hour, Per Fld	\$10	\$10	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Fld	\$10	\$10	\$0	\$0
Private Classification	Per Hour, Per Fld	\$10	\$10	\$0	\$0
Commercial Classification	Per Hour, Per Fld	\$10	\$10	\$0	\$0
Staff for Sports Complex ~ Tournaments					
Non-Profit Youth Classification	Per Hour, Per Fld	\$25	\$25	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Fld	\$25	\$25	\$0	\$0
Private Classification	Per Hour, Per Fld	\$25	\$25	\$0	\$0
Commercial Classification	Per Hour, Per Fld	\$25	\$25	\$0	\$0
Field Preparations (On Request)					
Light Watering	Per Prep	\$5	\$5	\$0	\$0
Light Watering & Minor Dragging	Per Prep	\$12.50	\$12.50	\$0	\$0
Complete Field Preparation	Per Prep	\$25	\$25	\$0	\$0
MOBILE STAGE RENTAL					\$9,025
The proposed fee includes an \$80 application fee as well as actual City costs to setup, breakdown, and transport the stage.					
"A" Set Up (36' X 14')					
Staff at Regular Hours	Per Rental	\$255	\$765	\$510	\$510
Staff at Overtime Hours	Per Rental	\$320	\$795	\$475	\$2,375
MOU - Hours Provided to Non-Profits/Gov	Per Rental	\$0	\$0	\$0	\$0
"B" Set Up (36' X 18')					
Staff at Regular Hours	Per Rental	\$380	\$2,075	\$1,685	\$0
Staff at Overtime Hours	Per Rental	\$500	\$2,170	\$1,670	\$1,670
MOU - Hours Provided to Non-Profits/Gov	Per Rental	\$0	\$0	\$0	\$0
"C" Set Up (36' X 22')					
Staff at Regular Hours	Per Rental	\$440	\$2,570	\$2,230	\$0
Staff at Overtime Hours	Per Rental	\$570	\$2,805	\$2,235	\$4,470
MOU - Hours Provided to Non-Profits/Gov	Per Rental	\$0	\$0	\$0	\$0
Deposits					
All Stage Rentals	Per Rental	\$400	\$400	\$0	\$0

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEES +/-	ANNUAL REVENUE +/-
JOE WILSON COMMUNITY POOL RENTALS					\$280
Any size groups, when organization provides own lifeguards (New)	Per Hour	\$50	\$50	\$0	\$0
Non-Profit Classification					
Up to 50 People, Includes 2 lifeguards	Per Hour	\$60	\$70	\$10	\$70
Non-Profit Classification	Per Hour	\$70	\$80	\$10	\$60
Private Classification	Per Hour	\$80	\$90	\$10	\$0
Commercial Classification				\$0	
Up to 75 People, Includes 3 lifeguards	Per Hour	\$75	\$85	\$10	\$70
Non-Profit Classification	Per Hour	\$85	\$85	\$10	\$0
Private Classification	Per Hour	\$95	\$105	\$10	\$0
Commercial Classification					
Up to 100 People Max, Includes 4 lifeguards	Per Hour	\$90	\$100	\$10	\$80
Non-Profit Classification	Per Hour	\$100	\$110	\$10	\$0
Private Classification	Per Hour	\$110	\$120	\$10	\$0
Commercial Classification					
Deposits	Per Rental	\$100	\$100	\$0	\$0
All Classifications, All Group Sizes					
WEST HIGH SWIMMING POOL RENTALS (New)					\$0
Any size groups, when organization provides own lifeguards (New)	Per Hour	\$95	\$95	\$0	\$0
Non-Profit Classification (Half Pool)	Per Hour	\$185	\$185	\$0	\$0
Non-Profit Classification (Full Pool)					
Up to 50 People, Includes 2 lifeguards	Per Hour	\$105	\$105	\$0	\$0
Non-Profit Classification (Half Pool)	Per Hour	\$115	\$115	\$0	\$0
Private Classification (Half Pool)	Per Hour	\$230	\$230	\$0	\$0
Commercial Classification (Half Pool)	Per Hour	\$205	\$205	\$0	\$0
Non-Profit Classification (Full Pool)	Per Hour	\$225	\$225	\$0	\$0
Private Classification (Full Pool)	Per Hour	\$245	\$245	\$0	\$0
Commercial Classification (Full Pool)					
Up to 75 People, Includes 3 lifeguards	Per Hour	\$120	\$120	\$0	\$0
Non-Profit Classification (Half Pool)	Per Hour	\$130	\$130	\$0	\$0
Private Classification (Half Pool)	Per Hour	\$140	\$140	\$0	\$0
Commercial Classification (Half Pool)	Per Hour	\$235	\$235	\$0	\$0
Non-Profit Classification (Full Pool)	Per Hour	\$255	\$255	\$0	\$0
Private Classification (Full Pool)	Per Hour	\$275	\$275	\$0	\$0
Commercial Classification (Full Pool)					
Up to 100 People, Includes 4 lifeguards	Per Hour	\$135	\$135	\$0	\$0
Non-Profit Classification (Half Pool)	Per Hour	\$145	\$145	\$0	\$0
Private Classification (Half Pool)	Per Hour	\$155	\$155	\$0	\$0
Commercial Classification (Half Pool)	Per Hour	\$265	\$265	\$0	\$0
Non-Profit Classification (Full Pool)	Per Hour	\$285	\$285	\$0	\$0
Private Classification (Full Pool)	Per Hour	\$305	\$305	\$0	\$0
Commercial Classification (Full Pool)					
100 to 150 People, Includes 5 lifeguards	Per Hour	\$150	\$150	\$0	\$0
Non-Profit Classification (Half Pool)	Per Hour	\$160	\$160	\$0	\$0
Private Classification (Half Pool)	Per Hour	\$170	\$170	\$0	\$0
Commercial Classification (Half Pool)	Per Hour	\$285	\$285	\$0	\$0
Non-Profit Classification (Full Pool)	Per Hour	\$315	\$315	\$0	\$0
Private Classification (Full Pool)	Per Hour	\$335	\$335	\$0	\$0
Commercial Classification (Full Pool)					
Over 150 People, Includes 6 lifeguards	Per Hour	\$155	\$155	\$0	\$0
Non-Profit Classification (Half Pool)	Per Hour	\$175	\$175	\$0	\$0
Private Classification (Half Pool)	Per Hour	\$185	\$185	\$0	\$0
Commercial Classification (Half Pool)	Per Hour	\$310	\$310	\$0	\$0
Non-Profit Classification (Full Pool)	Per Hour	\$345	\$345	\$0	\$0
Private Classification (Full Pool)	Per Hour	\$365	\$365	\$0	\$0
Commercial Classification (Full Pool)					
Deposits	Per Rental	\$100	\$100	\$0	\$0
All Classifications, All Group Sizes					
Additional Pool Rental Fees	Per Hour	\$40	\$40	\$0	\$0
Restrooms (for non-pool rental events)	Per Day	\$200	\$200	\$0	\$0
Restrooms (for non-pool rental events)					
Extra Lifeguard (as deemed necessary by staff, based on event)	Per Hr, Per Lfgd	\$15	\$15	\$0	\$0

**PARKS AND COMMUNITY SERVICES DEPARTMENT
RECOMMENDED FEE SCHEDULE**

EXHIBIT "C"

PROGRAM AREA/PROGRAM	UNITS CHARGED BY	CURRENT FEE	PROPOSED FEE	FEES +/-	ANNUAL REVENUE +/-
TENNIS COURTS RENTAL					\$0
Rental - Private Use					
Non-Profit Youth Classification	Per Hour, Per Crt	\$0	\$0	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Crt	\$0	\$0	\$0	\$0
Private Classification	Per Hour, Per Crt	\$5	\$5	\$0	\$0
Commercial Classification	Per Hour, Per Crt	\$0	\$0	\$0	\$0
Rental - League Use					
Non-Profit Youth Classification	Per Hour, Per Crt	\$5	\$5	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Crt	\$5	\$5	\$0	\$0
Private Classification	Per Hour, Per Crt	\$7	\$7	\$0	\$0
Commercial Classification	Per Hour, Per Crt	\$10	\$10	\$0	\$0
Rental - Tournaments					
Non-Profit Youth Classification	Per Hour, Per Crt	\$5	\$5	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Crt	\$10	\$10	\$0	\$0
Private Classification	Per Hour, Per Crt	\$15	\$15	\$0	\$0
Commercial Classification	Per Hour, Per Crt	\$15	\$15	\$0	\$0
Lights Fee - Private Use					
Non-Profit Youth Classification	Per Hour, Per Crt	\$0	\$0	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Crt	\$0	\$0	\$0	\$0
Private Classification	Per Hour, Per Crt	\$5	\$5	\$0	\$0
Commercial Classification	Per Hour, Per Crt	\$0	\$0	\$0	\$0
Lights Fee - League Use					
Non-Profit Youth Classification	Per Hour, Per Crt	\$5	\$5	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Crt	\$5	\$5	\$0	\$0
Private Classification	Per Hour, Per Crt	\$10	\$10	\$0	\$0
Commercial Classification	Per Hour, Per Crt	\$10	\$10	\$0	\$0
Lights Fee - Tournaments					
Non-Profit Youth Classification	Per Hour, Per Crt	\$7	\$7	\$0	\$0
Non-Profit Adult Classification	Per Hour, Per Crt	\$10	\$10	\$0	\$0
Private Classification	Per Hour, Per Crt	\$12	\$12	\$0	\$0
Commercial Classification	Per Hour, Per Crt	\$12	\$12	\$0	\$0
Deposits					
Tennis Court Rental Deposit	Per Day, Per Crt	\$50	\$60	\$0	\$0
TOTALS					\$35,230

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Parks & Recreation Department

Special Studies



CITY OF TRACY

PARKS & COMMUNITY SERVICES DEPARTMENT

GENERAL FUND

COST OF SERVICES STUDY FINDINGS

JUNE, 2008

PRELIMINARY FINDINGS

MGT

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EXECUTIVE SUMMARY

INTRODUCTION

MGT of America (MGT) is pleased to present the City of Tracy (City) with this summary of findings for the cost of services study for the Parks and Community Services Department.

The Parks and Community Services Department has not undertaken a comprehensive cost of services study since the 1998-99 fiscal year. Since that time, the department has made some minor adjustments to the original fee levels, but has largely maintained the fee levels that had been previously adopted. The City is interested in accurately reporting the true cost of providing various fee-related services, and exploring the possibilities of modifying current fees to better reflect the increasing cost of providing services over time. In January 2008, the City contracted with MGT to perform this cost analysis using the adopted 2007-2008 fiscal year budget, staffing and operational information. Additionally, all information was provided through the period ending April 2008. Fees should be reviewed on a regular basis and adjusted in accordance with established City policies on user fee cost recovery.

This report is the culmination of the past three months of work between MGT and Parks and Community Services management and staff. MGT would like to take this opportunity to acknowledge all P&CS management and staff who participated on this project for their efforts and coordination. Their responsiveness and continued interest in the outcome of this study contributed greatly to the success of this study.

STUDY SCOPE AND OBJECTIVES

The study was performed under the general direction of the Parks and Community Services Director with the participation of representatives from each program division. The primary goals of the study were to:

- Define what it costs the city to provide various fee-related services.
- Determine whether there are any opportunities to implement new fees, based on city cost recovery policies.
- Identify service areas where the City might adjust fees based on the full cost of services and other economic or policy considerations.

The information summarized in this report addresses each of these issues and provides the City with the tools necessary to make informed decisions about any proposed fee adjustments and the resulting impact on general fund revenues.

ECONOMIC & POLICY CONSIDERATIONS

Calculating the true cost of providing city services is a critical step in the process of establishing user fees and corresponding cost recovery levels. Although it is an important factor, other factors must also be given consideration. City decision-makers must also consider the effects that establishing fees for services will have on the individuals purchasing those services, as well as the community as a whole. The following economic and policy issues help illustrate these considerations.

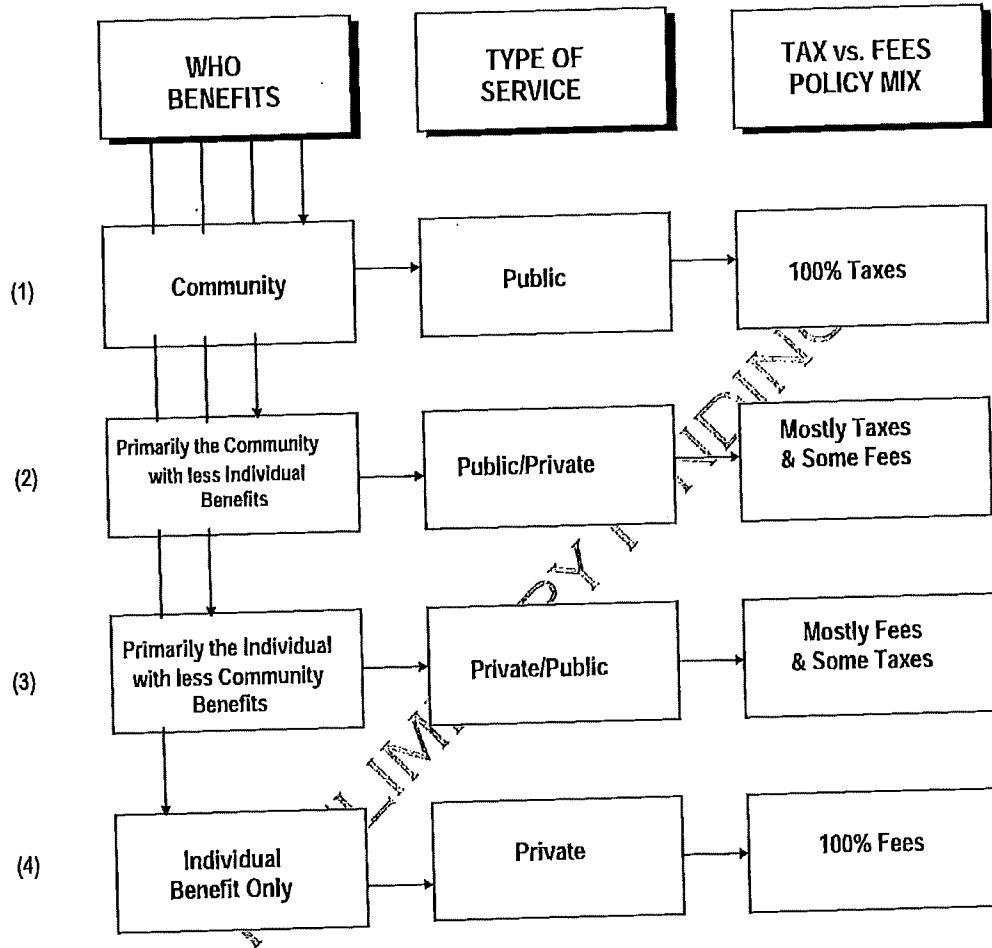
- It may be a desired policy to establish fees at a level that permits lower income groups to use services that they might not otherwise be able to afford.
- A consideration of community-wide benefit versus individual benefit might be of concern for certain services.
- Elasticity of demand is a factor in pricing certain city services; increasing the price of some services results in a reduction of demand for those services, and vice versa.
- Public sector agencies have a monopoly on providing certain services within its boundaries, such as development-related services. However, other services, such as recreation classes, may be provided by neighboring communities or the private sector, and therefore demand for these services can be highly dependent on what else may be available at lower prices.

The flow chart on the following page helps illustrate the economic and policy considerations listed above.

PRELIMINARY FINDINGS

General Fund Subsidy vs. User Fees

Decision-making Flow Chart



Examples of service that fall under each category:

- (1) - Recreational Swim, Community Events, Drop In programs
- (2) - Senior Activities, Pre-school & Teen Activities
- (3) - Camps, Youth Team Sports
- (4) - Adult Sports, Specialty Classes, Tournaments

METHODOLOGY

A cost of service study analyzes two components of costs: the direct/internal costs associated with providing each fee-for-service activity, and the indirect/external costs that support these activities. A brief discussion of each of these components follows. (A complete, detailed report of calculations is provided as an attachment to this report).

Internal Costs. The internal costs associated with fee-for-service activities were analyzed in great detail in this study. MGT worked with staff within each of the nine divisions to develop the analysis that is summarized in the following sections of this report. The fiscal year 2007-2008 adopted budget was used to identify direct costs.

The first step in the process was to identify staff time spent directly on each of the user fee activities. Each staff person involved in the user fee services identified time spent to staff and provide all program areas. Salary and benefit dollars were assigned to the time estimates to come up with the direct staff costs. Material, supply, contract services and a proportionate share of division administration was then allocated to the program areas.

External Costs. A proportionate share of other operating expenses and internal department administrative costs were layered onto the direct costs as a departmental overhead. (Note: Citywide internal service charges are already directly budgeted into program budgets). The three components of the Indirect costs: 1) departmental overhead, 2) Citywide budgeted indirect costs and 3) Public Works – Park Maintenance are combined with the direct costs of each activity and then compared to the revenue recovered, and the extent of cost recovery is identified.

Department Administration. Many of the costs that support *all* divisions and programs are budgeted in a centralized division, such as 1) Parks and Community Services Administration, which provides budgeting, personnel, reception, customer outreach and general oversight, 2) Activity guide preparation, which is budgeted in various programs, but provides support to all Parks and Community Services programs. The costs of these activities and other centralized services are considered indirect/external overhead that support fee-for-service activities, as well as other programs and functions within the department.

As part of this study, MGT developed an indirect cost allocation plan that identifies and distributes these indirect costs to all operating divisions and activities within the Parks and Community Service's organizational structure. The Community Services cost allocation plan takes a methodological approach to analyzing indirect costs.

The end result of this analysis is the allocation of all indirect costs to all operating divisions and activities. The external costs are then added to the internal costs to determine the full cost of all department operations – whether fee-related or not. This accounting exercise is important in that it can result in an increase in general fund revenues for reimbursement of support for user fee services and state or federally funded programs.

STUDY FINDINGS

While the purpose of this study is to identify the cost of fee-related activities, one of the outcomes of the analysis is to provide a complete picture of the full cost of all services offered. It is necessary to identify *all* costs, whether fee-related or not, so that there is a fair distribution of all departmental overhead costs (discussed in the following section of this report) across all activities, thereby ensuring a definitive relationship between the cost of the service and the fee that is charged. No service should be burdened with costs that cannot be directly or indirectly linked to that service. Certain non-fee related activities are appropriately funded by general fund monies (or other special revenue or impact fee sources), such as senior social services or capital improvement projects.

Overall, the Parks and Community Services Department is experiencing a 29% cost recovery level for its services. Within each recovery category, current cost recovery levels range from 4% for Administration fees to 79% for Classes. The information about individual activities within each program may be found in subsequent sections of this report. *Please note; all revenue numbers reflect budgeted numbers.*

The exhibit on the following page indicates that fees recover 29% of full cost, leaving 71% or \$2,564,649 to be funded by other funding sources. This \$2.6 million represents a "window of opportunity" for Parks and Community Services to increase fees and general fund revenues, with a corresponding decrease in the subsidization of services. While it is not likely (nor would MGT recommend) that the City completely recover all costs through increased or new fees, it is possible for the Parks and Community Services Department to implement moderate increases to current fees and new fees for some services.

The study's primary objective is to provide the City's decision-makers with basic data needed for setting fees. This report details the full cost of services, and presents opportunities for adjusted fee levels in certain activities. Recommendations for fee changes should be based upon careful consideration of the results of the cost analysis, historical cost recovery levels, and the elasticity of demand unique to each division's services. The chart below breaks down the cost components for each division area.

Full Cost Breakdown

Source - Fiscal Year 2007-2008

Program/Area	Direct Costs	P&CS Admin	Public Works	Citywide Indirect	Other P&CS Division
	Internal	External	External	External	External
Teen Recreation	74%	20%	n/a	6%	n/a
Youth Development	77%	18%	n/a	5%	n/a
Special Interest Classes	85%	14%	n/a	1%	n/a
Facilities	41%	15%	42%	2%	n/a
Athletics	69%	10%	18%	3%	n/a
Aquatics	76%	19%	n/a	5%	n/a
Sr. Activities	85%	12%	n/a	3%	n/a
Community Events	80%	16%	n/a	4%	n/a
Administration	98%	n/a	n/a	n/a	2%

Direct costs include direct staffing, reservation processing, division administration and materials and supplies

P&CS administration costs include the Director's office and activity guide support

Public Works costs include Parks Maintenance support

Citywide indirect costs include central service department allocations from the budget

User Fee Revenue Analysis

Source - Fiscal Year 2007-2008

Program Area	Costs	Projected Revenue	Recovery Level	Subsidy
Teen Recreation - Internal	\$186,033	\$9,600	5%	\$176,433 95%
Teen Recreation - external	\$66,601	-	-	\$66,601 -
TEEN RECREATION - TOTAL	\$252,634	\$9,600	4%	\$243,034 96%
Youth Development - Internal	\$406,712	\$208,280	51%	\$198,432 49%
Youth Development - external	\$117,738	-	-	\$117,738 -
YOUTH DEVELOPMENT - TOTAL	\$524,450	\$208,280	40%	\$316,170 60%
Spcl Intrst Classes - Internal	\$307,067	\$285,800	93%	\$21,267 7%
Spcl Intrst Classes - external	\$52,805	-	-	\$52,805 -
SPECL INTRST CLASSES - TOTAL	\$359,872	\$285,800	79%	\$74,072 21%
Facilities - Internal	\$271,492	\$75,480	28%	\$196,012 72%
Facilities - external	\$391,890	-	-	\$391,890 -
FACILITIES - TOTAL	\$663,382	\$75,480	11%	\$587,902 89%
Athletics - Internal	\$238,689	\$168,150	70%	\$70,539 30%
Athletics - external	\$109,975	-	-	\$109,975 -
ATHLETICS - TOTAL	\$348,664	\$168,150	48%	\$180,514 52%
Aquatics - Internal	\$554,002	\$268,400	48%	\$285,602 52%
Aquatics - external	\$169,766	-	-	\$169,766 -
AQUATICS - TOTAL	\$723,768	\$268,400	37%	\$455,368 63%
Sr. Activities - Internal	\$372,351	\$25,600	7%	\$346,751 93%
Sr. Activities - external	\$69,820	-	-	\$69,820 -
SR ACTIVITIES - TOTAL	\$442,171	\$25,600	6%	\$416,571 94%
Community Events - Internal	\$212,909	\$0	0%	\$212,909 100%
Community Events - external	\$52,199	-	-	\$52,199 -
COMMUNITY EVENTS - TOTAL	\$265,108	\$0	0%	\$265,108 100%
Administration* - Internal	\$6,788	\$1,080	16%	\$5,708 84%
Administration* - external	\$20,202	-	-	\$20,202 -
ADMINISTRATION* - TOTAL	\$26,990	\$1,080	4%	\$25,910 96%
TOTAL:	\$3,607,039	\$1,042,390	29%	\$2,564,649 71%

*all other P&CS administration costs were allocated to P&CS divisions as overhead

PROGRAM HIGHLIGHTS

The previous MSI study (1997/98) reported a cost recovery rate for user fee programs of 53.4%. In comparison, this current study reports a 29% recovery of fee related divisions. Since the MSI study, the Parks and Community Services Department has made numerous program and policy changes in accordance with MSI report recommendations which modified how program fees are set, with an overall goal of 50% cost recovery through program fees. The chart below lists desired, budgeted (current) and recommended individual program recovery rates.

Notes

- Per the municipal code, facility rental and use fees are established by the Parks Commission.
- The recovery levels in the current (budgeted) column reflect recovery of full costs – internal and external.
- These recovery rates are used by staff to set individual program and activity fees within each program area taking into account the market demand, alignment of program with the Department's mission and direction, ability of participants to pay.

Recovery Rates

Program	Desired (MSI)	Budgeted
Special Interest Classes	60%	79%
Aquatics	50%	37%
Athletics	65%	48%
After School/Youth Dev	75%	40%
Senior Services	10%	6%
Community Events	10%	0%
Teens	5%	4%

Department Considerations

1. A comprehensive recreation needs assessment and marketing study has recently been completed to provide the Department with information about programs to be offered in Tracy that meet the interests and needs of the community. Programs are then selected for their popularity in the community and how they align with overall community needs. The Department has evaluated which programs are being offered by other agencies, either private or non-profit, and moved towards reducing or eliminating those. Programs that are high value to the public are offered, and willingness to pay for these through competitive pricing is increased.
2. There was a facility fee review and update on all indoor and outdoor facilities completed by the Parks Commission in December 2001. New facility fees for the Tracy Sports Complex were approved in November 2002. This study reports that facility rentals are recovering 12% of costs. Many costs related to facility rentals are fixed and will be incurred whether a facility is rented or unused. Therefore, recovery levels are directly tied to use. A recommendation for the ability to

charge the direct costs of any required outside cleaning services is desired by the Parks and Community Services Department.

3. One new major program area has been added since the 1997/98 MSI study that has affected the Department's overall cost recovery ratio. This was the establishment of the Teen Center and teen programs. This program area has historically been difficult to recoup any significant portion of program fees to offset program costs.
4. A review of less costly ways to supply services has been undertaken on a regular basis as a part of the Department's budget preparation. As a result, several changes have been made.
 - a. Special interest classes have been shifted to contract instructors versus city staff and thus increased the Department's ability to maintain appropriate fees for service based on market demand. Contracts are paid on a percentage of fees collected and therefore costs are increased only as participant enrollment increases.
 - b. Concession services have been transferred through contract to a concessionaire thus reducing city personnel and product costs.
 - c. Umpire services have been transferred to an umpire association through contract.
 - d. Child care programs have been transitioned to non-profit providers.
5. Participant evaluations are routinely administered to determine level of interest for possible new programs.
6. The Department maintains a scholarship program through CDBG or general fund allocations to assist participants with program fees who could not otherwise afford those fees.

Resident Discount Program

The Parks Commission recently approved implementation of a resident discount of 10% for fees on recreation programs and activities. This discount will be reduced from the fee charged for enrollment in fee-based recreation programs to those participants who reside within the Tracy city limits. Participation is not excluded to non-residents, but the fee will be 10% higher. For example, a yoga class would be priced at \$30 for a Tracy resident and \$33 for a non-resident.

For purposes of this surcharge fee, "Residents" shall be defined as:

- ◆ Individuals who reside within Tracy city limits
- ◆ Individuals who do not reside within Tracy city limits, but are the owner of record for property in Tracy, and can show proof of such.

The resident discount fee will not be applied to programs where registration operates on a "drop-in" basis. Therefore the following types of programs that collect a drop-in fee would be excluded from the surcharge: Senior Programs, Teen Programs, SNAP! Program

The Department has been charged, by policy of the Commission and City Council, to strive for an overall 50% cost recovery for recreation programs. The analysis of this is done annually during the budget process in making revenue projections commensurate with costs to operate the programs. Staff routinely analyzes fees and charges to be certain that they are keeping pace with increases in expenditures. User fees are adjusted accordingly to meet the cost recovery ratios. A Resident discount will increase participation and therefore provide the Department with additional revenues towards the overall goal of 50% cost recovery.

The practice of imposing higher fees to non-residents is common practice for cities throughout the San Joaquin valley, Bay Area and entire state. Many times this is done through a non-resident fee surcharge which imposes an additional financial responsibility to a participant who is not contributing to the City's general fund through property tax, as the general fund is the source that funds the 50% operating subsidy for recreation programs. Residents receive an additional benefit of their Tracy residence through lower recreational program fees.

PRELIMINARY FINDINGS

PROGRAM SUMMARY CHARTS

Each subsequent page displays division results and individual activity analysis. These summaries reflect annual costs and the various subtotals on these pages directly tie to the exhibit charts discussed earlier in this report.

The summaries are in the following order:

- Athletics
- Aquatics
- Community Events
- Senior Activities
- Teens
- Youth Development
- Special Interest Classes
- Facilities
- Administration

PRELIMINARY FINDINGS

Agency: City of Tracy
Fund: Athletics - 5543
Fiscal Year: 2007/2008

Service Name	Service Type	Revenue @ Current Fee	Internal Costs	External Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 Sports Leagues	Fee	\$128,200	\$124,548	\$66,535	66%	\$193,082	\$64,882
2 Youth Athletics	Fee	\$18,590	\$62,437	\$18,968	23%	\$81,405	\$62,815
3 Tournaments	Fee	\$16,360	\$35,488	\$18,322	30%	\$53,811	\$37,451
4 Outfield Fence setup	Fee	\$5,000	\$6,727	\$674	68%	\$7,401	\$2,401
5 Sport/Park Facility Rentals	Support	\$0	\$9,489	\$3,476	0%	\$12,965	\$12,965

Total Fee Related \$168,150 50% \$335,699 \$167,549 50%

% of Full Cost 32%

Total Other Services \$0 0% \$12,965 \$12,965 100%

% of Full Cost 27%

Fund Totals \$168,150 48% \$348,664 \$180,514 52%

% of Full Cost 32%

Full Cost Breakdown

Direct Costs	P&CS Administration	Public Works	Citywide Indirect
Internal	External	External	External
68%	10%	18%	3%

Direct costs include direct staffing, division administration and materials and supplies
P&CS administration costs include the Director's office and activity guide support
Public Works costs include Parks Maintenance support
Citywide indirect costs include central service department allocations from the Budget

Agency: City of Tracy
Fund: Aquatics - 5542
Fiscal Year: 2007/2008

Service Name	Service Type	Revenue @ Current Fee	Internal Costs	External Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 General Recreation Swim	Fee	\$12,000	\$57,092	\$18,175	16%	\$75,267	\$63,267
2 Swim Lessons	Fee	\$180,000	\$218,930	\$69,286	56%	\$288,216	\$128,216
3 Special Aquatics Programs	Fee	\$1,400	\$23,119	\$6,781	5%	\$29,900	\$28,500
4 West Pool General Rec Swim	New fee	\$5,500	\$47,411	\$14,050	9%	\$61,461	\$55,961
5 West Pool Swim Lessons	New fee	\$35,000	\$188,222	\$58,740	33%	\$256,962	\$171,962
6 West Pool Special Aquatics Prgm	New fee	\$4,500	\$9,228	\$2,735	38%	\$11,963	\$7,463

Total Fee Related \$268,400 37% \$554,002 77% \$169,766 23% \$455,368 63%

% of Full Cost

Total Other Services \$0 0% \$0 0% \$0 0%

% of Full Cost

Fund Totals \$268,400 37% \$554,002 77% \$169,766 23% \$455,368 63%

% of Full Cost

Full Cost Breakdown

Direct Costs	P&CS Administration	Citywide Indirect
Internal	External	External
77%	19%	5%

Direct costs include direct staffing, division administration and materials and supplies
P&CS administration costs include the Director's office and activity guide support
Citywide indirect costs include central service department allocations from the budget

Agency: City of Tracy
Fund: Community Events - 5548
Fiscal Year: 2007/2008

Service Name	Service Type	Revenue @ Current Fee	Internal Costs	External Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 My Own Marathon	Fee	\$0	\$21,761	\$6,250	0%	\$28,011	\$28,011
2 Make a Difference Day	Fee	\$0	\$17,300	\$4,969	0%	\$22,270	\$22,270
3 Volunteer Recognition Luncheon	Fee	\$0	\$19,395	\$5,571	0%	\$24,966	\$24,966
4 V.I.T.A.L. Volunteer Program	Fee	\$0	\$17,300	\$4,969	0%	\$22,270	\$22,270
5 Park Clean-up	Fee	\$0	\$8,698	\$2,785	0%	\$12,483	\$12,483
6 Gus Maker event	Fee	\$0	\$52,774	\$7,978	0%	\$60,752	\$60,752
7 Tree Lighting Celebration	Fee	\$0	\$24,127	\$6,930	0%	\$31,057	\$31,057
8 Park Dedication & Ribbon Cutting	Fee	\$0	\$15,206	\$4,368	0%	\$19,573	\$19,573
9 Movies on the Plaza	Fee	\$0	\$20,443	\$5,872	0%	\$26,314	\$26,314
10 Activity Guide	Support	\$0	\$2,507	\$2,507	0%	\$10,126	\$10,126
11 Library	Non Fee	\$0	\$7,286	\$0	0%	\$7,286	\$7,286

Total Fee Related	\$0	\$198,004	\$49,692	\$247,696
% of Full Cost	0%	80%	20%	100%
Total Other Services	\$0	\$14,905	\$2,507	\$17,412
% of Full Cost	0%	86%	14%	100%
Fund Totals	\$0	\$212,909	\$52,199	\$265,108
% of Full Cost	0%	80%	20%	100%

Full Cost Breakdown

Direct Costs	P&CS Administration	Citywide Indirect
Internal	External	External
80.3%	15.5%	4.2%

Direct costs include direct staffing, division administration and materials and supplies
P&CS administration costs include the Director's office and activity guide support
Citywide indirect costs include central service department allocations from the budget

Agency: City of Tracy
Fund: Senior Activities - 5545
Fiscal Year: 2007/2008

Service Name	Service Type	Revenue @ Current Fee	Internal Costs	External Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 Health & Wellness	Fee	\$16,280	\$104,714	\$15,208	14%	\$119,922	\$103,642
2 Arts & Crafts	Fee	\$1,000	\$36,746	\$5,337	2%	\$42,083	\$41,083
3 Drop in Cards	Fee	\$4,600	\$36,746	\$5,337	11%	\$42,083	\$37,483
4 Trips	Fee	\$2,200	\$24,037	\$3,491	8%	\$27,528	\$25,328
5 Senior Events	Fee	\$1,520	\$45,312	\$6,581	3%	\$51,892	\$50,372
6 Non fee programs & social services	Non fee	\$0	\$124,796	\$33,867	0%	\$158,663	\$158,663

Total Fee Related
% of Full Cost
Total Other Services
% of Full Cost
Fund Totals
% of Full Cost

\$25,600 9%
\$0 0%
\$25,600 6%
\$247,555 87%
\$124,796 79%
\$372,351 84%
\$35,953 13%
\$33,867 21%
\$69,820 16%
\$283,508 100%
\$158,663 100%
\$442,171 100%
\$257,908 91%
\$158,663 100%
\$416,571 94%

Full Cost Breakdown

Direct Costs	P&CS Administration	Citywide Indirect
Internal	External	External
84%	12%	3%

Direct costs include direct staffing, division administration and materials and supplies
P&CS administration costs include the Director's office and activity guide support
Citywide indirect costs include central service department allocations from the budget

Agency: City of Tracy
Fund: Teen Recreation - 5549
Fiscal Year: 2007/2008

Service Name	Service Type	Revenue @ Current Fee	Internal Costs	External Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 Teen Programs	Fee	\$1,100	\$45,685	\$15,528	2%	\$61,213	\$60,113
2 Teen Special Events/Trips	Fee	\$2,400	\$42,672	\$15,528	4%	\$58,200	\$55,800
3 Teen Dances	Fee	\$6,100	\$48,838	\$17,772	9%	\$66,611	\$60,511
4 Youth Commission	Non fee	\$0	\$18,170	\$6,612	0%	\$24,782	\$24,782
5 Teen non fee activities - Teen Center	Non fee	\$0	\$30,668	\$11,160	0%	\$41,829	\$41,829

Total User Fees \$9,600 5%
% of Full Cost 74% \$48,829 26% \$186,023 100% \$176,423 95%

Total Other Services \$0 0%
% of Full Cost 73% \$17,772 27% \$66,611 100% \$66,611 100%

Fund Totals \$9,600 4%
% of Full Cost 74% \$66,601 26% \$252,634 100% \$243,034 96%

Full Cost Breakdown

Direct Costs	P&CS Administration	Citywide Indirect
Internal	External	External
73.6%	20.6%	5.8%

Direct costs include direct staffing, division administration and materials and supplies
P&CS administration costs include the Director's office and activity guide support
Citywide indirect costs include central services department allocations from the budget

Agency: City of Tracy
Fund: Youth Development - 5544
Fiscal Year: 2007/2008

Service Name	Service Type	Revenue @ Current Fee	Internal Costs	External Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 Youth Development ROC	Fee	\$192,200	\$234,368	\$68,653	44%	\$303,021	\$170,821
2 Youth Development Camps	Fee	\$30,000	\$100,443	\$29,423	23%	\$129,866	\$99,866
3 Preschool Programs	Fee	\$46,080	\$71,901	\$19,662	50%	\$91,563	\$45,483

Total User Fees \$208,280 40%
% of Full Cost 78% \$406,712 \$117,738 22%
Total Other Services \$0 \$0
% of Full Cost 0% 0%
Fund Totals \$208,280 \$406,712 \$117,738
% of Full Cost 40% 78% 22%

Full Cost Breakdown

Direct Costs	P&CS Administration	Citywide Indirect
Internal	External	External
77.6%	17.8%	4.6%

Direct costs include direct staffing, division administration and materials and supplies
P&CS administration costs include the Director's office and activity guide support
Citywide indirect costs include central service department allocations from the budget

Agency: City of Tracy
Fund: Special Interest Classes - 5541
Fiscal Year: 2007/2008

Service Name	Service Type	Revenue @ Current Fee	Internal Costs	External Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 Special Interest Classes	Fee	\$285,800	\$280,634	\$47,102	87%	\$327,737	\$41,937
2 Recreation Brochure	Non fee	\$0	\$8,679	\$3,254	0%	\$11,933	\$11,933
3 Cancellation fee	Support	\$0	\$17,754	\$2,448	0%	\$20,202	\$20,202

a) Total User Fees \$285,800 82% \$47,102 14% \$327,737 100% \$41,937 13%
% of Full Cost
Total Other Services \$0 0% \$5,702 18% \$32,135 100%
% of Full Cost
Fund Totals \$285,800 79% \$307,067 85% \$359,871 100% \$74,071 21%
% of Full Cost

a) The costs for this service were transferred and analyzed in the administration fund.

Full Cost Breakdown

Direct Costs	P&CS Administration	Citywide Indirect
Internal	External	External
85%	14%	1%

Direct costs include direct staffing, contract instructors, division administration and materials and supplies
P&CS administration costs include the Director's office and activity guide support
Citywide indirect costs include central service department allocations from the budget

Agency: City of Tracy
 Fund: Facilities - 5512
 Fiscal Year: 2007/2008

Service Name	Service Type	Revenue @ Current Fee	Internal Costs	External Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 Community Center Rental	Fee	\$25,000	\$66,028	\$7,377	34%	\$73,405	\$48,405
2 Sr Center Rentals	Fee	\$780	\$3,412	\$1,844	15%	\$5,256	\$4,476
3 Sports Complex Rentals	Fee	\$24,300	\$22,686	\$7,377	81%	\$30,063	\$5,763
4 Mobile Stage Rentals	Fee	\$2,000	\$3,412	\$1,844	38%	\$5,256	\$3,256
5 Civic Center Rentals	Fee	\$0	\$3,412	\$1,844	0%	\$5,256	\$5,256
6 Special Event applications	Fee	\$1,850	\$64,198	\$34,703	1%	\$98,901	\$97,851
7 Sports Fields Rentals	Fee	\$18,356	\$94,696	\$329,522	4%	\$424,218	\$405,868
8 Park/Picnic Rentals	Fee	\$4,000	\$13,648	\$7,377	19%	\$21,025	\$17,025

Total User Fees	\$75,480	\$391,890	\$587,902
% of Full Cost	11%	59%	89%
Total Other Services	\$0	\$0	\$0
% of Full Cost	0%	0%	0%
Fund Totals	\$75,480	\$391,890	\$587,902
% of Full Cost	11%	59%	89%

Full Cost Breakdown

Direct Costs	P&CS Administration	Public Works	Citywide Indirect
Internal	External	External	External
41%	15%	42%	2%

Direct costs include direct staffing, reservation processing, division administration and materials and supplies
 P&CS administration costs include the Director's office and activity guide support
 Public Works costs include Parks Maintenance support
 Citywide Indirect costs include central service department allocations from the budget

USER FEE STUDY SUMMARY SHEET

- TOTAL PROGRAM INFORMATION -

City of Tracy
Parks Administration
2007/2008

Service Name	Service Type	Revenue @ Current Fee	Direct Costs	Indirect Costs	% of Full Cost	Revenue @ 100% Full Cost	Current Subsidy
1 Brochure	Non fee	\$0	\$52,329	\$0	0%	\$52,329	\$52,329
2 Reservation processing	Support	\$0	\$68,982	\$0	0%	\$68,982	\$68,982
3 Course withdrawal fee	New fee	\$0	\$6,381	\$18,990	0%	\$25,371	\$25,371
4 Insurance certificate	Fee	\$1,080	\$407	\$1,212	67%	\$1,619	\$539
5 All other activity	Support	\$0	\$733,810	\$0	0%	\$733,810	\$733,810

Total User Fees	\$1,080	\$6,788	\$20,202	\$25,990	\$25,910
% of Full Cost	4%	25%	75%	100%	96%
Total Other Services	\$0	\$855,120	\$0	\$855,120	\$855,120
% of Full Cost	0%	100%	0%	100%	100%
Fund Totals	\$1,080	\$861,908	\$20,202	\$882,110	\$881,030
% of Full Cost	0%	98%	2%	100%	100%

Full Cost Breakdown

Direct Costs	Outside Division support
Internal	External
98%	2%

Direct costs include direct staffing, division administration and materials and supplies
Outside division support costs include staff support from another P&CS division

January 6, 2009

AGENDA ITEM 3

REQUEST

REVIEW AND ADOPT RECOMMENDED GENERAL FUND SUBSIDY LIMIT GOALS AND CONDUCT A PUBLIC HEARING TO REVIEW AND ADOPT ASSOCIATED FEES FOR PROGRAMS AND FACILITY USE PROVIDED THROUGH THE PARKS AND COMMUNITY SERVICES DEPARTMENT AND THE CULTURAL ARTS DIVISION

EXECUTIVE SUMMARY

Staff requests that Council review, and approve the recommended General Fund subsidy limit goals in the amount of \$3,000,000 in Fiscal Year 2009/10 for the Parks and Community Services Department and \$1,000,000 in Fiscal Year 2009/2010 for the Cultural Arts Division and adopt recommended fees to achieve General Fund subsidy limit goals.

DISCUSSION

On August 31, 1998, City Council reviewed a comprehensive fee study of the Parks and Community Services Department where cost recovery rates averaged 53% and an annual goal of achieving an overall 50% recovery rate for all programs was adopted. On January 21, 2003, City Council directed staff to make any necessary periodic adjustments to programs in order to maintain a 50% cost recovery rate.

In recent years, certain services, programs and special events have had a reduced recovery rate which has impacted the ability of the Parks and Community Services Department to meet the overall 50% cost recovery rate. Additionally, with the expansion of such programs, and in an effort to provide diverse programming, the General Fund subsidy has continued to increase.

On September 18, 2007, the Council approved temporary fees for the Parks and Community Services Department and the Cultural Arts Division while a cost recovery study was completed. Included were fees for recreation and art programs, facility rentals and admission to events.

MGT of America has completed the Cost of Services Study for the Parks and Community Services Department (Exhibit A) and Cultural Arts Division (Exhibit B) which includes an analysis of actual program expenditures (service charges, indirect internal and external costs). This analysis utilized budgeted allocations and projections included in the 2007-08 budget. This study included additional elements that were not included in the 1998 study, such as inclusion of the facility rental program costs, actual Public Works maintenance costs, and allocation of other Citywide overhead indirect costs, making it difficult to compare previous cost recovery estimates with these reports.

The Cost of Services Study Findings for the Cultural Arts Division (Exhibit B) was previously presented to City Council as part of the Cultural Arts Division Operational Plan workshop on August 5, 2008.

General Fund Impact

The table below illustrates a trend of increasing General Fund subsidy for the Parks and Community Services Department (PCS). Conversely, the Cultural Arts Division projects a decrease in General Fund subsidy for its second year of operations:

FISCAL YEAR					
	ACTUAL 05-06	ACTUAL 06-07	ACTUAL 07-08	PROJECTED 08-09	SUBSIDY GOAL 09-10
PCS	\$2,084,430	\$2,615,095	\$2,780,220	\$3,286,130	\$3,000,000
Cultural Arts	0	0	\$1,508,340	\$1,360,240	\$1,000,000
Totals:				\$4,646,370	\$4,000,000

The impact to the General Fund may not be fully controlled by virtue of a cost recovery model. For example, if a new program was added with a 50% cost recovery the General Fund subsidy would need to increase by the remaining 50%. Therefore, staff is recommending to City Council to establish annual General Fund subsidy limit goals for FY 2009/2010, and associated fees as proposed in Exhibits C and D, to meet the subsidy limit goals.

Besides the proposed fees, an ongoing evaluation of the revenue opportunities, alternative revenue sources such as sponsorships and advertising, programming and expenditure controls will also be required to meet the General Fund subsidy goals.

It is anticipated that not all fees will be able to be implemented at once due to current programs and published materials; however, all approved revenue increases will be in place by spring of 2009.

Fee Development/Revision

Several factors were considered and analyzed in the development of the attached staff recommended fees. These factors were:

Market Value: What other local public agencies charge for like or similar programs and facilities.

Community Versus Individual Benefit: MGT suggested a community versus individual pricing guideline. Generally, the higher the benefit of the program is to the community, the greater the program is subsidized. The more the program benefits the individual, the lower the amount of subsidy.

Affordability for Segments of the Public: As indicated in the MGT study, a fairly low percentage of recovery is projected for the senior and teen programs, community events and facility reservation functions. These are due to staff's understanding that the City desires to make programs affordable to seniors and teens; that community events are of high community benefit and therefore little or no revenue is required to present these events; and that the City desires that City facilities be made affordable for local non-profit organizations.

Subsidy Goal: The goal of reducing the Parks and Community Services Department's General Fund subsidy to less than \$3,000,000 for FY 2009/2010 and the Cultural Arts

Division General Fund subsidy to less than \$1,000,000 for FY 2009/2010 was set as an achievable goal with little or no impact to existing programs.

Commission Input

The Parks and Community Services Commission has reviewed the attached fees and provided the following advice to the City Council: That City Council approve the subsidy as recommended.

RECOMMENDATION

Review and adopt staff's recommended General Fund subsidy limit goals and conduct a public hearing to review and adopt associated fees for programs and facility use provided through the Parks and Community Services Department and the Cultural Arts Division.

FISCAL IMPACT

The City Council's adoption of these fees should assist in meeting the stated General Fund subsidy goal limits for the Parks and Community Services Department and Cultural Arts Division. The annual increase in revenue from these fee recommendations is estimated to be approximately \$164,250 for the Parks and Community Services Department and \$19,896 for the Cultural Arts Division in FY 09/10. Because the anticipated revenue increases will not achieve the entire subsidy goal, operational efficiencies will continue to be implemented and other revenue sources will continue to be explored.

ATTACHMENTS

- Exhibit A: Parks and Community Services: General Fund Cost of Services Study Findings, prepared by MGT of America
- Exhibit B: Cultural Arts Division: General Fund Cost of Services Study Findings, prepared by MGT of America
- Exhibit C: Parks and Community Services Department Recommended Fee Schedule
- Exhibit D: Cultural Arts Division Recommended Fee Schedule

Prepared by: Floyd Lewis, Recreation Services Supervisor
Reviewed by: Rod Buchanan, Interim Director of Parks and Community Services
Reviewed by: Zane Johnston, Director of Finance and Administrative Services
Approved by: Leon Churchill, Jr., City Manager

Appendix VI

Police Department

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Police Department

Legal Codes

State of California

BUSINESS AND PROFESSIONS CODE

Section 21642.5

21642.5. (a) The Department of Justice shall require each applicant for an initial license under Section 21641 of this code or Section 21300 of the Financial Code and each applicant for renewal of a license under Section 21642 of this code or Section 21301 of the Financial Code to pay a fee not to exceed three hundred dollars (\$300), but in no event exceeding the costs described in subdivision (b), except that the fee may be increased at a rate not to exceed any increase in the California Consumer Price Index as compiled and reported by the Department of Industrial Relations.

(b) The fees assessed pursuant to subdivision (a) shall be no more than necessary to cover the reasonable regulatory costs to the department of doing all of the following:

(1) Processing initial license applications under Section 21641 of this code and Section 21300 of the Financial Code.

(2) Processing renewal applications under Section 21642 of this code and Section 21301 of the Financial Code.

(3) Implementing, operating, and maintaining the single, statewide, uniform electronic reporting system described in subdivision (j) of Section 21628.

(c) All licensees holding a license issued before the effective date of the act adding this section pursuant to Section 21641 or 21642 of this code or Section 21300 or 21301 of the Financial Code shall, within 120 days after enactment of the act adding this section in the 2011-12 Regular Session, in addition to any fee required under subdivision (a), pay a fee not to exceed two hundred eighty-eight dollars (\$288) to the Department of Justice.

(d) The fees paid pursuant to subdivisions (a) and (c) shall be deposited in the Secondhand Dealer and Pawnbroker Fund, which is hereby established in the State Treasury. The revenue in the fund shall, upon appropriation by the Legislature, be used by the Department of Justice for the purpose of paying for the costs described in paragraphs (1) to (3), inclusive, of subdivision (b), except that the revenue received pursuant to subdivision (c) shall, upon appropriation by the Legislature, be used by the Department of Justice for the purpose of paying for the costs described in paragraph (3) of subdivision (b).

(e) Applicants described in subdivision (a) shall submit to the Department of Justice fingerprint images and related information required by the Department of Justice for the purposes of obtaining information as to the existence and contents of a record of state convictions and state arrests and information as to the existence and contents of a record of state arrests for which the Department of Justice establishes that the person is free on bail or on his or her own recognizance pending trial or appeal.

(1) The Department of Justice shall prepare a state-level response pursuant to paragraph (1) of subdivision (I) of Section 11105 of the Penal Code.

(2) The Department of Justice shall provide subsequent notification service pursuant to Section 11105.2 of the Penal Code for applicants described in this subdivision.

(3) The Department of Justice shall charge a fee sufficient to cover the cost of processing the request described in this subdivision. The fee revenues shall be deposited in the Fingerprint Fee Account and shall, upon appropriation by the Legislature, be used by the department for the purposes of paying the costs associated with this subdivision.

(Added by Stats. 2012, Ch. 172, Sec. 6. (AB 391) Effective August 17, 2012.)

State of California

FOOD AND AGRICULTURAL CODE

Section 30804.7

30804.7. (a) The owner of a nonspayed or unneutered dog that is impounded once by a city or county animal control agency or shelter, society for the prevention of cruelty to animals, or humane society, shall be fined thirty-five dollars (\$35) on the first occurrence, fifty dollars (\$50) on the second occurrence, and one hundred dollars (\$100) for the third or subsequent occurrence. These fines are for unneutered impounded animals only, and are not in lieu of any fines or impound fees imposed by any individual city, county, public animal control agency or shelter, society for the prevention of cruelty to animals shelter, or humane society shelter.

(b) An animal control officer, humane officer, police officer, peace officer, or any agency authorized to enforce the Penal Code may write citations with a civil penalty stated in an amount corresponding to the violation as provided in subdivision (a). The fines shall be paid to the local municipality or public animal control agency or shelter, society for the prevention of cruelty to animals shelter, or humane society shelter. Any funds collected under this section shall be expended for the purpose of humane education, programs for low cost spaying and neutering of dogs, and any additional costs incurred by the public animal control agency or shelter, society for the prevention of cruelty to animals shelter, humane society shelter, or rescue group in the administration of the requirements of this division.

(c) This section applies to each county and cities within each county, regardless of population.

(d) No city or county, society for the prevention of cruelty to animals, or humane society is subject to any civil action by the owner of a dog that is spayed or neutered in accordance with this section.

(Amended by Stats. 2004, Ch. 253, Sec. 5. Effective January 1, 2005.)

State of California

GOVERNMENT CODE

Section 26746.1

26746.1. (a) A twenty-dollar (\$20) fee shall be assessed by the sheriff or marshal for certification of correction on each citation that requires inspection for proof of correction of any violation pursuant to Section 40616 of the Vehicle Code.

(b) All proceeds of the fee shall be deposited in a special fund in the county treasury. A separate accounting of funds deposited shall be maintained for each depositor, and funds deposited shall be for the exclusive use of the sheriff's civil division or marshal.

(c) Ninety-five percent of the moneys in the special fund shall be expended to supplement the costs of the depositor for the implementation, maintenance, and purchase of auxiliary equipment and furnishings for automated systems or other nonautomated operational equipment and furnishings deemed necessary by the sheriff's civil division or marshal. Five percent of the moneys in the special fund shall be used to supplement the expenses of the sheriff's civil division or marshal in administering the funds.

(Amended by Stats. 2014, Ch. 470, Sec. 22. (AB 2256) Effective January 1, 2015.)

State of California

GOVERNMENT CODE

Section 53150

53150. Any person who is under the influence of an alcoholic beverage or any drug, or the combined influence of an alcoholic beverage and any drug, whose negligent operation of a motor vehicle caused by that influence proximately causes any incident resulting in an appropriate emergency response, and any person whose intentionally wrongful conduct proximately causes any incident resulting in an appropriate emergency response, is liable for the expense of an emergency response by a public agency to the incident.

(Added by Stats. 1985, Ch. 337, Sec. 1.)

State of California

PENAL CODE

Section 11105

11105. (a) (1) The Department of Justice shall maintain state summary criminal history information.

(2) As used in this section:

(A) "State summary criminal history information" means the master record of information compiled by the Attorney General pertaining to the identification and criminal history of any person, such as name, date of birth, physical description, fingerprints, photographs, dates of arrests, arresting agencies and booking numbers, charges, dispositions, and similar data about the person.

(B) "State summary criminal history information" does not refer to records and data compiled by criminal justice agencies other than the Attorney General, nor does it refer to records of complaints to or investigations conducted by, or records of intelligence information or security procedures of, the office of the Attorney General and the Department of Justice.

(b) The Attorney General shall furnish state summary criminal history information to any of the following, if needed in the course of their duties, provided that when information is furnished to assist an agency, officer, or official of state or local government, a public utility, or any other entity, in fulfilling employment, certification, or licensing duties, Chapter 1321 of the Statutes of 1974 and Section 432.7 of the Labor Code shall apply:

(1) The courts of the state.

(2) Peace officers of the state, as defined in Section 830.1, subdivisions (a) and (e) of Section 830.2, subdivision (a) of Section 830.3, subdivision (a) of Section 830.31, and subdivisions (a) and (b) of Section 830.5.

(3) District attorneys of the state.

(4) Prosecuting city attorneys of any city within the state.

(5) City attorneys pursuing civil gang injunctions pursuant to Section 186.22a, or drug abatement actions pursuant to Section 3479 or 3480 of the Civil Code, or Section 11571 of the Health and Safety Code.

(6) Probation officers of the state.

(7) Parole officers of the state.

(8) A public defender or attorney of record when representing a person in proceedings upon a petition for a certificate of rehabilitation and pardon pursuant to Section 4852.08.

(9) A public defender or attorney of record when representing a person in a criminal case, or a parole, mandatory supervision pursuant to paragraph (5) of subdivision (b)

of Section 1170, or postrelease community supervision revocation or revocation extension proceeding, and if authorized access by statutory or decisional law.

(10) Any agency, officer, or official of the state if the criminal history information is required to implement a statute or regulation that expressly refers to specific criminal conduct applicable to the subject person of the state summary criminal history information, and contains requirements or exclusions, or both, expressly based upon that specified criminal conduct. The agency, officer, or official of the state authorized by this paragraph to receive state summary criminal history information may also transmit fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation.

(11) Any city or county, city and county, district, or any officer or official thereof if access is needed in order to assist that agency, officer, or official in fulfilling employment, certification, or licensing duties, and if the access is specifically authorized by the city council, board of supervisors, or governing board of the city, county, or district if the criminal history information is required to implement a statute, ordinance, or regulation that expressly refers to specific criminal conduct applicable to the subject person of the state summary criminal history information, and contains requirements or exclusions, or both, expressly based upon that specified criminal conduct. The city or county, city and county, district, or the officer or official thereof authorized by this paragraph may also transmit fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation.

(12) The subject of the state summary criminal history information under procedures established under Article 5 (commencing with Section 11120).

(13) Any person or entity when access is expressly authorized by statute if the criminal history information is required to implement a statute or regulation that expressly refers to specific criminal conduct applicable to the subject person of the state summary criminal history information, and contains requirements or exclusions, or both, expressly based upon that specified criminal conduct.

(14) Health officers of a city, county, city and county, or district when in the performance of their official duties enforcing Section 120175 of the Health and Safety Code.

(15) Any managing or supervising correctional officer of a county jail or other county correctional facility.

(16) Any humane society, or society for the prevention of cruelty to animals, for the specific purpose of complying with Section 14502 of the Corporations Code for the appointment of humane officers.

(17) Local child support agencies established by Section 17304 of the Family Code. When a local child support agency closes a support enforcement case containing summary criminal history information, the agency shall delete or purge from the file and destroy any documents or information concerning or arising from offenses for or of which the parent has been arrested, charged, or convicted, other than for offenses related to the parent's having failed to provide support for minor children, consistent with the requirements of Section 17531 of the Family Code.

(18) County child welfare agency personnel who have been delegated the authority of county probation officers to access state summary criminal history information pursuant to Section 272 of the Welfare and Institutions Code for the purposes specified in Section 16504.5 of the Welfare and Institutions Code. Information from criminal history records provided pursuant to this subdivision shall not be used for any purposes other than those specified in this section and Section 16504.5 of the Welfare and Institutions Code. When an agency obtains records obtained both on the basis of name checks and fingerprint checks, final placement decisions shall be based only on the records obtained pursuant to the fingerprint check.

(19) The court of a tribe, or court of a consortium of tribes, that has entered into an agreement with the state pursuant to Section 10553.1 of the Welfare and Institutions Code. This information may be used only for the purposes specified in Section 16504.5 of the Welfare and Institutions Code and for tribal approval or tribal licensing of foster care or adoptive homes. Article 6 (commencing with Section 11140) shall apply to officers, members, and employees of a tribal court receiving criminal record offender information pursuant to this section.

(20) Child welfare agency personnel of a tribe or consortium of tribes that has entered into an agreement with the state pursuant to Section 10553.1 of the Welfare and Institutions Code and to whom the state has delegated duties under paragraph (2) of subdivision (a) of Section 272 of the Welfare and Institutions Code. The purposes for use of the information shall be for the purposes specified in Section 16504.5 of the Welfare and Institutions Code and for tribal approval or tribal licensing of foster care or adoptive homes. When an agency obtains records on the basis of name checks and fingerprint checks, final placement decisions shall be based only on the records obtained pursuant to the fingerprint check. Article 6 (commencing with Section 11140) shall apply to child welfare agency personnel receiving criminal record offender information pursuant to this section.

(21) An officer providing conservatorship investigations pursuant to Sections 5351, 5354, and 5356 of the Welfare and Institutions Code.

(22) A court investigator providing investigations or reviews in conservatorships pursuant to Section 1826, 1850, 1851, or 2250.6 of the Probate Code.

(23) A person authorized to conduct a guardianship investigation pursuant to Section 1513 of the Probate Code.

(24) A humane officer pursuant to Section 14502 of the Corporations Code for the purposes of performing his or her duties.

(25) A public agency described in subdivision (b) of Section 15975 of the Government Code, for the purpose of oversight and enforcement policies with respect to its contracted providers.

(c) The Attorney General may furnish state summary criminal history information and, when specifically authorized by this subdivision, federal level criminal history information upon a showing of a compelling need to any of the following, provided that when information is furnished to assist an agency, officer, or official of state or local government, a public utility, or any other entity in fulfilling employment,

certification, or licensing duties, Chapter 1321 of the Statutes of 1974 and Section 432.7 of the Labor Code shall apply:

(1) Any public utility, as defined in Section 216 of the Public Utilities Code, that operates a nuclear energy facility when access is needed in order to assist in employing persons to work at the facility, provided that, if the Attorney General supplies the data, he or she shall furnish a copy of the data to the person to whom the data relates.

(2) To a peace officer of the state other than those included in subdivision (b).

(3) To an illegal dumping enforcement officer as defined in subdivision (j) of Section 830.7.

(4) To a peace officer of another country.

(5) To public officers, other than peace officers, of the United States, other states, or possessions or territories of the United States, provided that access to records similar to state summary criminal history information is expressly authorized by a statute of the United States, other states, or possessions or territories of the United States if the information is needed for the performance of their official duties.

(6) To any person when disclosure is requested by a probation, parole, or peace officer with the consent of the subject of the state summary criminal history information and for purposes of furthering the rehabilitation of the subject.

(7) The courts of the United States, other states, or territories or possessions of the United States.

(8) Peace officers of the United States, other states, or territories or possessions of the United States.

(9) To any individual who is the subject of the record requested if needed in conjunction with an application to enter the United States or any foreign nation.

(10) (A) (i) Any public utility, as defined in Section 216 of the Public Utilities Code, or any cable corporation as defined in subparagraph (B), if receipt of criminal history information is needed in order to assist in employing current or prospective employees, contract employees, or subcontract employees who, in the course of their employment, may be seeking entrance to private residences or adjacent grounds. The information provided shall be limited to the record of convictions and any arrest for which the person is released on bail or on his or her own recognizance pending trial.

(ii) If the Attorney General supplies the data pursuant to this paragraph, the Attorney General shall furnish a copy of the data to the current or prospective employee to whom the data relates.

(iii) Any information obtained from the state summary criminal history is confidential and the receiving public utility or cable corporation shall not disclose its contents, other than for the purpose for which it was acquired. The state summary criminal history information in the possession of the public utility or cable corporation and all copies made from it shall be destroyed not more than 30 days after employment or promotion or transfer is denied or granted, except for those cases where a current or prospective employee is out on bail or on his or her own recognizance pending trial, in which case the state summary criminal history information and all copies shall be destroyed not more than 30 days after the case is resolved.

(iv) A violation of this paragraph is a misdemeanor, and shall give the current or prospective employee who is injured by the violation a cause of action against the public utility or cable corporation to recover damages proximately caused by the violations. Any public utility's or cable corporation's request for state summary criminal history information for purposes of employing current or prospective employees who may be seeking entrance to private residences or adjacent grounds in the course of their employment shall be deemed a "compelling need" as required to be shown in this subdivision.

(v) This section shall not be construed as imposing any duty upon public utilities or cable corporations to request state summary criminal history information on any current or prospective employees.

(B) For purposes of this paragraph, "cable corporation" means any corporation or firm that transmits or provides television, computer, or telephone services by cable, digital, fiber optic, satellite, or comparable technology to subscribers for a fee.

(C) Requests for federal level criminal history information received by the Department of Justice from entities authorized pursuant to subparagraph (A) shall be forwarded to the Federal Bureau of Investigation by the Department of Justice. Federal level criminal history information received or compiled by the Department of Justice may then be disseminated to the entities referenced in subparagraph (A), as authorized by law.

(D) (i) Authority for a cable corporation to request state or federal level criminal history information under this paragraph shall commence July 1, 2005.

(ii) Authority for a public utility to request federal level criminal history information under this paragraph shall commence July 1, 2005.

(11) To any campus of the California State University or the University of California, or any four year college or university accredited by a regional accreditation organization approved by the United States Department of Education, if needed in conjunction with an application for admission by a convicted felon to any special education program for convicted felons, including, but not limited to, university alternatives and halfway houses. Only conviction information shall be furnished. The college or university may require the convicted felon to be fingerprinted, and any inquiry to the department under this section shall include the convicted felon's fingerprints and any other information specified by the department.

(12) To any foreign government, if requested by the individual who is the subject of the record requested, if needed in conjunction with the individual's application to adopt a minor child who is a citizen of that foreign nation. Requests for information pursuant to this paragraph shall be in accordance with the process described in Sections 11122 to 11124, inclusive. The response shall be provided to the foreign government or its designee and to the individual who requested the information.

(d) Whenever an authorized request for state summary criminal history information pertains to a person whose fingerprints are on file with the Department of Justice and the department has no criminal history of that person, and the information is to be used for employment, licensing, or certification purposes, the fingerprint card

accompanying the request for information, if any, may be stamped "no criminal record" and returned to the person or entity making the request.

(e) Whenever state summary criminal history information is furnished as the result of an application and is to be used for employment, licensing, or certification purposes, the Department of Justice may charge the person or entity making the request a fee that it determines to be sufficient to reimburse the department for the cost of furnishing the information. In addition, the Department of Justice may add a surcharge to the fee to fund maintenance and improvements to the systems from which the information is obtained. Notwithstanding any other law, any person or entity required to pay a fee to the department for information received under this section may charge the applicant a fee sufficient to reimburse the person or entity for this expense. All moneys received by the department pursuant to this section, Sections 11105.3 and 26190, and former Section 13588 of the Education Code shall be deposited in a special account in the General Fund to be available for expenditure by the department to offset costs incurred pursuant to those sections and for maintenance and improvements to the systems from which the information is obtained upon appropriation by the Legislature.

(f) Whenever there is a conflict, the processing of criminal fingerprints and fingerprints of applicants for security guard or alarm agent registrations or firearms qualification permits submitted pursuant to Section 7583.9, 7583.23, 7596.3, or 7598.4 of the Business and Professions Code shall take priority over the processing of other applicant fingerprints.

(g) It is not a violation of this section to disseminate statistical or research information obtained from a record, provided that the identity of the subject of the record is not disclosed.

(h) It is not a violation of this section to include information obtained from a record in (1) a transcript or record of a judicial or administrative proceeding or (2) any other public record if the inclusion of the information in the public record is authorized by a court, statute, or decisional law.

(i) Notwithstanding any other law, the Department of Justice or any state or local law enforcement agency may require the submission of fingerprints for the purpose of conducting summary criminal history information checks that are authorized by law.

(j) The state summary criminal history information shall include any finding of mental incompetence pursuant to Chapter 6 (commencing with Section 1367) of Title 10 of Part 2 arising out of a complaint charging a felony offense specified in Section 290.

(k) (1) This subdivision shall apply whenever state or federal summary criminal history information is furnished by the Department of Justice as the result of an application by an authorized agency or organization and the information is to be used for peace officer employment or certification purposes. As used in this subdivision, a peace officer is defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

(2) Notwithstanding any other law, whenever state summary criminal history information is initially furnished pursuant to paragraph (1), the Department of Justice shall disseminate the following information:

(A) Every conviction rendered against the applicant.

(B) Every arrest for an offense for which the applicant is presently awaiting trial, whether the applicant is incarcerated or has been released on bail or on his or her own recognizance pending trial.

(C) Every arrest or detention, except for an arrest or detention resulting in an exoneration, provided, however, that where the records of the Department of Justice do not contain a disposition for the arrest, the Department of Justice first makes a genuine effort to determine the disposition of the arrest.

(D) Every successful diversion.

(E) Every date and agency name associated with all retained peace officer or nonsworn law enforcement agency employee preemployment criminal offender record information search requests.

(F) Sex offender registration status of the applicant.

(I) (1) This subdivision shall apply whenever state or federal summary criminal history information is furnished by the Department of Justice as the result of an application by a criminal justice agency or organization as defined in Section 13101, and the information is to be used for criminal justice employment, licensing, or certification purposes.

(2) Notwithstanding any other law, whenever state summary criminal history information is initially furnished pursuant to paragraph (1), the Department of Justice shall disseminate the following information:

(A) Every conviction rendered against the applicant.

(B) Every arrest for an offense for which the applicant is presently awaiting trial, whether the applicant is incarcerated or has been released on bail or on his or her own recognizance pending trial.

(C) Every arrest for an offense for which the records of the Department of Justice do not contain a disposition or did not result in a conviction, provided that the Department of Justice first makes a genuine effort to determine the disposition of the arrest. However, information concerning an arrest shall not be disclosed if the records of the Department of Justice indicate or if the genuine effort reveals that the subject was exonerated, successfully completed a diversion or deferred entry of judgment program, or the arrest was deemed a detention.

(D) Every date and agency name associated with all retained peace officer or nonsworn law enforcement agency employee preemployment criminal offender record information search requests.

(E) Sex offender registration status of the applicant.

(m) (1) This subdivision shall apply whenever state or federal summary criminal history information is furnished by the Department of Justice as the result of an application by an authorized agency or organization pursuant to Section 1522, 1568.09, 1569.17, or 1596.871 of the Health and Safety Code, or any statute that incorporates

the criteria of any of those sections or this subdivision by reference, and the information is to be used for employment, licensing, or certification purposes.

(2) Notwithstanding any other provision of law, whenever state summary criminal history information is initially furnished pursuant to paragraph (1), the Department of Justice shall disseminate the following information:

(A) Every conviction of an offense rendered against the applicant, except a conviction for which relief has been granted pursuant to Section 1203.49.

(B) Every arrest for an offense for which the applicant is presently awaiting trial, whether the applicant is incarcerated or has been released on bail or on his or her own recognizance pending trial.

(C) Every arrest for an offense for which the Department of Social Services is required by paragraph (1) of subdivision (a) of Section 1522 of the Health and Safety Code to determine if an applicant has been arrested. However, if the records of the Department of Justice do not contain a disposition for an arrest, the Department of Justice shall first make a genuine effort to determine the disposition of the arrest.

(D) Sex offender registration status of the applicant.

(3) Notwithstanding the requirements of the sections referenced in paragraph (1) of this subdivision, the Department of Justice shall not disseminate information about an arrest subsequently deemed a detention or an arrest that resulted in either the successful completion of a diversion program or exoneration.

(n) (1) This subdivision shall apply whenever state or federal summary criminal history information, to be used for employment, licensing, or certification purposes, is furnished by the Department of Justice as the result of an application by an authorized agency, organization, or individual pursuant to any of the following:

(A) Paragraph (10) of subdivision (c), when the information is to be used by a cable corporation.

(B) Section 11105.3 or 11105.4.

(C) Section 15660 of the Welfare and Institutions Code.

(D) Any statute that incorporates the criteria of any of the statutory provisions listed in subparagraph (A), (B), or (C), or of this subdivision, by reference.

(2) With the exception of applications submitted by transportation companies authorized pursuant to Section 11105.3, and notwithstanding any other law, whenever state summary criminal history information is initially furnished pursuant to paragraph (1), the Department of Justice shall disseminate the following information:

(A) Every conviction, except a conviction for which relief has been granted pursuant to Section 1203.49, rendered against the applicant for a violation or attempted violation of any offense specified in subdivision (a) of Section 15660 of the Welfare and Institutions Code. However, with the exception of those offenses for which registration is required pursuant to Section 290, the Department of Justice shall not disseminate information pursuant to this subdivision unless the conviction occurred within 10 years of the date of the agency's request for information or the conviction is over 10 years old but the subject of the request was incarcerated within 10 years of the agency's request for information.

(B) Every arrest for a violation or attempted violation of an offense specified in subdivision (a) of Section 15660 of the Welfare and Institutions Code for which the applicant is presently awaiting trial, whether the applicant is incarcerated or has been released on bail or on his or her own recognizance pending trial.

(C) Sex offender registration status of the applicant.

(o) (1) This subdivision shall apply whenever state or federal summary criminal history information is furnished by the Department of Justice as the result of an application by an authorized agency or organization pursuant to Section 379 or 550 of the Financial Code, or any statute that incorporates the criteria of either of those sections or this subdivision by reference, and the information is to be used for employment, licensing, or certification purposes.

(2) Notwithstanding any other law, whenever state summary criminal history information is initially furnished pursuant to paragraph (1), the Department of Justice shall disseminate the following information:

(A) Every conviction rendered against the applicant for a violation or attempted violation of any offense specified in Section 550 of the Financial Code, except a conviction for which relief has been granted pursuant to Section 1203.49.

(B) Every arrest for a violation or attempted violation of an offense specified in Section 550 of the Financial Code for which the applicant is presently awaiting trial, whether the applicant is incarcerated or has been released on bail or on his or her own recognizance pending trial.

(p) (1) This subdivision shall apply whenever state or federal criminal history information is furnished by the Department of Justice as the result of an application by an agency, organization, or individual not defined in subdivision (k), (l), (m), (n), or (o), or by a transportation company authorized pursuant to Section 11105.3, or any statute that incorporates the criteria of that section or this subdivision by reference, and the information is to be used for employment, licensing, or certification purposes.

(2) Notwithstanding any other law, whenever state summary criminal history information is initially furnished pursuant to paragraph (1), the Department of Justice shall disseminate the following information:

(A) Every conviction rendered against the applicant, except a conviction for which relief has been granted pursuant to Section 1203.49.

(B) Every arrest for an offense for which the applicant is presently awaiting trial, whether the applicant is incarcerated or has been released on bail or on his or her own recognizance pending trial.

(C) Sex offender registration status of the applicant.

(q) All agencies, organizations, or individuals defined in subdivisions (k), (l), (m), (n), (o), and (p) may contract with the Department of Justice for subsequent notification pursuant to Section 11105.2. This subdivision shall not supersede sections that mandate an agency, organization, or individual to contract with the Department of Justice for subsequent notification pursuant to Section 11105.2.

(r) This section does not require the Department of Justice to cease compliance with any other statutory notification requirements.

(s) The provisions of Section 50.12 of Title 28 of the Code of Federal Regulations are to be followed in processing federal criminal history information.

(t) Whenever state or federal summary criminal history information is furnished by the Department of Justice as the result of an application by an authorized agency, organization, or individual defined in subdivisions (k) to (p), inclusive, and the information is to be used for employment, licensing, or certification purposes, the authorized agency, organization, or individual shall expeditiously furnish a copy of the information to the person to whom the information relates if the information is a basis for an adverse employment, licensing, or certification decision. When furnished other than in person, the copy shall be delivered to the last contact information provided by the applicant.

(Amended by Stats. 2014, Ch. 708, Sec. 5.5. (AB 1585) Effective January 1, 2015.)

State of California

PENAL CODE

Section 26150

26150. (a) When a person applies for a license to carry a pistol, revolver, or other firearm capable of being concealed upon the person, the sheriff of a county may issue a license to that person upon proof of all of the following:

(1) The applicant is of good moral character.

(2) Good cause exists for issuance of the license.

(3) The applicant is a resident of the county or a city within the county, or the applicant's principal place of employment or business is in the county or a city within the county and the applicant spends a substantial period of time in that place of employment or business.

(4) The applicant has completed a course of training as described in Section 26165.

(b) The sheriff may issue a license under subdivision (a) in either of the following formats:

(1) A license to carry concealed a pistol, revolver, or other firearm capable of being concealed upon the person.

(2) Where the population of the county is less than 200,000 persons according to the most recent federal decennial census, a license to carry loaded and exposed in only that county a pistol, revolver, or other firearm capable of being concealed upon the person.

(c) (1) Nothing in this chapter shall preclude the sheriff of the county from entering into an agreement with the chief or other head of a municipal police department of a city to process all applications for licenses, renewals of licenses, or amendments to licenses pursuant to this chapter, in lieu of the sheriff.

(2) This subdivision shall only apply to applicants who reside within the city in which the chief or other head of the municipal police department has agreed to process applications for licenses, renewals of licenses, and amendments to licenses, pursuant to this chapter.

(Amended by Stats. 2015, Ch. 785, Sec. 2. (AB 1134) Effective January 1, 2016.)

State of California

PENAL CODE

Section 26190

26190. (a) (1) Each applicant for a new license or for the renewal of a license shall pay at the time of filing the application a fee determined by the Department of Justice. The fee shall not exceed the application processing costs of the Department of Justice for the direct costs of furnishing the report required by Section 26185.

(2) After the department establishes fees sufficient to reimburse the department for processing costs, fees charged shall increase at a rate not to exceed the legislatively approved annual cost-of-living adjustments for the department's budget.

(3) The officer receiving the application and the fee shall transmit the fee, with the fingerprints if required, to the Department of Justice.

(b) (1) The licensing authority of any city, city and county, or county may charge an additional fee in an amount equal to the actual costs for processing the application for a new license, including any required notices, excluding fingerprint and training costs, but in no case to exceed one hundred dollars (\$100), and shall transmit the additional fee, if any, to the city, city and county, or county treasury.

(2) The first 20 percent of this additional local fee may be collected upon filing of the initial application. The balance of the fee shall be collected only upon issuance of the license.

(c) The licensing authority may charge an additional fee, not to exceed twenty-five dollars (\$25), for processing the application for a license renewal, and shall transmit an additional fee, if any, to the city, city and county, or county treasury.

(d) These local fees may be increased at a rate not to exceed any increase in the California Consumer Price Index as compiled and reported by the Department of Industrial Relations.

(e) (1) In the case of an amended license pursuant to Section 26215, the licensing authority of any city, city and county, or county may charge a fee, not to exceed ten dollars (\$10), for processing the amended license.

(2) This fee may be increased at a rate not to exceed any increase in the California Consumer Price Index as compiled and reported by the Department of Industrial Relations.

(3) The licensing authority shall transmit the fee to the city, city and county, or county treasury.

(f) (1) If psychological testing on the initial application is required by the licensing authority, the license applicant shall be referred to a licensed psychologist used by the licensing authority for the psychological testing of its own employees. The applicant may be charged for the actual cost of the testing in an amount not to exceed one hundred fifty dollars (\$150).

(2) Additional psychological testing of an applicant seeking license renewal shall be required only if there is compelling evidence to indicate that a test is necessary. The cost to the applicant for this additional testing shall not exceed one hundred fifty dollars (\$150).

(g) Except as authorized pursuant to this section, no requirement, charge, assessment, fee, or condition that requires the payment of any additional funds by the applicant, or requires the applicant to obtain liability insurance, may be imposed by any licensing authority as a condition of the application for a license.

(Amended by Stats. 2011, Ch. 741, Sec. 2. (SB 610) Effective January 1, 2012.)

State of California

PENAL CODE

Section 26705

26705. (a) The duly constituted licensing authority of a city, county, or a city and county shall accept applications for, and may grant licenses permitting, licensees to sell firearms at retail within the city, county, or city and county. The duly constituted licensing authority shall inform applicants who are denied licenses of the reasons for the denial in writing.

(b) No license shall be granted to any applicant who fails to provide a copy of the applicant's valid federal firearms license, valid seller's permit issued by the State Board of Equalization, and the certificate of eligibility described in Section 26710.

(c) A license granted by the duly constituted licensing authority of any city, county, or city and county, shall be valid for not more than one year from the date of issuance and shall be in one of the following forms:

(1) In the form prescribed by the Attorney General.

(2) A regulatory or business license that states on its face "Valid for Retail Sales of Firearms" and is endorsed by the signature of the issuing authority.

(3) A letter from the duly constituted licensing authority having primary jurisdiction for the applicant's intended business location stating that the jurisdiction does not require any form of regulatory or business license or does not otherwise restrict or regulate the sale of firearms.

(d) Local licensing authorities may assess fees to recover their full costs of processing applications for licenses.

(Added by Stats. 2010, Ch. 711, Sec. 6. (SB 1080) Effective January 1, 2011. Operative January 1, 2012, by Sec. 10 of Ch. 711.)

State of California

PENAL CODE

Section 33880

33880. (a) A city, county, or city and county, or a state agency may adopt a regulation, ordinance, or resolution imposing a charge equal to its administrative costs relating to the seizure, impounding, storage, or release of a firearm or ammunition.

(b) The fee under subdivision (a) shall not exceed the actual costs incurred for the expenses directly related to taking possession of a firearm or ammunition, storing the firearm or ammunition, and surrendering possession of the firearm or ammunition to a licensed firearms dealer or to the owner.

(c) The administrative costs described in subdivisions (a) and (b) may be waived by the local or state agency upon verifiable proof that the firearm or ammunition was reported stolen at the time the firearm came into the custody or control of the law enforcement agency.

(d) The following apply to any charges imposed for administrative costs pursuant to this section:

(1) The charges shall only be imposed on the person claiming title to the firearm or ammunition.

(2) Any charges shall be collected by the local or state authority only from the person claiming title to the firearm or ammunition.

(3) The charges shall be in addition to any other charges authorized or imposed pursuant to this code.

(4) A charge may not be imposed for a hearing or appeal relating to the removal, impound, storage, or release of a firearm or ammunition, unless that hearing or appeal was requested in writing by the legal owner of the firearm or ammunition. In addition, the charge may be imposed only upon the person requesting that hearing or appeal.

(e) Costs for a hearing or appeal related to the release of a firearm or ammunition shall not be charged to the legal owner who redeems the firearm or ammunition, unless the legal owner voluntarily requests the post-storage hearing or appeal. A city, county, city and county, or state agency shall not require a legal owner to request a post-storage hearing as a requirement for release of the firearm or ammunition to the legal owner.

(Amended by Stats. 2015, Ch. 205, Sec. 3. (AB 950) Effective January 1, 2016.)

Legal Codes

Tracy Municipal Code

1.28.050 - Amount of fines.

- (a) Maximum amount of fine. The maximum amount of the fine for each Code violation imposed under this chapter shall be established in a schedule of fines adopted by resolution of the City Council. The schedule of fines shall specify:
- (1) Any increased fines for repeat violations of the same Code provision by the same person within a twelve (12) month period; and
 - (2) Any late payment charges imposed for the payment of a fine after its due date.
- (b) Additional amounts. Administrative costs, interest, late payment charges, costs of compliance reinspections, and collection costs are in addition to the fines.
- (c) Factors in establishing fine.
- (1) Enforcement officer. When preparing the administrative citation, the enforcement officer shall set the fine at the maximum fine established by the City Council.
 - (2) Hearing officer. Upon request before or at the hearing held under section 1.28.090, the hearing officer may in his or her sole discretion reduce the amount of the fine based on the following factors: (A) the duration of the violation; (B) the frequency, recurrence and number of violations, related or unrelated, by the same violator; (C) the seriousness of the violation; (D) the good faith efforts of the violator to come into compliance; (E) the impact of the violation on the community; and (F) such other factors as justice requires.
- (Ord. 1040 § 2 Exh. B (part), 2002)

3.16.030 - Limitations on number of permits.

- (a) The City Council shall set by resolution the maximum number of vehicles for hire to be operated in the City and the maximum number of vehicles for hire for which each business owner may seek vehicle permits.
- (b) Should the maximum number of taxicabs or vehicles for hire in the City be reached as stated by City Council resolution, the City shall create a waiting list for vehicles which shall be notified when permits become available. Existing permit holders in good standing have priority in renewal and vehicles on the waiting list shall receive annual permits only after existing vehicle permit holders have been given an opportunity to renew.
- (Ord. No. 1160, § 1, 6-21-2011)

3.16.040 - Business owner's permits.

- (a) Permit applications. Any person or entity seeking to operate as a business owner shall apply in the manner set forth in this chapter. The application shall be in writing, signed by the business owner, and shall set forth all information required, including, but not limited to, the following:
- (1) Name and address of each business owner applying to operate taxicabs or other vehicles for hire;
 - (2) Fictitious business name of the applicant, if any;
 - (3) Mailing address and business telephone number of the applicant;

- (4) Name, address, age and driver's license number of each employee who will be driving the owner's vehicles;
- (5) Total number of vehicles to be operated in the City under the business owner's permit, including the numbering of said vehicles; legal and registered ownership of each of the vehicles to be used by the applicant; and the manufacturer, model year, vehicle type, vehicle identification number ("VIN") for each vehicle; license plate number; company identification number; passenger capacity and proof of commercial registration for each vehicle to be operated within the City; together with evidence satisfactory to the City that each taxicab or vehicle for hire proposed to be operated under the permit has been safety-inspected in accordance with the terms of this chapter, and otherwise complies in all respects with all applicable laws, rules and regulations;
- (6) Description of the color scheme, insignia, trade style and/or any other unique characteristics of the taxicab design and placement of City required markings and company markings along with a color photograph of the vehicle;
- (7) The street address(es) from which the applicant conducts or will conduct the taxicab or vehicle for hire business; where dispatch will be conducted; and each location at which the business's vehicles will be garaged;
- (8) Prior experience of the applicant in a taxicab or vehicle for hire business, including the details of any prior permit denial, revocation or suspension by any public agency of any type of operator's or driver's permit, license or certificate;
- (9) A certification by the business owner that no driver employed or to be employed by the operator has been convicted of driving under the influence of alcohol or drugs in any state within five (5) calendar years preceding the date of application;
- (10) A copy of the business owner's maintenance program, including preventative maintenance. The program must be in accordance with the vehicle manufacturer's warranty specifications and any applicable state and federal laws;
- (11) Rates to be charged to the public throughout the term of the business owner's permit;
- (12) Federal taxpayer identification or social security number of the applicant;
- (13) Satisfactory proof of insurance as provided in section 3.16.110 of this chapter for each driver and vehicle to be operated in the City under the permit;
- (14) Satisfactory evidence establishing that the applicant has complied and currently complies with the provisions of California Government Code Section 53075.5(b)(3), or any successor provision, pertaining to pre-employment and periodic testing of drivers for controlled substances and alcohol, and with provisions pertaining to payment for drug and alcohol testing programs and related reporting requirements. The applicant must also provide satisfactory evidence from a City approved lab that each driver who will operate a taxicab or vehicle for hire within the City has tested negative for drugs and alcohol as required by section 53075.5;
- (15) Unless otherwise provided by law, evidence that the applicant has procured worker's compensation insurance covering all drivers to be employed by the applicant;
- (16) Acknowledgement that the taxicab service or vehicle for hire has the ability to provide service to persons utilizing the City's mandatory subsidized taxi service program within twenty-four (24) hours' notice;

- (17) The history of the organization and the manner in which it is organized, including, without limitation, the date of formation, the business commencement date(s), and all business locations in California during the five (5) calendar years preceding the year of application;
 - (18) Submission of Department of Motor Vehicles (DMV) Pull Notice Program Requestor Code Number, as defined in Vehicle Code Section 1808.1, issued to the applicant. As a condition of accepting a business owner's permit, the business owner is required to notify the City immediately if it receives a DMV Pull Notice on one of its drivers that would affect that person's driver's permit. In the event a driver's DMV record indicates that a driver no longer qualifies for a driver's permit, the business owner must require the driver to surrender the driver's permit to the Chief of Police. DMV Pull Notice records must be made available for review by the City upon request;
 - (19) Submission of records of any convictions in any court of any state of the United States or in any United States court with respect to any business owner or driver identified in the business owner's permit application; including any such convictions following a plea of no contest (or nolo contendere). The City council specifically authorizes the Chief of Police or designee to receive state and local summary criminal history information in fulfilling his licensing duties under this chapter;
 - (20) Satisfactory proof that the business will be operated in compliance with all provisions of this chapter;
 - (21) Any additional information pertinent to the operation of the proposed taxicab or vehicle for hire service that the City may require.
- (b) Disposition of business owner's application—Conditions.
- (1) Such business owner's permit shall be granted unless:
 - (i) The applicant fails to submit a complete application; or
 - (ii) The applicant makes any omission, untrue statement or material misrepresentation in the application, or provides fraudulent documentation with the application; or
 - (iii) Any vehicle proposed to be operated lacks the required equipment, is improperly licensed or unsafe; or
 - (iv) Additional taxicab service or vehicle for hire will have a detrimental effect on traffic and parking within the City, or will otherwise be contrary to the public welfare; or
 - (v) The applicant has been convicted of any felony offense, or of any misdemeanor offense involving moral turpitude, theft or fraud, including any such convictions following a plea of no contest, taking into consideration the nature of the conviction, the age of the applicant at the time of the conviction, any evidence of rehabilitation, and the relationship of the conviction to the propriety of the applicant operating a vehicle for hire; or
 - (vi) The applicant's proposed schedule of rates conflicts with those set by resolution by the City Council, or are otherwise unjust, unreasonable, discriminatory or preferential; or
 - (vii) The applicant has not otherwise complied with this chapter.

- (2) The issuance of a business owner's permit is conditional upon such owner ensuring that each vehicle for hire operated by such business owner has a vehicle permit issued by the City, and each driver of such vehicle for hire has a driver's permit issued by the City, within the limits and in the manner set forth in this chapter.
- (3) The business owner shall notify the City immediately upon termination of employment of an employee hired to operate a taxicab or vehicle for hire in the City.

(Ord. No. 1160, § 1, 6-21-2011)

3.16.150 - Maintenance and inspection requirements.

Requirements for inspection of taxicabs and vehicles for hire.

- (a) Initial inspection: Before a vehicle permit is issued to a business owner, each vehicle for which a vehicle permit is requested shall be inspected by the City or shall be delivered to a City-approved vehicle inspection station for inspection of such vehicle and its equipment to ascertain whether such vehicle and equipment comply with the provisions of this chapter. The City shall provide to the business owner a list of approved vehicle inspection stations. Any vehicle which is found after such inspection to be unsafe or in any way unsuitable for service will not be issued a vehicle permit and immediately may be ordered out of service. Before a vehicle permit is issued, or the vehicle is again placed in service, it shall be placed in a safe and sanitary condition, inspected, and a completed "certificate of safety" inspection certificate shall be filed with the City. Before a vehicle permit is issued, or the vehicle is again placed in service, the inspecting garage shall also issue an official smog certificate for each vehicle inspected to accompany the "certificate of safety" inspection certificate. The interior and exterior of any vehicle shall be clean and well maintained as determined by the City and meet California Vehicle Code requirements and the requirements of this chapter at all times when in operation.
- (b) Annual reinspections: To ensure continued maintenance of safe operating conditions, each vehicle to be operated and its equipment shall be reinspected upon annual renewal of the vehicle permit by the City or at a City-approved garage as provided on the City's list of approved vehicle inspection stations. The City or garage shall, after such annual inspection, issue a "certificate of safety" inspection certificate stating that the vehicle and its equipment comply with the safety requirements of this chapter. The inspecting garage shall issue an official smog certificate for each vehicle inspected to accompany the "certificate of safety" inspection certificate. The owner of taxicabs shall also annually take the taxicabs to the County of San Joaquin, Division of Weights and Measures, for recertification of the taximeters. The cost of the inspections shall be paid by the owner of the vehicles.
- (c) Authority of city to inspect taxicabs and vehicles for hire. Any City official charged by the Chief of Police with the authority to enforce this chapter shall have the right, after displaying the proper identification, to enter into or upon any permitted taxicab or vehicle for hire in the City for the purpose of ascertaining whether or not any of the provisions of this chapter are being violated. The last inspection form, a current commercial vehicle registration, a copy of the current Division of Weights and Measures certificate certifying the taximeter, and a copy of the current insurance policy shall be carried in the vehicle at all times and shall be made readily available to the City representative in the course of the inspection. The scope of this inspection is limited to determining compliance with the requirements of this chapter and may be done without notice, warrant, or individualized suspicion of wrongdoing.

(Ord. No. 1160, § 1, 6-21-2011)

3.20.060 - License fees.

License fees are hereby established for the purpose of issuing bicycle licenses and registration certificates, the transfer of registration certificates, the replacement of bicycle licenses and/or registration certificates, and the renewal stickers as required by the Vehicle Code of the State for the registration and licensing of bicycles. Revenues collected pursuant to this section from license fees shall be retained by the City and shall be used for the support of such bicycle licensing provisions as set forth in this section, for the enforcement of bicycle violations, and for bicycle education and safety. In addition, fees collected may be used to improve bicycle safety programs and establish bicycle facilities, including bicycle paths and lanes, within the City. The fees required to be paid under this article shall be in the amounts established by resolution of the City Council, for the following items, as follows:

- (a) For each new bicycle license and registration certificate.
- (b) For each transfer of a registration certificate.
- (c) For each replacement of a bicycle license or registration certificate.
- (d) For each bicycle license renewal. Any fraction thereof shall be considered a full year.

(Prior code § 3-5.106)

(Ord. No. 1159, § 3, 6-7-2011)

3.20.070 - Renewal of registrations—Fees.

A renewal sticker shall be in the amount established by resolution of the City Council and shall be renewed every three (3) years under Section 3.20.060 of this article.

(Prior code § 3-5.107)

(Ord. No. 1159, § 4, 6-7-2011)

3.36.010 - Fee schedule.

The City Council shall by resolution action taken from time to time establish a fee schedule for services provided to the public by the departments of the City.

(Prior code § 3-9.01)

3.40.060 - Alarm user permit required.

(a) It shall be unlawful for any person to install or use an alarm system without first obtaining, and maintaining as valid, an alarm permit issued by the City in accordance with this chapter.

(1) The alarm user permittee shall pay an alarm use permit issuance fee in an amount determined by City Council resolution. Any alarm system which is connected directly to the Tracy Police Department will be subject to special permits and additional service fees to be determined by resolution.

(2) New construction alarm system permit. An alarm system permit must be obtained for all alarm systems installed as a part of the construction of a structure where the system will not be activated until the alarm area is sold, leased, or rented to another.

- (3) Alarm user. Prior to activation of an alarm system installed as described in subsection (1) of this subsection, or prior to installation of an alarm system not covered in subsection (1) of this subsection, an alarm user permit shall be obtained.
- (b) Alarm user permits shall be invalid unless renewed yearly on or before July 1 of each year.
- (c) When emergency message signals or notices are received by the Police Department that evidence a failure to obtain a permit, the Police Chief or his representative is authorized to demand that the owner or lessee of the alarm system initiating such message signals or notice disconnect the alarm system until it is made to comply with said requirements.
(Ord. 1099 § 1, 2006; prior code § 3-10.06)

3.40.150 - False alarms—Costs recoverable.

All false alarms per permit shall be tabulated on a fiscal year, July 1 through June 30.

- (a) Alarms within the first fifteen (15) days of operation of a new system or first ten (10) days of a substantially modified system will not be counted as false alarms.
- (b) No recoverable costs shall be assessed for the first two (2) false alarms activations per alarm system during said fiscal year.
- (c) The second false alarm activation during said fiscal year shall result in notification by the Police Department of the required provisions of this chapter and outline expected remedial action.
- (d) Upon the fourth and subsequent false alarms in said fiscal year, the alarm business or permittee shall be required to pay a fee in an amount determined to recover the City's costs of response to such false alarms as specifically set forth and specified by resolution of the City Council pursuant to section 3.36.010 of the Tracy Municipal Code.
(Ord. 1099 § 4, 2006; prior code § 3-10.15)

3.44.140 - Attendant—Permit.

- (a) Application. An application for attendant's permit shall be made upon forms furnished by the City, signed by the applicant under penalty of perjury, and shall contain:
 - (1) The applicant's full name, present residence address, and any other residence address during the past year;
 - (2) Age, date of birth, weight, height, color of eyes and hair and drivers license number;
 - (3) A statement of all felonies and misdemeanors (including moving traffic violations and excluding parking violations) for which the applicant has been convicted with the five (5) years immediately preceding application for the permit; and.
 - (4) A statement of past experiences as a tow car or tow truck operator or attendant, including the name and address of each employment as a towing service operator or attendant within the five (5) years immediately preceding applicant for the permit.
- (b) Application fee; fingerprints. Applicants for attendant's permits shall pay to the City a fee as set by resolution of the City Council. When the application is processed, fingerprints shall be submitted as required by the Bureau of Identification, State of California. The applicant shall pay the fingerprint fee in addition to the City fee.

- (c) Investigation. The Chief of Police shall cause to be conducted an investigation of each application for an attendant's permit; and a report of such investigation, including a copy of the traffic and police record of the applicant, if any, shall be attached to the application.
- (d) Approval or rejection of application; findings.
- (1) The Chief of Police, upon consideration of an application for an attendant's permit, and the investigation reports and documents attached thereto, shall approve or reject the application in accordance with the provisions of this chapter.
- (2) The Chief of Police shall issue an attendant's permit if he/she finds that the applicant:
- (i) Is the age of eighteen (18) years or over;
 - (ii) Is able to speak, read and write the English language;
 - (iii) Has a safe driving record. Applicant must possess a valid California Driver's License;
 - (iv) Has met all of the requirements of this chapter and all other applicable laws and regulations;
 - (v) Has not been convicted within the five (5) years immediately preceding application for a permit of a crime involving honesty or veracity, violence, dangerous or deadly weapons, or more than once during the five (5) year period has been convicted of the use or possession of narcotics, or for operating a vehicle under the influence of intoxicating liquor.
- (3) Applicant shall be rejected if:
- (i) Applicant has more than two (2) convictions for hazardous traffic violations in the prior twelve (12) months; or
 - (ii) Applicant has been involved in more than two (2) accidents in which the applicant was the primary cause of the accident or significantly contributed to the cause of the accident in the prior twelve (12) months; or
 - (iii) Applicant has more than one conviction for a hazardous misdemeanor traffic violation in the past twelve (12) months; or
 - (iv) Applicant has three (3) or more convictions or accidents in any of the above listed categories.

(Prior code § 3-11.14)

3.52.030 - Fee imposed.

The Police Department shall charge a fee to cover its costs in taking possession, storing and surrendering a firearm under a domestic violence protective order (Family Code § 6389). The amount of the fee shall be established by City Council resolution. The fee shall not exceed the actual costs.

The portion of the fee for processing is payable when the Police Department takes possession of the firearm. The portion of the fee for storage is payable when the Police Department surrenders the firearm to the owner or a firearms dealer.

(Ord. No. 1128, § 1, 11-18-2008)

3.52.040 - Limitations.

The fee shall be imposed and collected only from the person claiming title to the firearm. No charge may be imposed for any hearing or appeal relating to the firearm, unless that the owner of the firearm requested that hearing or appeal.

(Ord. No. 1128, § 1, 11-18-2008)

4.04.030 - Card room license: application, fee and investigation.

(a) Application. An applicant for a card room license shall submit his/her application to the Chief. The application shall be under oath and shall include the following information for the applicant and for each person financially interested in the business. "Financially interested" includes sharing in the profits of the business on the basis of gross or net revenue.

1. The true names and addresses.
2. The past criminal record, if any.
3. Fingerprints.

(b) Fee. At the time the application is submitted, the applicant shall pay to the City an application fee as established by resolution of the City Council. This fee is exclusive of any other fees charged by other agencies.

(c) Investigation. The Chief shall investigate the applicant and those financially interested. The Chief of Police shall act as an investigation officer and submit his/her report to the Council stating his/her approval or disapproval for the issuance of such license.

(Ord. No. 1134, § 1, 5-5-2009)

4.04.050 - Card room license; annual renewal.

Licenses shall be issued on an annual basis. The annual license fee, payable each fiscal year beginning July 1, shall be established by resolution of the City Council. The fees shall be payable to the City after the Council has approved the issuance of the license but prior to the issuance of the license. The operator of a card room shall pay the license fee set forth in this section regardless of the license fees he/she might pay for other businesses.

(Ord. No. 1134, § 1, 5-5-2009)

4.04.070 - Card room work permits.

(a) Application. Card room employees shall obtain a work permit from the Chief. Applications for such work permits shall be submitted under oath and contain the name, address, and past criminal record, if any, of the applicant and such other information as may be deemed necessary by the Chief to determine whether the applicant is a proper person to be issued a card room work permit. The application shall be accompanied by the fingerprints of the applicant. The work permit shall be issued only to citizens of the United States who have resided in the State for at least one year immediately preceding the issuance of such work permit.

(b) Grounds for denial. The Chief shall deny a work permit if the applicant has previously been convicted of a felony or a misdemeanor crime involving moral turpitude, or if the applicant has been convicted of a felony or misdemeanor involving:

- (1) Force or violence;
- (2) Fraud;
- (3) Embezzlement;

- (4) Theft; or
 - (5) Uniform Controlled Substance Act.
 - (c) Fee. Each application for a work permit shall be accompanied by a nonrefundable fee as established by resolution of the City Council. The work permit shall be valid for a period of one year. Only one such work permit is required each year, even though the permit holder may change his/her place of employment within the City.
 - (d) Temporary permit. A temporary card room work permit may be obtained from the Chief in accordance with the following:
 - (1) A completed "card room dealer work permit application" accompanied by the appropriate fees as established by resolution of the City Council;
 - (2) Presentation of California Driver's License or Picture Identification card;
 - (3) Completion by the Police Department of a local record check and check of the "state wanted person system"; and
 - (4) Fingerprints to be taken, submitted to and cleared the Department of Justice.
- Upon review of the application, in accordance with the card room work permit provisions set forth in this chapter, the temporary permit may be issued for a period of ninety (90) days. If the fingerprint clearance is not completed within that time, a thirty-day extension may be granted. If the card room work permit is granted in accordance with this section, the one year term shall be from the date of the issuance of the temporary permit.
- (e) Appeal. The action of the Chief in denying a work permit on the basis of subsections (a) or (b) of this section is subject to an appeal to the City Manager. An appeal must be filed with the City Clerk within ten (10) days after the denial, after which time the decision of the Chief is final. On appeal, a decision of the City Manager is final.
 - (f) An application for a work permit may be denied or revoked based upon the objection of the State Division of Gambling Control.
- (Ord. No. 1134, § 1, 5-5-2009)Resolutions

4.12.190 - Payment of license fees.

The applicant shall, with his application for a new license or transfer of any existing license, deposit with the City Clerk a license fee of Five Hundred Fifty and no/100ths (\$550.00) Dollars for the first year, and in the event the license is granted, it shall be renewed for periods of one year at a time until revoked upon the payment of a license fee for each successive year of Three Hundred Fifty and no/100ths (\$350.00) Dollars per year, payable in advance. In the event the application is not granted, the applicant shall have refunded to him the license fee paid for the first year, except for the costs of the investigation hereinbefore referred to, including the costs of publishing the notice of application.

(Prior code § 4-3.513)

4.24.050 - Licenses—Applications.

Applications for licenses shall be made to the Chief of Police on forms prescribed by the Police Department and shall be filed not less than thirty (30) days prior to the proposed date of the bingo game or games. Such application form shall require from the applicant the following:

- (a) The name of the applicant organization and written proof that the applicant is an eligible organization under section 4.24.040 of this chapter;

- (b) A list of the names and residence addresses of members of the applicant organization who will, from time to time, operate and staff bingo games;
 - (c) The particular property within the City, including the street number, owned or leased by the applicant and used by such applicant for an office or for the performance of the purposes for which the applicant is organized, on which property bingo games will be conducted, together with the occupancy capacity of such place;
 - (d) The proposed days of the week and hours of the day for the conduct of bingo games;
 - (e) The annual license fee, as set forth in section 4.24.060 of this chapter shall accompany the application;
 - (f) A statement that the applicant agrees to conduct bingo games in strict accordance with the provisions of Section 326.5 of the Penal Code of the State and this chapter, as they may be amended from time to time, and agrees that the license to conduct bingo games may be revoked by the Chief of Police upon the violation of any of such provisions; and
 - (g) Such application shall be signed for the applicant by the presiding officer and one other officer of the applicant under penalty of perjury.
- (Prior code § 4-6.05)

5.08.130 - License tags for dogs.

- (a) Licenses required. It is hereby declared unlawful for any dog, not duly vaccinated, licensed, and registered in accordance with the provisions of this section, to be in the City or to be owned, kept, or possessed in the City by any person.
 - (b) Vaccinations required. Any person desiring to keep a dog in the City, within ten (10) days after the dog attains the age of four (4) months and prior to licensing the dog, shall have the dog vaccinated by a licensed veterinarian with a canine anti-rabies vaccine.
 - (c) License fees. Any person desiring to keep a dog over the age of four (4) months in the City, shall pay the City a license fee within thirty (30) days after acquiring such a dog or within thirty (30) days of an owned dog attaining the age of four (4) months. The license fee shall be established by resolution of the Council. Such fee shall be reduced by one-half ($\frac{1}{2}$) or more if a certificate is presented from a licensed veterinarian that the dog is spayed or neutered. Licenses of dogs over the age of four (4) months shall be renewed before or upon expiration of the current license. The license fee shall be delinquent if not paid on or before the due date. A penalty determined by resolution of the Council shall be added to the fee when the license is delinquent. All license terms issued shall not exceed the expiration date of the anti-rabies vaccination.
- Two and 50/100ths (\$2.50) Dollars for each unneutered female dog and One and 50/100ths (\$1.50) Dollars for each male or neutered dog of the fees collected pursuant to the provisions of this subsection shall be deposited to the credit of the Rabies Treatment and Eradication Fund until an order has been issued by the Department of Public Health of the State declaring that the County is free from rabies or further danger of its spread. Thereafter such fees shall be paid into the City Treasury and placed in the General Fund. The remaining amount of such fees shall be paid into the City Treasury and constitute a fund to be known as the Livestock Indemnity Fund.
- (1) At the end of each fiscal year, any surplus in the Livestock Indemnity Fund may be transferred by order of the Council to the General Fund provided sufficient funds

remain to adequately carry out the administration of the fund, including the indemnifying of owners of livestock killed by dogs.

(2) Licenses shall not be transferable on a change of ownership, nor from one dog to another.

(3) Licenses may be issued for a term of three (3) months to one year for dogs under one year of age and for three (3) months to three (3) years for dogs over one year of age. Licenses shall be issued from time to time and expire at the end of their term. Such license terms shall be quarterly or multiples thereof up to the maximum term.

(d) Certificates of vaccination. A dog license shall not be issued unless the applicant shows the License Clerk a valid certificate of canine anti-rabies vaccination, which certificate adequately describes the physical features of the dog, the date of vaccination, the type of vaccine used, and bears the signature of a licensed veterinarian.

(e) Type and frequency of vaccinations. The type of vaccine acceptable and the frequency of vaccination shall be determined by the Department of Public Health of the State.

(f) House-to-house checks. A house-to-house check may be conducted to locate dogs which are not vaccinated or licensed according to the provisions of this section to cause licenses to be taken and vaccinations to be given for such dogs.

(g) License tags. A suitable tag shall be furnished by the City, at the expense of the City, to each owner who shall pay such license fee, which tag the owner shall attach and keep attached to a collar around the neck of such dog at all times. Such tag shall have legibly stamped thereon the registered number of the dog.

(h) Registration records. The City shall keep a record in which it shall register the number of such tags supplied to each of the owners of such dogs, a description of the dog, the period for which such tag was purchased, the amount received therefor, and the residence address of the owner thereof.

(i) Dogs not allowed at large. Such license shall entitle the owner of the dog for which such license is issued to keep such dog in the City during the term for which the license was issued; provided, however, such owner at all times shall keep such dog securely enclosed in a room, pen, or enclosure or shall keep such dog securely tethered or on a leash, and it shall be unlawful for any person at any time to have, own, or possess any dog within the City, whether the dog shall be licensed or not, unless such dog shall be kept so enclosed, tethered, or on a leash.

(j) Impoundment of dogs at large. It is hereby made the duty of the Tracy Police Department to take and impound any dog so licensed and registered which may be found in the City, and also to take and impound any dog, whether licensed and registered or not, which may be found in the City if such dog is not enclosed or tethered or is not on a leash as provided in this section.

(k) Notices of impoundment. If any dog so taken or impounded shall be licensed or registered, and if such tag and number shall be upon the collar of such dog, the Tracy Police Department shall give a notice to the owner thereof within forty-eight (48) hours after such dog shall have been taken. Such notice shall state that the dog has been taken and impounded and that such dog will be disposed of or killed as provided in this section. Such notice shall be served upon the owner by delivering the notice to such owner personally, or by leaving the notice with any person at the place of residence of the owner, as stated in the records of the

City, or by posting the notice in a conspicuous place at the address of such owner, or by United States mail.

(l) Redemption of impounded dogs and cats. At any time within five (5) days after such notice shall have been so given, the owner or possessor of such licensed dog may redeem the dog by paying to the City a redemption fee and a boarding fee established by resolution of the Council. The owner or possessor of an unlicensed dog may redeem the dog by purchasing a license and paying to the City the same charges and fees set forth in this subsection. The owner or possessor of a cat may redeem the cat by paying to the City the same charges and fees set forth in this subsection. All dogs and cats not redeemed, as provided in this section, may be assigned to a third party provided the third party agrees to indemnify the City for incurred costs of care, and for the proper license fees, and for assignment fees, and further agrees to carry out the other provisions of this section, or the dog or cat may be humanely killed by the Animal Service Officer after five (5) business days of the impoundment of cat and unlicensed dogs and five (5) business days after proper notification of impoundment to the owners of licensed dogs.

(m) Impoundment of cats at large. It is hereby the duty of the Tracy Police Department to take and impound any cat which is found running at large and causing a public nuisance.

(n) Prohibition against assigning unaltered dogs or cats. Deposits for costs of spaying or neutering.

(1) The small animal shelter shall not assign any dog or cat which has not been spayed or neutered, unless a deposit for spaying or neutering has been tendered to the shelter. The deposit shall be in the amount determined by resolution of the Council to be comparable to the lowest fee charged by veterinarians in the locale. The deposit shall be held in trust and accounted for in a manner consistent with City policies. The deposit may be paid directly to a veterinarian for altering the assigned animal or returned to the person receiving the assigned animal upon the presentation of a certificate of alteration from a veterinarian to the Finance Department.

(2) Any dog or cat six (6) months of age or younger at the time of assignment shall be spayed or neutered within six (6) months, or the deposit shall be deemed unclaimed. Any dog or cat over six (6) months of age at the time of assignment shall be spayed or neutered within sixty (60) days, or the deposit shall be deemed unclaimed. Any deposit not claimed shall be used only for the following purposes:

(i) A public education program to prevent the overpopulation of cats and dogs;

(ii) A program to spay or neuter cats and dogs;

(iii) A follow-up program to assure that animals assigned by the shelter are spayed or neutered; or

(iv) Any additional costs incurred pursuant to this section.

(o) Prohibition against assigning dogs which have not been vaccinated for rabies: Deposits for costs of rabies vaccination.

(1) The small animal shelter shall not assign any dog which has not been vaccinated for rabies, unless a deposit for rabies vaccination has been tendered to the shelter. The deposit shall be in the amount determined by resolution of the Council. The deposit shall be held in trust and accounted for in a manner consistent with City standards. The deposit may be paid directly to a veterinarian for vaccinating the assigned animal or

returned to the person receiving the assigned animal upon the presentation of a certificate of vaccination from a veterinarian to the Finance Department. Any deposit not claimed may be transferred by resolution of the Council to the General Fund.

(2) Any dog four (4) months of age or younger at the time of assignment shall be vaccinated for rabies within ten (10) days after attaining the age of four (4) months and prior to licensing, or the deposit shall be deemed unclaimed. Any dog over four (4) months of age at the time of assignment shall be vaccinated for rabies and licensed within ten (10) days, or the deposit shall be deemed unclaimed. Any deposit not claimed shall be used only for the following purposes:

- (i) A public education program to prevent the over-population of cats and dogs;
- (ii) A program to spay or neuter cats and dogs;
- (iii) A follow-up program to assure that animals assigned by the shelter are spayed or neutered; or
- (iv) Any additional costs incurred pursuant to this section.

(Ord. 1040 § 5 Exh. E (part), 2002; prior code § 5-2.203)

(Ord. No. 1159, § 12, 6-7-2011)

5.08.170 - Burial of deceased animals.

It is the duty of all persons having dead animals upon their premises to bury the dead animals at least one foot underground, either upon their own premises or in some place outside City, with the property owner's permission, within twenty-four (24) hours after they shall have died or convey the dead animals to the animal shelter or to a licensed veterinary facility for disposal.

(Ord. 1040 § 5 Exh. E (part), 2002; prior code § 5-2.207)

5.08.180 - Failure or refusal of owner to bury deceased animal.

If any person fails or neglects to bury or otherwise dispose of any animal as provided for in this article, then in such case it shall be the duty of the Animal Service Officer to proceed forthwith to have the same disposed of, and it shall be lawful for the City to charge to and recover from the owner or possessor of such dead animals the cost of disposal thereof; and such person who shall neglect or refuse to bury or dispose, or cause the burial or disposal of, any dead animal as provided for in this article upon his premises or in any public place of which he is the owner or possessor, or pay the City the cost incurred in burying such dead animal, shall be guilty of a misdemeanor. In case the Animal Service Officer, after diligent search, cannot find the owner or possessor of any dead animal, in this article referred to, the Animal Service Officer shall cause the same to be disposed of and the cost thereof shall be paid by the City.

(Ord. 1040 § 5 Exh. E (part), 2002; prior code § 5-2.208)

5.08.240 - Impounding.

The Chief of Police and all police officers and other persons employed to perform any of such duties are hereby authorized and empowered to take up and impound any animals or poultry running at large in violation of the provisions of this article, and to keep such animals or poultry confined at the public pound or at such other place as the Chief of Police may provide, for not less than three (3) days unless such animals or poultry be redeemed by the payment in the

amount established by resolution of the City Council. Notices containing a description of the animals or poultry impounded shall be posted on the bulletin board near the entrance of the City Hall for at least three (3) days. The Chief of Police may, in his discretion, publish notices of the impounding of such animals or poultry in an attempt to locate the owner, in which event the cost of so doing shall be added to the costs of the care of such animals or poultry.

At expiration of the three (3) days, if the animals or poultry are not redeemed, the Chief of Police shall be deemed to have acquired jurisdiction over the animals or poultry and is hereby authorized to destroy, or to sell, or to otherwise dispose of them, and any proceeds derived therefrom shall accrue to the City, to be deposited in its general fund.

(Prior code § 5-2.305)

(Ord. No. 1159, § 14, 6-7-2011)

5.08.420 - Application for multiple pet permit; fee, investigation.

(a) Any person who desires to keep more than two (2) dogs and/or three (3) cats at any single residence in the City may apply to the Animal Services Department for a multiple pet permit.

(b) The application must be made on a form provided by the Animal Services Department and there shall be paid a nonrefundable application fee, the amount of which shall be set by Council resolution, and revised from time to time, in an amount sufficient to recover the costs of administering the multiple pet permit program.

(c) The application shall identify the owner by name, address and telephone number, the animals by name, breed, age, sex and for dogs, City of Tracy License Number.

(d) Upon receipt of the application, Animal Services shall serve notice of application and comment cards to neighboring property owners within a 100-foot radius of the applicant's residence.

(e) An Animal Services Officer shall inspect the applicant's property to determine if the size and condition of the property is adequate for keeping additional animals, and whether the manner of keeping the additional animals may violate any of the provisions of this chapter or of State or Federal law.

(Ord. No. 1133, I § 1, 3-3-2009)

State of California

VEHICLE CODE

Section 9255

9255. Upon application for the transfer of the title or any interest of an owner or legal owner in or to a vehicle registered under this code, or for which a certificate of ownership has been issued without registration under Section 4452, other than upon a transfer to a chattel mortgagee and other than upon a transfer to a transferee not required under this code to obtain the issuance to the owner of a new certificate of ownership and registration card, there shall be paid the following fees:

(1) For a transfer by the owner of an automobile or motorcycle	\$15
(2) For a transfer by the owner of a trailer coach or commercial vehicle	\$15
(3) For a transfer by the legal owner	\$15
(4) When an application is presented showing a transfer by both the owner and legal owner of an automobile or motorcycle	\$15
(5) When an application is presented showing a transfer by both the owner and legal owner of a trailer coach or commercial vehicle	\$15

(Amended by Stats. 2002, Ch. 758, Sec. 7. Effective January 1, 2003.)

State of California

VEHICLE CODE

Section 20012

20012. All required accident reports, and supplemental reports, shall be without prejudice to the individual so reporting and shall be for the confidential use of the Department of Motor Vehicles and the Department of the California Highway Patrol, except that the Department of the California Highway Patrol or the law enforcement agency to whom the accident was reported shall disclose the entire contents of the reports, including, but not limited to, the names and addresses of persons involved or injured in, or witnesses to, an accident, the registration numbers and descriptions of vehicles involved, the date, time and location of an accident, all diagrams, statements of the drivers involved or occupants injured in the accident and the statements of all witnesses, to any person who may have a proper interest therein, including, but not limited to, the driver or drivers involved, or the guardian or conservator thereof, the parent of a minor driver, the authorized representative of a driver, or to any named person injured therein, the owners of vehicles or property damaged thereby, persons who may incur civil liability, including liability based upon a breach of warranty arising out of the accident, and any attorney who declares under penalty of perjury that he or she represents any of the above persons.

A request for a copy of an accident report shall be accompanied by payment of a fee, provided such fee shall not exceed the actual cost of providing the copy.

(Amended by Stats. 1994, Ch. 1247, Sec. 10. Effective January 1, 1995.)

State of California

VEHICLE CODE

Section 22850.5

22850.5. (a) A city, county, or city and county, or a state agency may adopt a regulation, ordinance, or resolution establishing procedures for the release of properly impounded vehicles to the registered owner or the agent of the registered owner and for the imposition of a charge equal to its administrative costs relating to the removal, impound, storage, or release of the vehicles to the registered owner or to the agent of the registered owner. Those administrative costs may be waived by the local or state authority upon verifiable proof that the vehicle was reported stolen at the time the vehicle was removed.

(b) The following apply to any charges imposed for administrative costs pursuant to subdivision (a):

(1) The charges shall only be imposed on the registered owner or the agents of that owner and shall not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive, of, and Section 22851 of, the Civil Code unless the sale is sufficient in amount to pay the lienholder's total charges and proper administrative costs.

(2) Any charges shall be collected by the local or state authority only from the registered owner or an agent of the registered owner.

(3) The charges shall be in addition to any other charges authorized or imposed pursuant to this code.

(4) No charge may be imposed for any hearing or appeal relating to the removal, impound, storage, or release of a vehicle unless that hearing or appeal was requested in writing by the registered or legal owner of the vehicle or an agent of that registered or legal owner. In addition, the charge may be imposed only upon the person requesting that hearing or appeal.

No administrative costs authorized under subdivision (a) shall be charged to the legal owner who redeems the vehicle unless the legal owner voluntarily requests a poststorage hearing. No city, county, city and county, or state agency shall require a legal owner or a legal owner's agent to request a poststorage hearing as a requirement for release of the vehicle to the legal owner or the legal owner's agent. The impounding agency, or any person acting on behalf of the agency, shall not require the legal owner or the legal owner's agent to produce any documents other than those specified in paragraph (3) of subdivision (f) of Section 14602.6 or paragraph (3) of subdivision (e) of Section 14602.7. The impounding agency, or any person acting on behalf of the agency, shall not require any documents to be notarized.

(Amended by Stats. 2015, Ch. 740, Sec. 17. (AB 281) Effective January 1, 2016.)

State of California

VEHICLE CODE

Section 20012

20012. All required accident reports, and supplemental reports, shall be without prejudice to the individual so reporting and shall be for the confidential use of the Department of Motor Vehicles and the Department of the California Highway Patrol, except that the Department of the California Highway Patrol or the law enforcement agency to whom the accident was reported shall disclose the entire contents of the reports, including, but not limited to, the names and addresses of persons involved or injured in, or witnesses to, an accident, the registration numbers and descriptions of vehicles involved, the date, time and location of an accident, all diagrams, statements of the drivers involved or occupants injured in the accident and the statements of all witnesses, to any person who may have a proper interest therein, including, but not limited to, the driver or drivers involved, or the guardian or conservator thereof, the parent of a minor driver, the authorized representative of a driver, or to any named person injured therein, the owners of vehicles or property damaged thereby, persons who may incur civil liability, including liability based upon a breach of warranty arising out of the accident, and any attorney who declares under penalty of perjury that he or she represents any of the above persons.

A request for a copy of an accident report shall be accompanied by payment of a fee, provided such fee shall not exceed the actual cost of providing the copy.

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State of California

VEHICLE CODE

Section 22850.5

22850.5. (a) A city, county, or city and county, or a state agency may adopt a regulation, ordinance, or resolution establishing procedures for the release of properly impounded vehicles to the registered owner or the agent of the registered owner and for the imposition of a charge equal to its administrative costs relating to the removal, impound, storage, or release of the vehicles to the registered owner or to the agent of the registered owner. Those administrative costs may be waived by the local or state authority upon verifiable proof that the vehicle was reported stolen at the time the vehicle was removed.

(b) The following apply to any charges imposed for administrative costs pursuant to subdivision (a):

(1) The charges shall only be imposed on the registered owner or the agents of that owner and shall not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive, of, and Section 22851 of, the Civil Code unless the sale is sufficient in amount to pay the lienholder's total charges and proper administrative costs.

(2) Any charges shall be collected by the local or state authority only from the registered owner or an agent of the registered owner.

(3) The charges shall be in addition to any other charges authorized or imposed pursuant to this code.

(4) No charge may be imposed for any hearing or appeal relating to the removal, impound, storage, or release of a vehicle unless that hearing or appeal was requested in writing by the registered or legal owner of the vehicle or an agent of that registered or legal owner. In addition, the charge may be imposed only upon the person requesting that hearing or appeal.

No administrative costs authorized under subdivision (a) shall be charged to the legal owner who redeems the vehicle unless the legal owner voluntarily requests a poststorage hearing. No city, county, city and county, or state agency shall require a legal owner or a legal owner's agent to request a poststorage hearing as a requirement for release of the vehicle to the legal owner or the legal owner's agent. The impounding agency, or any person acting on behalf of the agency, shall not require the legal owner or the legal owner's agent to produce any documents other than those specified in paragraph (3) of subdivision (f) of Section 14602.6 or paragraph (3) of subdivision (e) of Section 14602.7. The impounding agency, or any person acting on behalf of the agency, shall not require any documents to be notarized.

(Amended by Stats. 2015, Ch. 740, Sec. 17. (AB 281) Effective January 1, 2016.)

Police Department

Resolutions

RESOLUTION 2016-045

INCREASE FEES CHARGED BY TOWING SERVICE OPERATORS FOR SERVICES RENDERED, EFFECTIVE MARCH 16, 2016, TO REFLECT INCREASED OPERATING COSTS

WHEREAS, The towing and vehicle storage fees tow companies on the Tracy Police Department rotation list charge to customers have not been increased since September 2005, and

WHEREAS, Representatives from the tow companies have indicated that the cost of doing business for the City of Tracy has increased significantly since 2005, and

WHEREAS, In accepting this fee schedule there will be no fiscal impact on the City of Tracy, and

WHEREAS, The increase will be effective March 16, 2016, and will be reviewed annually beginning on July 1, 2017 to adjust for cost increases;

NOW, THEREFORE, BE IT RESOLVED, That City Council does hereby approve the increase of fees tow truck operators charge, effective March 16, 2016, as set forth in Attachment A to the staff report accompanying this agenda item.

The foregoing Resolution 2016-045 was passed and adopted by the Tracy City Council on the 15th day of March, 2016, by the following vote:

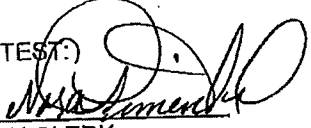
AYES: COUNCIL MEMBERS: MITRACOS, VARGAS, YOUNG, MACIEL

NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: RICKMAN


MAYOR

ATTEST: 
CITY CLERK

RESOLUTION 2009-178

ADOPTING ANIMAL SERVICES FEES FOR CERTAIN SERVICES

WHEREAS, Many Animal Services fees have not been increased for quite some time,
and

WHEREAS, A gradual tiered increase over three years will help to bring Animal Services fees more in line with those charged by surrounding jurisdictions.

NOW, THEREFORE, BE IT RESOLVED, That the City Council hereby adopts the following Animal Services fees:

2010 Fees (to be effective January 1, 2010)

\$6.00 for License Fee for Altered Dogs
\$20.00 for License Fee for Unaltered Dogs
\$10.00 for Late License Fee
\$5.00 for Lost License Replacement
\$6.00 for Daily Board and Care for Impounded Dogs
\$3.00 for Daily Board and Care for Impounded Cats
\$20.00 for Multiple Pet Permit Application Fee
\$25.00 for Owner Surrender of Live Animals

2011 Fees (to be effective January 1, 2011)

\$8.00 for License Fee for Altered Dogs
\$30.00 for License Fee for Unaltered Dogs
\$15.00 for Late License Fee
\$5.00 for Lost License Replacement
\$8.00 for Daily Board and Care for Impounded Dogs
\$4.00 for Daily Board and Care for Impounded Cats
\$25.00 for Multiple Pet Permit Application Fee
\$30.00 for Owner Surrender of Live Animals

2012 Fees (to be effective January 1, 2012)

\$10.00 for License Fee for Altered Dogs
\$50.00 for License Fee for Unaltered Dogs
\$20.00 for Late License Fee
\$5.00 for Lost License Replacement
\$10.00 for Daily Board and Care for Impounded Dogs
\$10.00 for Daily Board and Care for Impounded Cats
\$30.00 for Multiple Pet Permit Application Fee
\$40.00 for Owner Surrender of Live Animals

RESOLUTION 2008-234

A RESOLUTION OF THE CITY OF TRACY AMENDING RESOLUTION 2003-059 BY ADDING
A NEW FEE FOR STORAGE OF FIREARMS EFFECTIVE ON THE EFFECTIVE DATE OF
PROPOSED TRACY MUNICIPAL CODE CHAPTER 3.52

WHEREAS, In 1998, the City undertook a Cost of Service Study and adopted fees for various City departments, and

WHEREAS, In 2003, the City updated those fees by Resolution No. 2003-059, and

WHEREAS, proposed Tracy Municipal Code Chapter 3.52, when effective, will allow for collection of a fee for the storage of certain firearms by the Police Department, and

WHEREAS, the City Council wishes to amend Resolution No. 2003-059 to add a fee for the storage of firearms effective on the effective date of proposed Tracy Municipal Code Chapter 3.52, and

WHEREAS, pursuant to Government Code section 66018, a duly noticed public hearing was held on November 5th, 2008, and notice of the meeting published at least 10 days before the meeting.

NOW, THEREFORE, the Tracy City Council does resolve, declare, determine and order as follows:

Resolution No. 2003-059 is amended, effective on effective date of proposed Tracy Municipal Code Chapter 3.52, by adding the following to the Police Department Fees:

Storage of firearms (TMC Chapter 3.52): \$51, plus \$1.90/day of firearm storage.

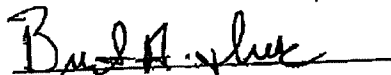
The foregoing Resolution 2008-234 was passed and adopted by the Tracy City Council on the 5th day of November, 2008, by the following vote:

AYES: COUNCIL MEMBERS: ABERCROMBIE, SUNDBERG, TOLBERT, TUCKER, IVES

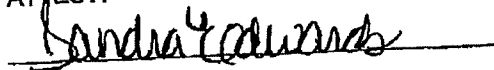
NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: NONE


Mayor

ATTEST:



RESOLUTION 2006-209

ADOPTING A TWENTY DOLLAR ANNUAL FEE FOR REQUIRED ALARM PERMITS

WHEREAS, The City of Tracy has identified the need to reduce the number of false burglar alarms police officers respond to in order to more effectively utilize police resources; and

WHEREAS, The Tracy Police Department has identified false alarm reduction strategies that will be incorporated into policies and procedures; and

WHEREAS, Required alarm permits have proven to be a viable false alarm reduction strategy; and

WHEREAS, The City of Tracy incurs, and will continue to incur, expenses by virtue of Tracy Police Department staff processing alarm permit applications and administering the alarm permit program; and

WHEREAS, such costs exceed, and will exceed, on average, \$20.00 to process each alarm user permit application and to administer the alarm permit program, and

NOW, THEREFORE, BE IT RESOLVED, That effective October 1, 2006, the City Council does set the fee for alarm user permits to be \$20.00 annually.

The foregoing Resolution 2006-209 is hereby passed and adopted by the Tracy City Council this 15th day of August, 2006, by the following vote:

AYES: COUNCIL MEMBERS: IVES, SUNDBERG, TOLBERT, TUCKER, BILBREY

NOES: COUNCIL MEMBERS: NONE

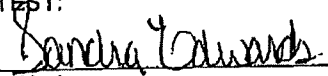
ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: NONE



Mayor

ATTEST:



City Clerk

RESOLUTION 2003-059

**REPEALING RESOLUTION 99-094 AND ADOPTING UPDATED FEES FOR POLICE, FIRE,
AND ADMINISTRATIVE SERVICES AS IDENTIFIED IN THE COST OF SERVICES STUDY
PREPARED BY THE FINANCE DEPARTMENT**

WHEREAS, Resolution 99-094 set certain of the City's current fees for providing Police, Fire, and Administrative Services, and

WHEREAS, The purpose of the 1998 Cost of Service Study was to identify the costs of certain services and the corresponding fee revenue so that City Council has the information necessary to review those fees and update those for which the City's costs have increased, and

WHEREAS, The City's Cost Of Services update prepared by the Finance Department indicates that a number of the Police, Fire, and Administrative Services fees adopted pursuant to Resolution 99-094 are no longer sufficient to cover the cost of providing those services, and

WHEREAS, The City's Costs of Services Study supports the increased fees shown in the attached fee schedule;

NOW, THEREFORE, The City Council of the City of Tracy resolves as follows:

1. The foregoing recitals are true and correct and incorporated herein as findings.
 2. Resolution 99-094 is repealed effective March 1, 2003.
 3. The attached fee schedule for Police, Fire, and Administrative services shall be in effect on March 1, 2003.
- *****

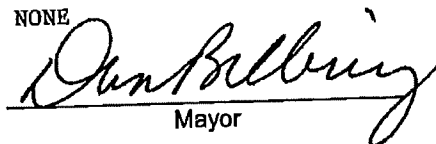
The foregoing Resolution 2003-059 was adopted by the Tracy City Council on the 18th day of February, 2003, by the following vote:

AYES: COUNCIL MEMBERS: HUFFMAN, IVES, TOLBERT, TUCKER, BILBREY

NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: NONE


Mayor

ATTEST


City Clerk

**CITY OF TRACY
POLICE DEPARTMENT FEES**

<u>SERVICE</u>	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
False Alarm Response	\$25 - 4th Response \$50 - 5th Response \$65 - 6th Response \$75 - 7th Response \$40 per vehicle	\$30 - 4th Response \$55 - 5th Response \$70 - 6th Response \$80 - 7th Response \$45 per vehicle
Vehicle Release	\$10 per letter	\$10 per letter
Records Check/Clearance Letter	\$14 per applicant	\$16 per applicant
Immigration Card	\$45 per request	\$50 per request
Examination of Local Record	\$3 permit	\$3 permit
Concealed Weapon Permit	\$15 per permit	\$15 per permit
Solicitor Permit	\$90 per permit, plus DOJ fee	\$110 per permit, plus DOJ fee
Taxi Driver Permit	\$85 per permit	\$80 per permit
Taxi Driver Renewal Permit	\$50 per permit, plus DOJ fee	\$60 per permit, plus DOJ fee
Tow Truck Driver Permit	\$25 per permit	\$30 per permit
Tow Truck Driver Renewal Permit	\$60 per permit, plus DOJ fee	\$80 per permit, plus DOJ fee
Card Room Dealer Permit	\$25 per permit	\$25 per permit
Card Room Dealer Permit Renewal	\$10 per card	\$10 per card
Fingerprint Request	\$33 per request, plus contracted reproduction costs	\$42 per request, plus contracted reproduction costs
Police Photo Reproduction	\$25 per tape requested plus \$3 for tape	\$30 per tape requested plus \$3 for tape
Video/Audio Tape Reproduction	\$10 per vehicle for citations not issued by Tracy PD	\$16 per vehicle for citations not issued by Tracy PD
Vehicle Equipment Correction Inspection	Actual personnel costs, up to a state imposed maximum of \$1,000	Actual personnel costs, up to a state imposed maximum of \$1,000
DUI Arrest and Report	Actual personnel costs, up to a state imposed maximum of \$1,000	Actual personnel costs, up to a state imposed maximum of \$1,000
DUI Accident Response and Investigation	\$20 per request	\$20 per request
VIN Verification	\$15 per request	\$10 first page
Crime Report Copy	\$10 first page \$0.25 per additional page	\$0.25 per additional page
Police Special Services	\$4 bulletin entries and citations	\$4 bulletin entries and citations
Fire Arms Sales Permit	Actual personnel costs \$30 per permit, plus DOJ fee	Actual personnel costs \$30 per permit, plus DOJ fee

**CITY OF TRACY
FIRE DEPARTMENT FEES**

<u>SERVICE</u>	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
Fire Arms Sales Permit	\$30 per permit, plus DOJ fee	\$30 per permit, plus DOJ fee
Sprinkler Plan Check	\$0-\$5,000 \$55 \$5,001-\$20,000 \$170 \$20,000+ \$225	\$0-\$5,000 \$80 \$5,001-\$20,000 \$240 \$20,000+ \$330
Sprinkler Inspection	\$0-\$5,000 \$170 \$5,001-\$20,000 \$310 \$20,000+ \$560	\$0-\$5,000 \$245 \$5,001-\$20,000 \$465 \$20,000+ \$825
Alarm Plan Check	\$0-\$20,000 \$225 \$20,000+ \$335	\$0-\$20,000 \$330 \$20,000+ \$495
Alarm Inspection	\$0-\$20,000 \$110 \$20,000+ \$335	\$0-\$20,000 \$165 \$20,000+ \$495
Hood Plan Check	\$30 per application	\$40 per application
Hood Inspection	\$85 per application	\$125 per application
New Address Mapping	\$64, multifamily \$64 + \$32 per unit (5 or more)	\$80, multifamily \$80 + \$40 per unit (5 or more)
Underground Tank Installations	\$110 per application	\$165 per application
Underground Tank Removal	\$170 per application	\$245 per application
Annual Fire Permit Inspection	Type A \$20, Type B \$28, Type C \$37, Type D \$56, Type E \$75, Type F \$112, Type G \$170, Type H \$225, Type I \$337	Type A \$30, Type B \$40, Type C \$55, Type D \$80, Type E \$110, Type F \$165, Type G \$245, Type H \$330, Type I \$490
State Mandated Inspection	Day Care <= 14 \$65, Day Care > 14 \$95, Conv Home \$170	Day Care <= 14 \$80, Day Care > 14 \$125, Conv Home \$245
Illegal Burn Response	None	\$110 per hour per engine responding with a half hour minimum.
Hazardous Materials Clean-up	Cost recovery	Actual costs charged for all responding personnel.
Special Even Fire Prot. Stand-by	Cost recovery	Actual costs charged for all responding personnel.
Hydrant System Flow Testing	None	These costs should be charged to the water utility.
Water Flow Test	None	\$110 per test.
Fire Incident Report Copy	\$6 per report	\$8 per report.
Weed Abatement	Contract costs plus 25% overhead charge	No charge.
New Fire Permit	None	\$95 per permit
Renewal of Fire Permit	None	\$95 per permit

CITY OF TRACY
ADMINISTRATION FEES

<u>SERVICE</u>	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>
Water Delinquent Turn OMOn	\$20 reconnect	\$35 reconnect
Business License Applications	\$50 processing fee	\$75 processing fee
Business License Renewal	\$10 processing fee	\$15 processing fee
Returned Check Processing Fees	\$10 per NSF fee	\$15 per NSF fee
Document Certification	\$10 per document	\$15 per document
Agenda/Meeting Mailing Service	\$25 per subscriber per year	\$35 per subscriber per year + \$1 per meeting
Audio/Video Tape Per Meeting	\$20 per audio/video tape	\$20 per audio/video tape

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Appendix VII

Public Works Department

Maintenance and Operations

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Public Works Department

Legal Codes

Legal Codes

Tracy Municipal Code

10.08.4465 - Banner signs on public property.

(a) Purpose. The purpose of this section is to establish the manner by which banners may be displayed on public property to promote the City of Tracy, to promote co-sponsored, community-wide public events, and for beautification of the City.

(b) Definitions. For the purpose of this section:

"Banner" means either of the following two (2) types:

(1) "Street light banner" means a banner on a City street light pole, including a light pole on any City-owned property, and which is affixed by brackets.

(2) "Over-the-street banner" means a banner traversing the public right-of-way at one of three (3) locations as set forth in subsection (d)(2) below.

"City-sponsored" means the City alone (including a City Board or Commission) is sponsoring the public event.

"Co-sponsor" means the City is co-sponsoring a public event in one of the following ways:

(1) The City has entered into a memorandum of understanding (MOU) with an organization to cooperate in putting on the event (pursuant to Council Resolution No. 2005-076, or the successor co-sponsorship guidelines); or

(2) The City has made a substantial contribution of money and or City services toward the event.

"Director" means the Director of Development and Engineering Services or his or her designee, unless stated otherwise.

(c) City banners to promote or beautify the City. The City may install street light banners throughout the City to promote the City or for beautification of the City. No sign permit is necessary.

(d) Banners for City-sponsored or co-sponsored, community-wide events. The City may install banners to advertise an upcoming community-wide event for which the City is a sponsor or co-sponsor. No sign permit is necessary. However, the applicant must obtain a special events permit from the Parks and Community Services Department, and the Parks and Community Services Director is authorized to approve the placement of banners and their conformance to the banner guidelines.

(1) Street light banners for City-sponsored or co-sponsored, community-wide events may be placed in any one or more of the following zones:

- (A) Zone 1: Eleventh Street between Lammers Road and Corral Hollow Road;
- (B) Zone 2: Tenth Street between A and East Streets;
- (C) Zone 3: Central Avenue between Eleventh and Sixth Streets.

These three (3) zones do not include the four (4) street corners at Tenth Street and Central Avenue, which are reserved for City banners.

(2) Over-the-street banners for City-sponsored or co-sponsored, community-wide events may be placed in any one or more of the following locations, once the City has installed appropriate pole structures:

- (A) In the center median of Eleventh Street between Lammers Road and Crossroads Drive;
- (B) On Central Avenue between Eleventh Street and Tenth Street; and
- (C) At Sixth Street and Central Avenue, upon completion of the Downtown Plaza.

(3) The Director shall establish banner guidelines, including banner specifications, length of time banners may be displayed, scheduling and utilization of the special event permit process. The Director may revise the banner guidelines as necessary, as long as they conform to this section.

(4) Banners shall be installed and removed by City staff.

(Ord. 1115 § 1, 2008; Ord. 1110 § 1, 2007)

(Ord. No. 1145, § 1, 3-16-2010)

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Public Works Department

Resolutions

RESOLUTION 2010-025

ESTABLISHING FEES FOR INSTALLATION OF BANNERS AND REPEALING RESOLUTION
NO. 2008-027

WHEREAS, Tracy Municipal Code section 10.08.4465 generally describes the manner in which banners may be placed on public property, and authorizes the Director of Development and Engineering Services to develop banner guidelines; and

WHEREAS, The City Council wishes to establish fees for the installation of banners to reflect the cost of City staff time to install and remove banners, for traffic control during installation and removal, and for the use of City vehicles required in the installation; and

WHEREAS, The fees were based on Public Works costs for installing the banners currently in place. In the case of Zone 1, this involves the use of lift trucks and traffic control on Eleventh Street; and

WHEREAS, The City Council wishes to clarify the status of Resolution No. 2008-027 regarding banners previously approved.

NOW, THEREFORE, The Tracy City Council does resolve as follows:

SECTION 1. The following fees for installation and removal of banners represent the estimated reasonable cost of providing this service and are here approved:

The fees are:

1. For each over-the-street banner location: \$200 per banner.
2. For each street light banner zone:
 - Zone 1: \$4,000
 - Zone 2: \$1,000
 - Zone 3: \$1,000
3. The fees reflect the cost of both installation and removal. If removal of a set of banners happens to occur simultaneously with installation of other non-City banners in the same location, then each of the applicants may apply to the Parks and Community Services Department for a 25% refund of the fees.

SECTION 2. Resolution No. 2008-027 authorized Tracy "Military Moms" to install banners on city light poles on Central Avenue between Eleventh Street and Sixth Street. Based on the current version of Tracy Municipal Code section 10.08.4465, those banners are no longer permitted and Resolution No. 2008-027 is repealed. However, the existing, now non-conforming banners, are permitted to remain in place (1) until the current wars have ended, or (2) until a City Council resolution ends their use. At that time the banners will be returned to "Military Moms" and replaced with City banners in compliance with TMC section 10.08.4465.

The foregoing Resolution 2010-025 was passed and adopted by the Tracy City Council on the 2nd day of March, 2010, by the following vote:

AYES: COUNCIL MEMBERS: ABERCROMBIE, MACIEL, TUCKER, IVES

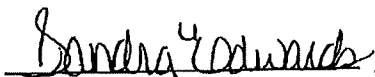
NOES: COUNCIL MEMBERS: NONE

ABSENT: COUNCIL MEMBERS: NONE

ABSTAIN: COUNCIL MEMBERS: TOLBERT


Mayor

ATTEST:


City Clerk



Citywide Master Fee Schedule

March 7, 2023

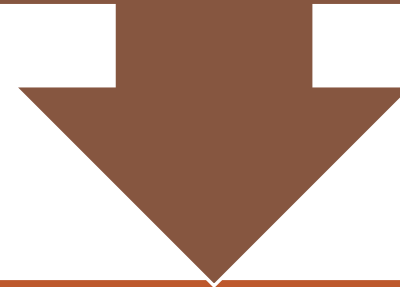


Think Inside the Triangle™

What is the Citywide Master Fee Schedule ?

March 7, 2023

A Consolidation of Various Department Citywide Fees



Why?

**For Ease in
Community
Accessibility**

**To Assure Regular
Review and Updates of
Fees**

What the Fee Schedule Includes

Finance Department Fees

City Clerk and City Manager Fees

Grand Theatre Fees

Cultural Arts Fees

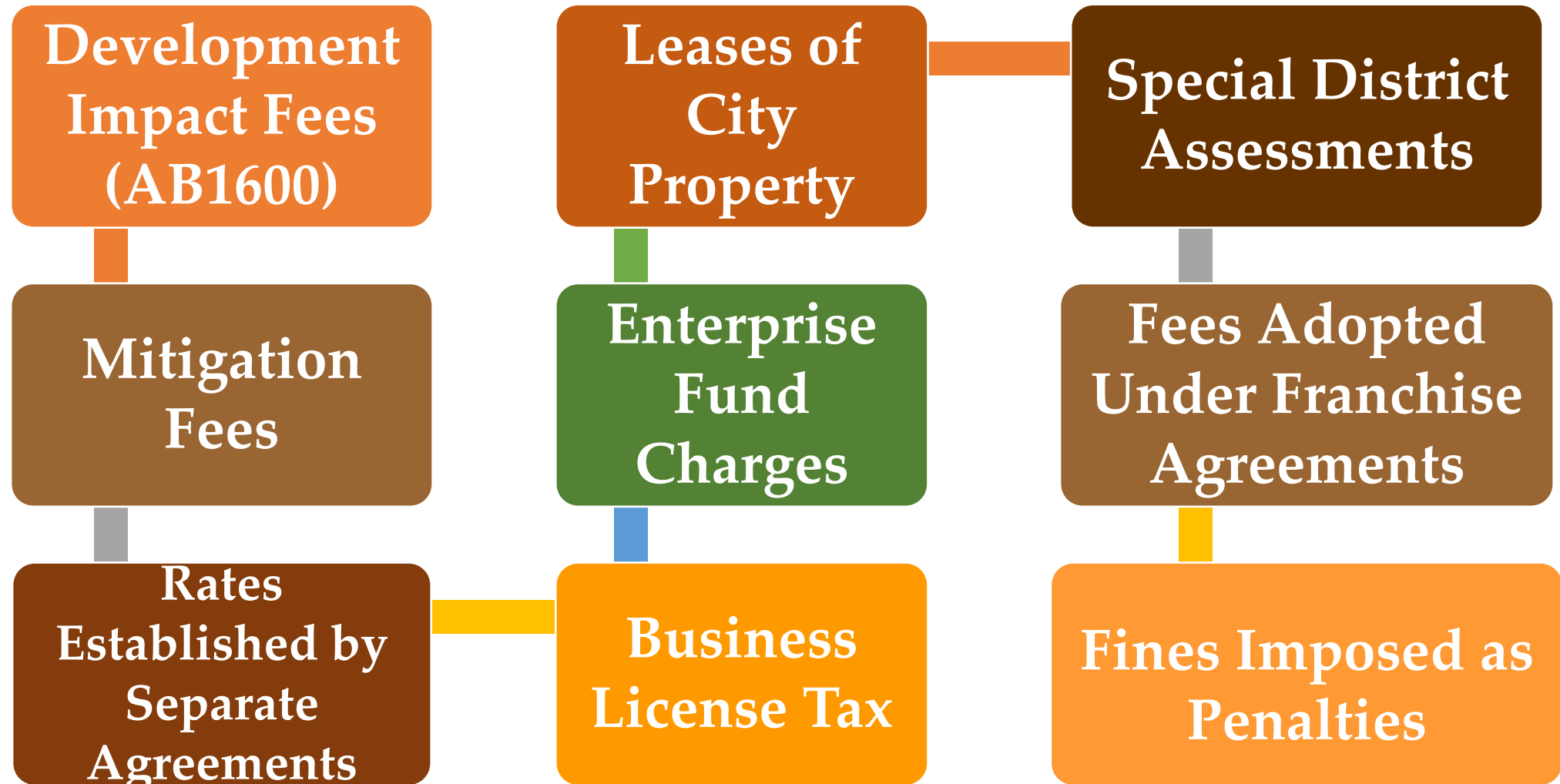
Recreation Fees

Development Services Fees

Police Department Fees

Operation Fees (formerly “Public Works”)

What the Fee Schedule Does Not Include



Citywide Cost Recovery Level

Fee Category	Annual Estimated Revenues at Current Fee	Annual Estimated Revenues at Full Cost Recovery Fee	Annual Cost Recovery Surplus/ Deficit	Existing Cost Recovery Percentage	Annual Estimated Revenues at Recommended Cost Recovery Fee	Recommended Cost Recovery Percentage
Finance Department	data not available*					
City Clerk's Office	data not available*					
City Managers Office - Cable TV	1,095	2,576	(1,481)	43%	2,576	100%
Grand Theatre Center for the Arts/Cultural Arts Division	398,200	2,396,210	(1,998,010)	17%	398,200	17%
Development Services Department - Building Safety Division	5,249,857	4,735,249	514,608	111%	4,700,507	99%
Development Services Department - Engineering Division	3,498,312	5,624,366	(2,126,054)	62%	5,624,366	100%
Development Services Department - Planning Division	466,183	886,140	(419,957)	53%	886,140	100%
General Plan Maintenance Surcharge	-	449,000	(449,000)	0%	381,650	85%
Parks & Recreation Department - Community Facilities Division	282,819	1,399,305	(1,116,486)	20%	282,819	20%
Parks & Recreation Department - Recreation Division	451,404	2,614,954	(2,163,550)	17%	451,404	17%
Police Department	188,588	198,084	(9,496)	95%	197,041	99%
Police Department - Animal Services	79,800	201,338	(121,538)	40%	149,461	74%
Operations and Utilities Department - Operations Division	data not available*					
Municipal Airport	756,052	795,347	(39,295)	95%	795,347	100%
Operations and Utilities Department - Utilities Division	-	354,442	(354,442)	0%	354,442	100%
Total	\$ 11,372,310	\$ 19,657,011	\$ [8,284,701]	58%	\$ 14,223,953	72%



Think Inside the Triangle™

Cost Recovery Target

1. The 2022 User Fee Study examined user and regulatory fees charged by City divisions and departments.

The fee model compared the existing fee for each service or activity to the average total cost of service quantified through the analysis.

2. Approximately 58% of the total costs associated with providing fee related services is currently recovered.
3. At the recommended cost recovery rates, the City could recover an additional \$2.9 million in costs, bringing the cost recovery rate to 72% and lessening the amount of General Fund subsidies.



ACTION REQUESTED

- (1) That the Mayor conduct a Public Hearing to receive and consider comments on the proposed Citywide Master Fee Schedule
- (2) That the City Council adopt a resolution amending the proposed Citywide Master Fee Schedule with the proposed inflationary increase and a cost recovery target of 72%, and
- (3) That the City Council, upon amending the Master Fee Schedule, rescind Resolution 2020-110

March 7, 2023

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. ____

(A) APPROVING AND ADOPTING, EFFECTIVE AS OF JULY 1, 2023, THE PROPOSED CITYWIDE MASTER FEE SCHEDULE, REFLECTING A COST RECOVERY TARGET OF 72%, AND

(B) RESCINDING, EFFECTIVE AS OF JULY 1, 2023, RESOLUTION 2020-110 THAT APPROVED THE CURRENT CITYWIDE MASTER FEE SCHEDULE

WHEREAS, On June 16, 2020, the City Council adopted the most recent consolidated Citywide Master Fee Schedule to provide for a record of fees in a single document, improve public information, and provide consistent updating of the fees (Resolution 2020-110); and

WHEREAS, In Fiscal Year 2021-2022, City departments collaborated with NBS Government Group (NBS), which was hired by the City of Tracy (City) to review and provide analyses of City fees relating to the services of City Departments to confirm appropriateness of fee amounts and cost recovery levels, and proposed a new Master Fee Schedule (Schedule), attached hereto as **Exhibit 1**; and

WHEREAS, On January 17, 2023, the City of Tracy Council conducted a workshop to review the NBS User Fee Study (Study) and Schedule and provide feedback to staff; and

WHEREAS, The Study and the Schedule reflect fees charged for City services but does not include the following types of fees and charges:

- development impact fees adopted under the Mitigation Fee Act
- business license fees (taxes)
- enterprise fund charges (water, sewer, storm water, airport, transit)
- fees adopted under franchise agreements (cable franchise under TMC Chapter 8.10; franchise contractor for collection of solid and yard waste, and recycling under TMC Chapter 5.20)
- landscape maintenance district (special assessments)
- fines (imposed as penalties)
- facility and equipment rental rates

- rates established by separate agreements (i.e., Tracy Unified School District and performance artists); and

WHEREAS, the Study identifies approximately \$11.4 million in annual revenue collected at current fee amounts, which represents approximately 58% recovery of the City's total costs associated with providing fee-related services; and

WHEREAS, If the City were to seek 100% cost recovery, the anticipated revenue collected would be \$19.7; and

WHEREAS, In consideration of the City's goals pertaining to ensuring short and long-term fiscal health and providing affordable City programming that bolsters quality of life, staff recommends the City Council consider an increase in the overall fee levels to reflect only an additional \$2.9 million in aggregate fee revenue; and

WHEREAS, The proposed amount would result in a cost recovery rate of 72%, which is much higher than the current 58% cost recovery rate and would allow the City to offer programs and services at more affordable costs to the community; and

WHEREAS, The City has given notice of the proposed fee increases, as reflected in the Schedule, as required by Government Code Section 66016, including sending notices to interested parties who filed a written request for such notice with the City; and

WHEREAS, The City also made available to the public relevant data, on the City's website (link: ADD), ten days prior to the upcoming Council meeting, and gave notice by publication, pursuant to Government Code Sections 66018 and 6062a; and

WHEREAS, On March 7, 2023, the City Council conducted a public hearing where all interested parties were able to provide testimony; and
now therefore be it

RESOLVED: That the City Council of the City of Tracy hereby approves and adopts the Citywide Master Fee Schedule, attached to this Resolution as **Exhibit 1**, reflecting a cost recovery target of 72%; and be it further

RESOLVED: That the new Schedule shall be effective as of July 1, 2023;

RESOLVED: That the City Council hereby rescinds, effective as of July 1, 2023 Resolution 2020-110, that approved the current Master Fee Schedule.

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on March 7, 2023, 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

Agenda Item 3.D

RECOMMENDATION

Staff recommends that the City Council adopt a resolution 1) authorizing the issuance and sale of special tax bonds for the purpose of financing authorized facilities and 2) approving and authorizing related documents and actions for Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2

EXECUTIVE SUMMARY

For the purpose of financing public facilities and public services for development in the Ellis Specific Plan, the City Council previously acted under the Mello-Roos Community Facilities Act of 1982 (the “Mello-Roos Act”) to establish the following:

- City of Tracy Community Facilities District No. 2016-2 (ECFD) (the “CFD”),
- City of Tracy Community Facilities District No. 2016-2 (ECFD) (Future Annexation Area) (the “Future Annexation Area”), and
- improvement areas for the CFD, including Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) (“Improvement Area No. 3”).

Staff recommends that the City Council adopt the referenced resolution (the “2023 Bond Resolution”) for the purpose of authorizing the issuance of one or more series of special tax bonds on behalf of the CFD with respect to Improvement Area No. 3 and approving related documents and actions.

DISCUSSION

LOCAL GOALS AND POLICIES

Section 53312.7(a) of the Mello-Roos Act requires the City of Tracy (City) to consider and adopt local goals and policies concerning the use of the Mello-Roos Act prior to the initiation of proceedings on or after January 1, 1994, to establish a new community facilities district.

The City adopted “Amended Local Goals and Policies for Community Facilities Districts (CFDs)” on February 4, 2014, by Resolution No. 2014-019 (“Goals and Policies”).

The Goals and Policies provide guidance and conditions for the conduct by the City of proceedings for, and the issuance of bonds secured by special taxes levied in, a community facilities district established under the Mello-Roos Act.

CFD FORMATION PROCESS AND APPROVAL OF BONDS

Prior CFD Proceedings. Under the Mello-Roos Act, and pursuant to Resolution No. 2017-21, adopted by the City Council on February 7, 2017 (the “Resolution of

Formation”), the City previously formed (i) the CFD, (ii) an initial improvement area in the CFD designated “Improvement Area No. 1 of the City of Tracy Community Facilities District No. 2016-2 (ECFD)” (“Improvement Area No. 1”), and (iii) a future annexation area for the CFD (the “Future Annexation Area”).

Pursuant to Resolution No. 2017-22, adopted by the Council on February 7, 2017, the Council declared the necessity to issue and sell bonds and incur other debt to finance the authorized facilities and impact fees, including an amount not to exceed \$53,000,000 in those portions of the CFD that are not in Improvement Area No. 1, with such amount to be allocated to Future Improvement Areas as described in the Resolution of Formation.

The purpose of the City’s formation of the Future Annexation Area was to establish a process by which future phases of the Ellis development could annex into the CFD with the approval of the landowner/developer using a streamlined annexation process.

Pursuant to Resolution No. 2019-074, adopted by the Council on April 16, 2019, the City previously took actions to add property from the Future Annexation Area to the CFD as Improvement Area No. 2. The City previously issued special tax bonds for the CFD with respect to Improvement Area No. 2.

Proceedings Related to Improvement Area No. 3.

Pursuant to Resolution No. 2019-244, adopted by the Council on December 17, 2019 (the “Annexation Resolution”), the City Council took the following actions to add property from the Future Annexation Area to the CFD as a new improvement area:

- acknowledged receipt of a Unanimous Approval executed by the owner (the “Property Owner”) of Assessor’s Parcel Numbers 240-140-50, 240-140-51, 240-140-52 and 240-140-53 (the “Annexation Property”), which Unanimous Approval (i) identified, specified and approved the annexation of the Annexation Property to the CFD as a separate improvement area and other related matters and (ii) confirmed that the Unanimous Approval constituted the approval and unanimous vote of the Property Owner with respect to the matters addressed in the Unanimous Approval under the Act and Article XIII A of the California Constitution,;
- confirmed that the Annexation Property had been added to the CFD as “Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD)” (“Improvement Area No. 3”);
- confirmed that the maximum aggregate principal amount of bonds and other debt for Improvement Area No. 3, as specified in the Unanimous Approval, is \$25,000,000; and
- confirmed the rate and method of apportionment of the special tax among the parcels of real property within Improvement Area No. 3, as specified and approved in the Unanimous Approval (the “Improvement Area No. 3 Rate and Method”), and as set forth in Exhibit A to the Annexation Resolution.

PROPOSED 2023 BONDS

Staff recommends that the City Council adopt the 2023 Bond Resolution for the following purposes:

- (i) provide for one or more series of bonds for the CFD with respect to Improvement Area No. 3 (the “2023 Bonds”) in a principal amount not to exceed \$20,000,000,
- (ii) approve the sale of the 2023 Bonds to Piper Sandler & Co. (the “Underwriter”),
- (iii) approve the documents related to the 2023 Bonds, and
- (iv) authorize staff to take all actions necessary related to issuance of the 2023 Bonds.

TERMS OF THE 2023 BONDS

Pursuant to the Resolution, the true interest cost of the 2023 Bonds cannot exceed 7.00% and the principal amount of the 2023 Bonds cannot exceed \$20,000,000. Government Code Section 5852.1 requires the City to obtain and disclose a good faith estimate of certain information about the 2023 Bonds, including the true interest cost, the financing costs, the use of proceeds and the total payment amount, and the information is included in Appendix A of the 2023 Bond Resolution. Based upon current market conditions, the 2023 Bonds are estimated to be issued in a single series in the amount of \$16,330,000 (excluding original issue discount of approximately \$122,000) and carry a true interest cost of approximately 5.39%.

The Goals and Policies require a minimum value to lien ratio for special tax financings of 3:1 (the value-to-lien calculation compares the value of the property to the proposed principal amount of the 2023 Bonds and bonds issued by overlapping community facilities districts and assessment districts).

The current draft of the appraisal (the “Appraisal”) prepared by Integra Realty Resources (the “Appraiser”) was prepared consistent with the Goals and Policies.

The Appraisal reports that the taxable property in the CFD has a total value of \$191,793,000, resulting in an estimated value to lien ratio of approximately 9.59:1 based on the \$20,000,000 maximum authorized principal amount of the 2023 Bonds (there are no overlapping special tax or assessment bonds).

The proposed Resolution authorizes staff to execute a bond purchase agreement with the Underwriter only if the value to lien ratio based on the final principal amount of the 2023 Bonds will be at least 3:1.

The 2023 Bonds are a limited obligation of the City, payable only from special taxes levied in Improvement Area No. 3 and moneys in the funds and accounts established under the Fiscal Agent Agreement described below.

DOCUMENTS RELATED TO THE 2023 BONDS

In addition to authorizing the sale and issuance of the bonds, the City Council is being asked to approve each of the following:

- Preliminary Official Statement. The Official Statement is the primary disclosure document for investors in the 2023 Bonds. A Preliminary Official Statement will be circulated to potential investors prior to the pricing of the 2023 Bonds, a draft of which is attached to this staff report as Attachment A. After the 2023 Bonds have been priced, a Final Official Statement will be circulated to investors; the Final Official Statement should be identical to the Preliminary Official Statement except for the addition of pricing information (principal amount, interest rates, redemption terms).

The Preliminary Official Statement describes the special taxes to be levied in Improvement Area No. 3, each of the parcels to be taxed, and, based on information by the developers of property in Improvement Area No. 3, the development plans for the parcels within Improvement Area No. 3. The Preliminary Official Statement will also include the Appraisal of the taxable parcels in Improvement Area No. 3.

The Preliminary Official Statement is prepared by Jones Hall, serving the City as Bond Counsel and Disclosure Counsel for this transaction, with the assistance of the remainder of the financing team, including City staff; the property owners in Improvement Area No. 3; CSG Advisors Incorporated, the City's municipal advisor ("Municipal Advisor"); the Underwriter; and Goodwin Consulting, the City's special tax consultant ("Special Tax Consultant").

The Preliminary Official Statement has been reviewed and approved for transmittal to the City Council by the City's financing team. The distribution of the Preliminary Official Statement by the City is subject to federal securities laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934. These laws require the Preliminary Official Statement to include all facts that would be material to an investor in the 2023 Bonds. Material information is information that there is a substantial likelihood would have actual significance in the deliberations of the reasonable investor when deciding whether to buy or sell the bonds. If the City Council concludes that the Preliminary Official Statement includes all facts that would be material to an investor in the 2023 Bonds, it must adopt a resolution that authorizes staff to execute a certificate to the effect that the Preliminary Official Statement has been "deemed final."

The Securities and Exchange Commission (the "SEC"), the agency with regulatory authority over the City's compliance with the federal securities laws, has issued guidance as to the duties of the City Council with respect to its approval of the Preliminary Official Statement. In its "Report of Investigation in the Matter of County of Orange, California as it Relates to the Conduct of the Members of the Board of Supervisors" (Release No. 36761 / January 24, 1996) (the "Release"), the SEC stated that, if a member of the City Council has knowledge of any facts or circumstances that an investor would want to know about prior to investing in the 2023 Bonds, whether relating to their repayment, tax-exempt status, undisclosed conflicts of interest with interested parties, or otherwise, he or she should endeavor to discover whether such facts are

adequately disclosed in the Preliminary Official Statement. In the Release, the SEC stated that the steps that a member of the City Council could take include becoming familiar with the Preliminary Official Statement and questioning staff and consultants about the disclosure of such facts.

The key sections of the Preliminary Official Statement are summarized below:

- “THE 2023 BONDS”: This section summarizes the key terms of the 2023 Bonds, including payment dates and redemption provisions.
 - “SECURITY FOR THE 2023 BONDS”: This section summarizes key security terms, including the City’s pledge of special tax revenues, its covenant to levy special taxes according to the Improvement Area No. 3 Rate and Method, as amended, and its covenant to foreclose on parcels that are delinquent in the payment of special taxes. As described above, the 2023 Bonds are a limited obligation of the City, payable only from special taxes levied in Improvement Area No. 3 and moneys in the funds and accounts established under the Fiscal Agent Agreement.
 - “THE DISTRICT AND IMPROVEMENT AREA NO. 3”: This section summarizes certain features of Improvement Area No. 3, including the appraised value of taxable property, overlapping taxes, assessments and debt and anticipated debt service coverage provided by maximum special taxes that may be levied under the RMA.
 - “OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3”: This section includes information provided by the property owners in Improvement Area No. 3, and describes the proposed development in Improvement Area No. 3 and its current status.
 - “BOND OWNERS’ RISK”: This section highlights the primary risks associated with the 2023 Bonds, including failure to complete the proposed development, natural disasters and failure of property owners to pay their special taxes.
 - “LEGAL MATTERS - Tax Exemption”: This section describes the tax-exempt nature of interest on the 2023 Bonds.
- Continuing Disclosure Certificate. Under SEC Rule 15c2-12, the underwriter of the 2023 Bonds may only purchase the 2023 Bonds if it has determined that the City is obligated to provide continuing disclosure, including annual updates of the financial and operating data included in the Official Statement and notices of certain specified events.
 - Fiscal Agent Agreement. This document, attached to this staff report as Attachment B, governs the 2023 Bonds and the use of special taxes from Improvement Area No. 3 to pay debt service on the 2023 Bonds. The special taxes will be levied on the regular County tax roll and collected by the County from each taxable parcel in Improvement Area No. 3. The County will remit these special taxes to the City. The City will remit them to the fiscal agent specified therein (“Fiscal Agent”) as provided for in the Fiscal Agent Agreement. The Fiscal Agent will use the revenues to (1) pay administrative costs of the CFD and (2) pay principal of and interest on the 2023 Bonds to the bond owners.

- Bond Purchase Agreement. At the time the 2023 Bonds are sold, the City will enter into a Bond Purchase Agreement with the Underwriter, who will agree to underwrite the 2023 Bonds subject to satisfaction of the conditions described in the Bond Purchase Agreement. The resolution provides the Underwriter's discount on the purchase of the 2023 Bonds may not exceed 2.00% of the par amount of the 2023 Bonds. The Underwriter was selected as underwriter for the 2023 Bonds based upon the combination of its qualifications and proposed fees following a competitive selection process. The proposed Bond Purchase Agreement is included here as Attachment C.

STRATEGIC PLAN

This agenda item supports Governance Strategic Goal 2: Ensure Short and Long-term fiscal health and Goal 3: Increase Public Awareness around City finances and other civic matters.

FISCAL IMPACT

The fees and expenses of the City's outside financing team, including Bond Counsel, Disclosure Counsel, Underwriter, Municipal Advisor, Special Tax Consultant and Appraiser are paid from proceeds of the 2023 Bonds or paid through an existing Cost Recovery Agreement with the developer.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution 1) authorizing the issuance and sale of special tax bonds for the purpose of financing authorized facilities and 2) approving and authorizing related documents and actions, for Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2.

Prepared by: Sara Cowell, Finance Director

Reviewed by: Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

ATTACHMENTS

- A: Preliminary Official Statement (including Continuing Disclosure Certificates)
- B: Fiscal Agent Agreement
- C: Bond Purchase Agreement

PRELIMINARY OFFICIAL STATEMENT DATED MARCH [9], 2023

NEW ISSUE – BOOK-ENTRY ONLY

NOT RATED

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the 2023 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "LEGAL MATTERS – Tax Exemption."

\$16,750,000*
IMPROVEMENT AREA NO. 3
OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023

Dated: Date of Delivery

Due: September 1, as shown on inside cover.

Authority for Issuance. The bonds captioned above (the "2023 Bonds") are being issued by the City of Tracy (the "City") for and on behalf of the City of Tracy Community Facilities District No. 2016-2 (ECFD) (the "District") with respect to its Improvement Area No. 3 ("Improvement Area No. 3") under the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), the Resolution of Issuance (as defined herein), and a Fiscal Agent Agreement dated as of April 1, 2023 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). See "THE 2023 BONDS – Authority for Issuance."

Security and Sources of Payment. The 2023 Bonds are payable from proceeds of Special Tax Revenues (as defined herein) levied on property within Improvement Area No. 3 according to the rate and method of apportionment of special tax approved by the City Council of the City (the "City Council"), acting as legislative body of the District, and the eligible landowner voters in Improvement Area No. 3 of the District. The 2023 Bonds are secured by a first pledge of the Special Tax Revenues (as defined in the Fiscal Agent Agreement) and the moneys on deposit in certain funds held by the Fiscal Agent under the Fiscal Agent Agreement, on a parity with bonds that may be issued in the future, subject to the conditions set forth in the Fiscal Agent Agreement. See "SECURITY FOR THE 2023 BONDS." The 2023 Bonds and any Parity Bonds (as defined herein) are referred to herein as the "Bonds."

Use of Proceeds. The 2023 Bonds are being issued to (i) finance the acquisition and construction of certain public improvements [and the payment of impact fees to be used to finance public facilities], (ii) fund a debt service reserve fund for the 2023 Bonds, and (iii) pay the costs of issuing the 2023 Bonds. See "FINANCING PLAN."

Bond Terms. Interest on the 2023 Bonds is payable on September 1, 2023, and semiannually thereafter on each March 1 and September 1. The 2023 Bonds will be issued in denominations of \$5,000 or integral multiples of \$5,000. The 2023 Bonds, when delivered, will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the 2023 Bonds. See "THE 2023 BONDS – General Bond Terms" and "APPENDIX D – DTC and the Book-Entry Only System."

Redemption*. The 2023 Bonds are subject to optional redemption, mandatory sinking fund redemption and special redemption from prepaid Special Taxes. See "THE 2023 BONDS – Redemption."

The 2023 Bonds are not general obligations of the City, but are limited obligations, payable solely from the Special Tax Revenues and the funds pledged therefor under the Fiscal Agent Agreement. Neither the faith and credit nor the taxing power of the City (except to the limited extent set forth in the Fiscal Agent Agreement) or of the State of California (the "State") or any political subdivision thereof is pledged to the payment of the 2023 Bonds.

MATURITY SCHEDULE
 (see inside cover)

This cover page contains certain information for quick reference only. It is not a summary of the issue. Potential investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Investment in the 2023 Bonds involves risks which may not be appropriate for some investors. See "BOND OWNERS' RISKS" for a discussion of special risk factors that should be considered in evaluating the investment quality of the 2023 Bonds.

The 2023 Bonds are offered when, as and if issued and accepted by the Underwriter, subject to approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, and subject to certain other conditions. Jones Hall, A Professional Law Corporation, has served as disclosure counsel to the City. Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California, is serving as counsel to the Underwriter. Holland & Knight LLP, San Francisco, California, is serving as counsel to the Developer and Hefner, Stark & Marois, LLP, Sacramento, California, is serving as counsel to LS-Tracy LLC. It is anticipated that the 2023 Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about April __, 2023.

[Piper Sandler Logo]

The date of this Official Statement is: _____, 2023.

* Preliminary; subject to change.

MATURITY SCHEDULE*

\$ _____ Serial Bonds
(Base CUSIP†: _____)

Maturity (September 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP†

\$ ____ % Term Bond due September 1, 20____, Yield: ____%, Price: ____%
CUSIP† No. ____

\$ ____ % Term Bond due September 1, 20____, Yield: ____%, Price: ____%
CUSIP† No. ____

* Preliminary; subject to change.

† CUSIP Global Services (CGS) is managed on behalf of American Bankers Association by FactSet Research Systems Inc. Copyright© 2023 CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. Neither the City nor the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

CITY OF TRACY

CITY COUNCIL

Nancy Young, *Mayor*
Eleassia Davis, *Mayor Pro Tem*
Dan Arriola, *Council Member*
Mateo Bedolla, *Council Member*
Dan Evans, *Council Member*

CITY STAFF

Michael Rogers, *City Manager*
Karin Schnaider, *Assistant City Manager*
Sara Cowell, *Finance Director*
Adrianne Richardson, *City Clerk*
Bijal Patel, *City Attorney*

PROFESSIONAL SERVICES

BOND COUNSEL and DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

MUNICIPAL ADVISOR

CSG Advisors Incorporated
San Francisco, California

SPECIAL TAX CONSULTANT

Goodwin Consulting Group, Inc.
Sacramento, California

APPRAISER

Integra Realty Resources
San Francisco, California

FISCAL AGENT

U.S. Bank Trust Company, National Association
San Francisco, California

[INSERT REGIONAL MAP]

[INSERT LOCATION MAP]

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

No Offering May Be Made Except by this Official Statement. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations with respect to the 2023 Bonds other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the 2023 Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the City, the District, any other parties described in this Official Statement, or in the condition of property within Improvement Area No. 3 of the District since the date of this Official Statement.

Use of this Official Statement. This Official Statement is submitted in connection with the sale of the 2023 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract with the purchasers of the 2023 Bonds.

Preparation of this Official Statement. The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Document References and Summaries. All references to and summaries of the Fiscal Agent Agreement or other documents contained in this Official Statement are subject to the provisions of those documents and do not purport to be complete statements of those documents.

Stabilization of and Changes to Offering Prices. The Underwriter may over allot or take other steps that stabilize or maintain the market prices of the 2023 Bonds at levels above those that might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the 2023 Bonds to certain securities dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

Bonds are Exempt from Securities Laws Registration. The issuance and sale of the 2023 Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the issuance and sale of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

Estimates and Projections. Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur.

The City maintains an Internet website, but the information on the website is not incorporated in this Official Statement.

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OFFICIAL STATEMENT

\$16,750,000*
IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023

INTRODUCTION

This Official Statement, including the cover page, inside cover and attached appendices, is provided to furnish information regarding the bonds captioned above (the “**2023 Bonds**”) to be issued by the City of Tracy (the “**City**”) on behalf of the City of Tracy Community Facilities District No. 2016-2 (ECFD) (the “**District**”) with respect to its Improvement Area No. 3 (“**Improvement Area No. 3**”).

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, the inside cover and attached appendices, and the documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The offering of the 2023 Bonds to potential investors is made only by means of the entire Official Statement. Capitalized terms used but not defined in this Official Statement have the definitions given in the Fiscal Agent Agreement (as defined below).

The District and Improvement Area No. 3. The District is located in the southwestern part of the City. At the time of establishment of the District, a future annexation area was also established for the District (the “**Future Annexation Area**”). Since the establishment of the District, certain parcels in the Future Annexation Area have annexed into Improvement Area No. 3 and further parcels may annex into one or more improvement areas in the future. Unless and until parcels annex into Improvement Area No. 3, they do not serve as security for the 2023 Bonds. The City does not currently expect that any future annexations of property into Improvement Area No. 3 will occur.

The District was formed and established by the City Council of the City (the “**City Council**”), as legislative body of the District, under the Mello-Roos Community Facilities Act of 1982, as amended (the “**Act**”), pursuant to a resolution adopted by the City Council following a public hearing, and the landowners of the property included in Improvement Area No. 3, by unanimous approval, approved the annexation of Improvement Area No. 3 to the District, authorized the City to incur bonded indebtedness with respect to Improvement Area No. 3, and approved the levy of special taxes within Improvement Area No. 3. See “THE DISTRICT AND IMPROVEMENT AREA NO. 3 – Formation and Background.”

Authority for Issuance of the 2023 Bonds. The 2023 Bonds are issued under the Act, a resolution adopted by the City Council on December 17, 2019 (the “**Annexation Resolution**”), a resolution adopted by the City Council on [March 7], 2023 (the “**Resolution of Issuance**”), and a Fiscal Agent Agreement, dated as of April 1, 2023 (the “**Fiscal Agent Agreement**”), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the “**Fiscal Agent**”). The City Council, as legislative body of the District, has authorized the issuance of the 2023 Bonds in an aggregate principal amount not to exceed \$20,000,000. See “THE 2023 BONDS – Authority for Issuance.”

* Preliminary; subject to change.

Purpose of the 2023 Bonds. Proceeds of the 2023 Bonds will be used primarily to finance the acquisition and construction of certain authorized improvements [and the payment of impact fees to be used to finance public facilities]. Proceeds of the 2023 Bonds will also be used fund a debt service reserve fund for the 2023 Bonds and to pay the costs of issuing the 2023 Bonds. See “FINANCING PLAN.”

Redemption of Bonds before Maturity.* The 2023 Bonds are subject to optional redemption, mandatory sinking fund redemption and special redemption from prepaid Special Taxes (as defined below). See “THE 2023 BONDS – Redemption.”

Security and Sources of Payment for the 2023 Bonds. The City Council annually levies special taxes on the property in Improvement Area No. 3 (the “**Special Taxes**”) in accordance with the Rate and Method of Apportionment for Improvement Area No. 3 (the “**Rate and Method**”). As used in this Official Statement, Special Taxes refers only to the Facilities Special Tax levied under the Rate and Method. See “SECURITY FOR THE 2023 BONDS – Rate and Method.” The 2023 Bonds are secured by and payable from a first pledge of the net proceeds of the Special Taxes (as more particularly defined in the Fiscal Agent Agreement, the “**Special Tax Revenues**”), on a parity with any bonds that may be issued in the future, subject to the conditions set forth in the Fiscal Agent Agreement. The 2023 Bonds will be additionally secured by certain funds and accounts established and held under the Fiscal Agent Agreement. See “SECURITY FOR THE 2023 BONDS.”

Debt Service Reserve Fund. In order to further secure the payment of principal of and interest on the 2023 Bonds (and any series of Parity Bonds), certain proceeds of the 2023 Bonds will be deposited into the 2023 Reserve Fund in an amount equal to the 2023 Reserve Requirement (as defined herein). See “FINANCING PLAN” and “SECURITY FOR THE 2023 BONDS – 2023 Reserve Fund.”

Covenant to Foreclose. The City has covenanted in the Fiscal Agent Agreement to cause foreclosure proceedings to be commenced and prosecuted against certain parcels with delinquent installments of the Special Taxes. For a more detailed description of the foreclosure covenant see “SECURITY FOR THE 2023 BONDS – Covenant to Foreclose.”

Property Ownership and Development Status. The property in Improvement Area No. 3 (herein, the “**Property**”) consists of approximately 73.65 acres (41 net acres) being developed into 308 single-family lots by LS-Tracy LLC, a Delaware limited liability company (“**LS-Tracy LLC**”) and certain of its affiliates, all of which are affiliated with Landsea Homes Corporation, a publicly traded homebuilder (Nasdaq: LSEA) based in Newport Beach, California that has operations in several states and has been building homes in Northern California for over eight years. All off-site improvements for Improvement Area No. 3 required to be completed as a condition of receiving occupancy permits are complete. LS-Tracy LLC has completed substantially all site improvements, with only crosswalk pavers, entry monument, park and parkway landscaping remaining to be completed as of February 1, 2023. LS-Tracy LLC held a grand opening featuring 10 model homes in September 2022. As of February 1, 2023, LS-Tracy LLC had pulled 266 full building permits and 42 foundation-only permits, with the remaining 42 full-building permits expected to be pulled by December 2023. As of February 1, 2023, ownership of the 308 lots within Improvement Area No. 3 was as follows:

* Preliminary; subject to change.

Status	# of Lots
<i>Developed Property</i>	
Individual Homeowners	173
LS-Tracy LLC or Affiliates - Completed Model Homes	10
LS-Tracy LLC or Affiliates - Homes Under Construction	51
<i>Undeveloped Property</i>	
LS-Tracy LLC or Affiliates - Finished Lot	74

For additional information about the current development status and proposed development plans for the Property in Improvement Area No. 3, see “OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3.”

The land in Improvement Area No. 3 is part of a larger residential community referred to as the “Ellis Development” being developed by Surland Communities LLC, a California limited liability company (the “**Developer**”), as the master developer, which includes property within Improvement Area No. 1 and Improvement Area No. 2, the Property within Improvement Area No. 3, and property identified as part of the Future Annexation Area that may annex into the District to a then-existing Improvement Area or to a new Improvement Area. The City currently expects that any future annexations will be into a new improvement area (Improvement Area No. 4).

Appraised Value of Property in Improvement Area No. 3. An appraisal of certain property within Improvement Area No. 3, dated February 21, 2023 (the “**Appraisal**”), was prepared by Integra Realty Resources, San Francisco, California (the “**Appraiser**”) in connection with issuance of the 2023 Bonds. The Appraisal has a date of value of January 3, 2023 and appraised property as of that date consisted of 179 completed single-family homes that did not have a complete assessed value for both land and improvements, 55 homes under construction, and 74 finished lots. The purpose of the Appraisal was to estimate the market value of the fee simple estate, subject to lien of the Special Taxes and overlapping liens, for all the taxable property within Improvement Area No. 3 as of a January 3, 2023 date of value. Subject to the assumptions contained in the Appraisal, the Appraiser estimated that the taxable property within Improvement Area No. 3, subject to the lien of the Special Taxes and overlapping liens, had an estimated cumulative appraised and assessed value of \$191,793,000. See “THE DISTRICT AND IMPROVEMENT AREA NO. 3 – Value of Property in Improvement Area No. 3” for further information on the Appraisal. A complete copy of the Appraisal is included in this Official Statement as APPENDIX H.

Value-to-Lien Ratios in Improvement Area No. 3. Based on the appraised value of the taxable property within Improvement Area No. 3 of \$191,793,000 and a par amount of 2023 Bonds of \$16,750,000*, the overall value-to-lien ratio of the taxable property within Improvement Area No. 3 is approximately 11.5* to 1, not including overlapping general obligation bond indebtedness. See “THE DISTRICT AND IMPROVEMENT AREA NO. 3 – Direct and Overlapping Governmental Obligations.” This is an overall estimate, however, and the value-to-lien ratios of individual parcels varies widely from this ratio.

Risk Factors Associated with Purchasing the 2023 Bonds. Investment in the 2023 Bonds involves risks that may not be appropriate for some investors. See “BOND OWNERS' RISKS” for a discussion of certain risk factors which should be considered, in addition to the other matters set forth in this Official Statement, in considering the investment quality of the 2023 Bonds.

* Preliminary; subject to change.

FINANCING PLAN

Authorized Facilities

The net proceeds of the 2023 Bonds will be used to construct and/or acquire various facilities authorized to be financed by the District, including Improvement Area No. 3[, and payment of certain impact fees to be used to finance public facilities]. For a complete list of the authorized facilities, see “THE DISTRICT AND IMPROVEMENT AREA NO. 3 – Authorized Facilities.”

Sources and Uses of Funds

The estimated proceeds from the sale of the 2023 Bonds will be used as follows:

SOURCES

Principal Amount of 2023 Bonds	\$
<i>Plus/Less: Net Original Issue Premium/Discount</i>	
<i>Total Sources</i>	\$

USES

Deposit into Improvement Fund	\$
Deposit into 2023 Reserve Fund ⁽¹⁾	
Costs of Issuance ⁽²⁾	
<i>Total Uses</i>	\$

-
- (1) Equal to the 2023 Reserve Requirement with respect to the 2023 Bonds as of their date of delivery.
- (2) Includes, among other things, the fees and expenses of Bond Counsel and Disclosure Counsel, printing the Preliminary and Final Official Statements, the Fiscal Agent, the Municipal Advisor, and the Special Tax Consultant, and Underwriter's discount.

THE 2023 BONDS

This section generally describes the terms of the 2023 Bonds contained in the Fiscal Agent Agreement, which is summarized in more detail in APPENDIX C. Capitalized terms used but not defined in this section are defined in APPENDIX C.

Authority for Issuance

The 2023 Bonds are issued under the Act, the Resolution of Issuance and the Fiscal Agent Agreement. Under the Resolution of Issuance, the 2023 Bonds may be issued in a maximum principal amount of \$20,000,000.

General Bond Terms

Dated Date, Maturity and Authorized Denominations. The 2023 Bonds will be dated their date of delivery (the “**Closing Date**”) and will mature in the amounts and on the dates set forth on the inside cover page of this Official Statement. The 2023 Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple of \$5,000 in excess thereof.

Calculation of Interest. Interest will be calculated on the basis of a 360-day year composed of twelve 30-day months. The 2023 Bonds will bear interest at the annual rates set forth on the inside cover page of this Official Statement, payable semiannually on each March 1 and September 1, commencing September 1, 2023 (each, an “**Interest Payment Date**”).

Each 2023 Bond will bear interest from the Interest Payment Date next preceding its date of authentication unless:

(i) it is authenticated on an Interest Payment Date, in which event it will bear interest from such date of authentication, or

(ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date (as defined below) preceding such Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or

(iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it will bear interest from the Closing Date;

provided, however, that if at the time of authentication of a 2023 Bond, interest is in default thereon, such 2023 Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

“**Record Date**” means the 15th day of the calendar month next preceding the applicable Interest Payment Date, whether or not such day is a Business Day.

DTC and Book-Entry Only System. DTC will act as securities depository for the 2023 Bonds. The 2023 Bonds will be issued as fully-registered securities registered initially in the name of Cede & Co. (DTC’s partnership nominee). See APPENDIX D – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Payments of Interest and Principal. For so long as DTC is used as depository for the 2023 Bonds, principal of, premium, if any, and interest payments on the 2023 Bonds will be made solely to DTC or its nominee, Cede & Co., as registered owner of the 2023 Bonds, for distribution to the beneficial owners of the 2023 Bonds in accordance with the procedures adopted by DTC.

Interest on the 2023 Bonds (including the final interest payment upon maturity or earlier redemption), is payable on the applicable Interest Payment Date by check of the Fiscal Agent mailed by first-class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer made on such Interest Payment Date upon written instructions of any Owner of \$1,000,000 or more in aggregate principal amount of 2023 Bonds delivered to the Fiscal Agent prior to the applicable Record Date, which will continue in effect until revoked in writing, or until such 2023 Bonds are transferred to a new Owner.

The principal of the 2023 Bonds and any premium on the 2023 Bonds are payable in lawful money of the United States of America upon surrender of the 2023 Bonds at the Principal Office of the Fiscal Agent.

Redemption*

Optional Redemption from any Source other than Prepayments. The 2023 Bonds maturing on or after September 1, 20__, are subject to optional redemption as directed by the City, from sources of funds other than prepayments of Special Taxes, prior to their stated maturity on any date on or after September 1, 20__, as a whole or in part, at a redemption price (expressed as a percentage of the principal amount of the 2023 Bonds to be redeemed), as set forth below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, ____ through August 31, ____	____%
September 1, ____ through August 31, ____	____
September 1, ____ through August 31, ____	____
September 1, ____ and any date thereafter	____

Mandatory Sinking Fund Redemption. The 2023 Bonds maturing on September 1, 20__ (the “Term Bonds”), are subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

<u>Sinking Fund Redemption Date (September 1)</u>	<u>Sinking Payments</u>
	\$

(maturity)

* Preliminary; subject to change.

However, if some but not all of the Term Bonds of a given maturity have been redeemed through optional redemption or mandatory prepayment redemption, the total amount of all future Sinking Fund Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments on a pro rata basis in integral multiples of \$5,000 as determined by the City, notice of which will be given by the City to the Fiscal Agent.

Redemption from Special Tax Prepayments. Special Tax Prepayments and any corresponding transfers from the 2023 Reserve Fund under the Fiscal Agent Agreement will be used to redeem 2023 Bonds on the next Interest Payment Date for which notice of redemption can timely be given under the Fiscal Agent Agreement, among series and maturities so as to maintain substantially the same debt service profile for the Bonds as in effect prior to such redemption and by lot within a maturity, at a redemption price (expressed as a percentage of the principal amount of the 2023 Bonds to be redeemed), as set forth below, together with accrued interest to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Any Interest Payment Date on or before March 1, ____	____%
September 1, ____ and March 1, ____	____%
September 1, ____ and March 1, ____	____%
September 1, ____ and any Interest Payment Date thereafter	____%

See "BOND OWNERS' RISKS – Potential Early Redemption of Bonds from Prepayments" for a discussion of the potential for the 2023 Bonds to be priced with original issue premium and then be redeemed from Special Tax prepayments prior to maturity or the optional redemption date.

Purchase in Lieu of Redemption. In lieu of redemption, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 2023 Bonds upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may 2023 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase and any premium which would otherwise be due if such 2023 Bonds were to be redeemed in accordance with the Fiscal Agent Agreement.

Notice of Redemption. The Fiscal Agent will cause notice of any redemption to be mailed by first-class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the Original Purchaser, the Securities Depositories, and to the respective registered Owners of any 2023 Bonds designated for redemption, at their addresses appearing on the 2023 Bond registration books in the Principal Office of the Fiscal Agent; but such mailing will not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, will not affect the validity of the proceedings for the redemption of such 2023 Bonds. In addition, the Fiscal Agent will file each notice of redemption with the MSRB through its EMMA system.

However, while the 2023 Bonds are subject to DTC's book-entry system, the Fiscal Agent will be required to give notice of redemption only to DTC as provided in the letter of representations executed by the City and received and accepted by DTC. DTC and the Participants will have sole responsibility for providing any such notice of redemption to the Beneficial Owners of the 2023 Bonds to be redeemed. Any failure of DTC to notify any Participant, or any failure of Participants to notify the Beneficial Owner of any 2023 Bonds to be redeemed, of a notice of redemption or its content or effect will not affect the validity of the notice of redemption, or alter the effect of redemption set forth in the Fiscal Agent Agreement.

Conditional Redemption Notice and Rescission of Redemption. Any redemption notice may specify that redemption on the specified date will be subject to receipt by the City of moneys sufficient to cause such redemption (and will specify the proposed source of such moneys), and neither the City nor

the Fiscal Agent will have any liability to the Owners or any other party as a result of its failure to redeem the Series 2023 Bonds as a result of insufficient moneys.

The City will have the right to rescind any notice of the optional redemption of 2023 Bonds by written notice to the Fiscal Agent on or prior to the date fixed for redemption. Any notice of redemption will be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the 2023 Bonds then called for redemption, and such cancellation will not constitute a default under the Fiscal Agent Agreement.

The City and the Fiscal Agent have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Fiscal Agent will mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under the Fiscal Agent Agreement.

Selection of 2023 Bonds for Redemption. Whenever provision is made in the Fiscal Agent Agreement for the redemption of less than all the 2023 Bonds of any maturity or any given portion thereof, the Fiscal Agent will select the 2023 Bonds to be redeemed by lot in any manner which the Fiscal Agent in its sole discretion deems appropriate.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the 2023 Bonds called for redemption have been deposited in the Bond Fund, those 2023 Bonds will cease to be entitled to any benefit under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in the notice of redemption.

Registration, Transfer and Exchange

The following provisions regarding the exchange and transfer of the 2023 Bonds apply only during any period in which the 2023 Bonds are not subject to DTC's book-entry system. While the 2023 Bonds are subject to DTC's book-entry system, their exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC. See "APPENDIX D – DTC and the Book-Entry Only System."

Registration. The Fiscal Agent will keep, or cause to be kept, at its Principal Office sufficient books for the registration and transfer of the 2023 Bonds, which will show the series number, date, amount, rate of interest and last known owner of each 2023 Bond and will at all times be open to inspection by the City during regular business hours upon reasonable notice; and, upon presentation for such purpose, the Fiscal Agent will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the 2023 Bonds as provided in the Fiscal Agent Agreement.

The City and the Fiscal Agent will treat the Owner of any 2023 Bond whose name appears on the Bond register as the absolute Owner of such 2023 Bond for any and all purposes, and the City and the Fiscal Agent will not be affected by any notice to the contrary. The City and the Fiscal Agent may rely on the address of the Bondowner as it appears in the Bond register for any and all purposes.

Registration of Exchange or Transfer. Any 2023 Bond may, in accordance with its terms, be transferred, upon the Bond register by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such 2023 Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form acceptable to the Fiscal Agent.

2023 Bonds may be exchanged at the Principal Office of the Fiscal Agent solely for a like aggregate principal amount of 2023 Bonds of authorized denominations and of the same maturity.

The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer or exchange will be paid by the City. The Fiscal Agent will collect from the Owner requesting such transfer or exchange any tax or other governmental charge required to be paid with respect to such transfer or exchange. Whenever any 2023 Bond or 2023 Bonds are surrendered for transfer or exchange, the City will execute and the Fiscal Agent will authenticate and deliver a new 2023 Bond or 2023 Bonds, for a like aggregate principal amount.

No transfers or exchanges of 2023 Bonds will be required to be made (i) 15 days prior to the date established by the Fiscal Agent for selection of 2023 Bonds for redemption or (ii) with respect to a 2023 Bond after such 2023 Bond has been selected for redemption; or (iii) between a Record Date and the succeeding Interest Payment Date.

DEBT SERVICE SCHEDULE

Debt Service Schedule. The following table presents the annual debt service on the 2023 Bonds (including mandatory sinking fund redemptions), assuming there are no optional redemptions or special redemptions from Special Tax Prepayments.

Year Ending September 1	2023 Bonds Principal	2023 Bonds Interest	2023 Bonds Total
2023	\$	\$	\$
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
Total:	\$	\$	\$

Special Tax Revenues and Projected Debt Service Coverage

Debt service on the 2023 Bonds is structured so that commencing with Fiscal Year 2023-24, annual Special Tax Revenues, if levied at the Maximum Special Tax rates in the Rate and Method and assuming all properties are classified as Developed Property, net of Administrative Expenses, will result in an annual debt service coverage ratio of at least 110%.

SECURITY FOR THE 2023 BONDS

This section generally describes the security for the 2023 Bonds set forth in the Fiscal Agent Agreement, which is summarized in more detail in APPENDIX C. Capitalized terms used but not defined in the section are defined in APPENDIX C.

General

The 2023 Bonds and any Parity Bonds (collectively, the “**Bonds**”) are secured by a first pledge (which will be effected in the manner and to the extent provided in the Fiscal Agent Agreement) of all of the Special Tax Revenues and all moneys deposited in the Bond Fund (including the Special Tax Prepayments Account), and, until disbursed as provided therein, in the Special Tax Fund.

The Special Tax Revenues and all moneys deposited into such funds (except as otherwise provided in the Fiscal Agent Agreement) are dedicated to the payment of the principal of, and interest and any premium on, the Bonds as provided in the Fiscal Agent Agreement and in the Act until all of the Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose under the Fiscal Agent Agreement.

The 2023 Bonds and all Parity Bonds (as defined herein) will be secured by a first pledge (which will be effected in the manner and to the extent provided in the Fiscal Agent Agreement) of all moneys deposited in the 2023 Reserve Fund. The moneys in the 2023 Reserve Fund (except as otherwise provided in the Fiscal Agent Agreement) are dedicated to the payment of the principal of, and interest and any premium on, the 2023 Bonds and all Parity Bonds as provided in the Fiscal Agent Agreement and in the Act until all of the 2023 Bonds and all Parity Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose under the Fiscal Agent Agreement.

Amounts in the Improvement Fund (and the accounts therein), the Administrative Expense Fund and the Costs of Issuance Fund are not pledged to the repayment of the Bonds. The Project is not pledged to the repayment of the Bonds, nor are the proceeds of any condemnation or insurance award received by the City with respect to the Project.

“**Special Tax Revenues**” are defined in the Fiscal Agent Agreement as the proceeds of the Special Taxes received by the City, including any scheduled payments thereof and any Special Tax Prepayments, interest thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien and interest thereon. *However*, Special Tax Revenues do not include any interest in excess of the interest due on the Bonds, or any penalties collected in connection with any such foreclosure.

Limited Obligation

The 2023 Bonds are not general obligations of the City, but are limited obligations, payable solely from the Special Tax Revenues and the funds pledged therefor under the Fiscal Agent Agreement. Neither the faith and credit nor the taxing power of the City (except to the limited extent set forth in the Fiscal Agent Agreement) or of the State or any political subdivision thereof is pledged to the payment of the 2023 Bonds.

Special Taxes

Covenant to Levy Special Taxes. The Finance Director will fix and levy the amount of Special Taxes within Improvement Area No. 3 required to pay the following amounts, taking into account the balances in the applicable funds established under the Fiscal Agent Agreement:

(i) the principal of and interest on any outstanding Bonds of the District with respect to Improvement Area No. 3 becoming due and payable during the ensuing calendar year,

(ii) any necessary replenishment or expenditure of the 2023 Reserve Fund, to the extent such replenishment has not been included in the computation of the Special Taxes in a previous Fiscal Year,

(iii) the Administrative Expenses, including amounts necessary to discharge any rebate obligation, during such year,

(iv) an amount to cure delinquencies in the payment of principal or interest on Bonds that occurred in the previous Fiscal Year, and

(v) any Project costs to be paid from Special Taxes to the extent that paying for such costs does not increase the Special Taxes levied on Undeveloped Property.

During the Remainder Taxes Period, the Finance Director will fix and levy the Special Taxes at the Maximum Special Tax rate on Developed Property before considering any Capitalized Interest (as those terms are defined in the Rate and Method). The Special Taxes so levied may not exceed the authorized amounts as provided in the proceedings under the Resolution of Formation.

Manner of Collection. Except as set forth in the Ordinance, the Fiscal Agent Agreement provides that the Special Taxes will be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the *ad valorem* taxes on real property.

Because the Special Tax levy is limited to the maximum Special Tax rates set forth in the Rate and Method, no assurance can be given that, in the event of Special Tax delinquencies, the receipts of Special Taxes will, in fact, be collected in sufficient amounts in any given year to pay debt service on the Bonds. In addition, under the Fiscal Agent Agreement, the first use of Special Tax Revenues is the payment of Administrative Expenses in an amount not to exceed the amount included in the Special Tax levy for such Fiscal Year for Administrative Expenses. Further, under no circumstances will the Special Tax levied against any parcel of residential property for which an occupancy permit for private residential use has been issued be increased by more than 10% as a consequence of delinquency or default by the owner of any other parcel within the District. Finally, in no event shall Special Taxes be levied after fiscal year 2060-61. See "BOND OWNERS' RISKS – Property Tax Delinquencies."

Rate and Method

General. The Special Taxes will be levied and collected according to the Rate and Method, which provides the means by which the City Council may annually levy the Special Taxes within Improvement Area No. 3, up to the maximum Special Tax rates, and to determine the amount of the Special Taxes that will need to be collected each fiscal year from the **"Taxable Property"** within Improvement Area No. 3. *As used in this Official Statement, Special Tax refers only to the Facilities Special Tax levied under the Rate and Method; although a Services Special Tax is also authorized to be levied under the Rate and Method, the Services Special Tax is not pledged to repay the 2023 Bonds.*

The following is a summary of the provisions of the Rate and Method, which should be read in conjunction with the complete text of the Rate and Method, including its attachments, which is attached as APPENDIX B. Capitalized terms used but not defined in this section have the meanings as set forth in APPENDIX B. *This section provides only a summary of the Rate and Method, and is qualified by more complete and detailed information contained in the entire Rate and Method attached as APPENDIX B.*

Facilities Special Tax Requirement. Annually, at the time of levying the Special Tax, the District administrator (the “**Administrator**”) will determine the minimum amount of money to be levied on Taxable Property (the “**Facilities Special Tax Requirement**”), which will be the amount required in any Fiscal Year for the following purposes:

(i) to pay principal and interest on Bonds which are due in the calendar year which begins in such Fiscal Year,

(ii) to replenish reserve funds to the extent such replenishment has not been included in the computation of the Facilities Special Tax Requirement in a previous Fiscal Year,

(iii) to cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year,

(iv) to pay Administrative Expenses, and

(v) to pay the costs of Authorized Facilities to be funded directly from Facilities Special Tax proceeds to the extent that paying directly for such costs does not increase the Facilities Special Taxes levied on Undeveloped Property.

Annual Determination of Property Categories for Administration of Special Tax. Each Fiscal Year, the Administrator will: (i) categorize each parcel of Taxable Property as Developed Property, Undeveloped Property, Taxable Owners Association Property, or Taxable Public Property, (ii) for Developed Property, categorize each Parcel as Single Family Detached Residential Property or Other Property, (iii) based on Square Footage reflected on Building Permits issued by June 30 of the prior Fiscal Year, assign each Residential Unit to the appropriate Square Footage Category, (iv) determine the Facilities Special Tax Requirement and Services Special Tax Requirement for the Fiscal Year, and (v) determine if the Trigger Event occurred in the prior Fiscal Year. In addition, the Administrator shall, on an ongoing basis, monitor Final Maps and track the Square Footage on all Building Permits that have been issued to determine if there are any proposed Land Use Changes that would change the Expected Maximum Special Tax Revenues. If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in the Rate and Method, as described further below.

In any Fiscal Year, if it is determined that:

(i) a parcel map for a portion of property in Improvement Area No. 3 was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then-current tax roll),

(ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and

(iii) one or more of the newly-created Parcels is in a different Development Class than other parcels created by the subdivision,

the Administrator will calculate the Special Tax for the property affected by recordation of the parcel map by determining the Special Tax that applies separately to the property within each Development Class, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

“**Trigger Event**” is defined in the Rate and Method to occur when (i) all Bonds secured by the levy and collection of Facilities Special Taxes in Improvement Area No. 3 have been fully repaid, (ii) all

Administrative Expenses from prior Fiscal Years have been paid, funded, and/or reimbursed to the City, and (iii) there are no other Authorized Facilities that the City intends to fund with Bonds and Facilities Special Taxes. In the first Fiscal Year in which the Administrator determines that the Trigger Event occurred in the prior Fiscal Year, and in each Fiscal Year thereafter, the Facilities Special Tax will cease to be levied and the maximum Services Special Tax (as defined below) will be adjusted pursuant to the Rate and Method.

Maximum Special Tax. The Maximum Special Tax for Fiscal Year 2023-24 for Parcels of Single-Family Detached Residential Property shall be the greater of (i) the Target Special Taxes set forth in Table 1 below, or, (ii) if there are Land Use Changes that would reduce debt service coverage on outstanding Bonds below the Required Coverage, the Maximum Special Tax determined pursuant to Section D of the Rate and Method.

Other Property. The Maximum Special Tax for Fiscal Year 2023-24 for Other Property is shown in Table 1. If Other Property is developed with condominium or town home units, the Administrator will apply the following steps to allocate the Maximum Special Tax to the Parcels within the condominium or town home buildings:

- Step 1:** Determine the Acreage of the underlying land Parcel on which the building(s) is located.
- Step 2:** Multiply the Acreage from Step 1 by the Maximum Special Tax for Other Property in the current Fiscal Year.
- Step 3:** Divide the product from Step 2 by the total number of townhomes or condominium units built or expected to be built on the underlying land Parcel to determine the Maximum Special Tax for each condominium or townhome unit, which amount will escalate by 2.0% in the next Fiscal Year and each following Fiscal Year.

Once a Special Tax has been levied and collected on a Parcel of Developed Property, the Maximum Special Tax applicable to that Parcel will not be reduced in future Fiscal Years regardless of changes in land use on the Parcel, except (i) in the event of a partial prepayment, and (ii) pursuant to Section D of the Rate and Method. Notwithstanding the foregoing, (i) if Bonds have yet to be issued for Improvement Area No. 3, the Parcels can be assigned to the appropriate Square Footage Category, and the Administrator will recalculate the Expected Maximum Special Tax Revenues based on the corresponding changes in revenues, and (ii) the actual Special Tax levied on the Parcel in any Fiscal Year may be less than the Maximum Special Tax if a lower Special Tax is calculated pursuant to the Rate and Method.

Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property. The Maximum Special Tax for Fiscal Year 2023-24 for Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property is set forth in Table 1. In addition, any amount levied on a landowner's Parcel(s) of Undeveloped Property due to such landowner's failure to make a prepayment pursuant to the Rate and Method will be added to the amount determined in the prior sentence to calculate the total Maximum Special Tax for the landowner's Parcel(s). For additional information, see APPENDIX B.

Table 1
Improvement Area No. 3 of the City of Tracy
Community Facilities District No. 2016-2 (ECFD)
Fiscal Year 2023-24 Target and Maximum Facilities Special Tax Rates

Type of Property	Target Facilities Special Tax Prior to Trigger Event (Fiscal Year 2023-24)⁽¹⁾	Target Facilities Special Tax After Trigger Event (Fiscal Year 2023-24)
<u>Single Family Detached Residential Property</u>		
Residential Units > 4,000 Square Feet	\$3,363.36 per Residential Unit	\$0 per Residential Unit
Residential Units 2,000 - 4,000 Square Feet	\$3,262.26 per Residential Unit	\$0 per Residential Unit
Residential Units < 2,000 Square Feet	\$2,126.22 per Residential Unit	\$0 per Residential Unit
Other Property	\$24,571.22 per Acre	\$0 per Acre
Undeveloped Property	\$24,571.22 per Acre	\$0 per Acre
Taxable Owners Association Property	\$24,571.22 per Acre	\$0 per Acre
Taxable Public Property	\$24,571.22 per Acre	\$0 per Acre

(1) Represents the Target Facilities Special Tax for Residential Units and the Maximum Facilities Special Tax for all other special tax categories. On each July 1, the target facilities special taxes shown in this table shall be increased by an amount equal to 2.0% of the amount in effect for the prior fiscal year.

Source: Goodwin Consulting Group, Inc.

Method of Special Tax Levy. Under the Rate and Method, the Administrator will determine the Facilities Special Tax Requirement and levy the Special Tax as follows:

Step 1: In the first 15 Fiscal Years in which a Special Tax is levied within Improvement Area No. 3, the Maximum Special Tax shall be levied on each Parcel of Single Family Detached Residential Property and Other Property, prior to applying any Capitalized Interest that is available in the District accounts. Any Special Tax proceeds collected that are determined by the Administrator to be Remainder Taxes shall be deposited into the Improvement Fund to pay costs associated with the acquisition of Authorized Facilities eligible to be financed by the Remainder Taxes under the Acquisition Agreement and that were not paid with Bond proceeds or Facilities Special Taxes levied in prior Fiscal Years.

Beginning in the 16th Fiscal Year in which a Special Tax is levied within Improvement Area No. 3 and continuing until the Trigger Event, the Special Tax shall be levied Proportionately on each Parcel of Single Family Detached Residential Property and Other Property up to 100% of the Maximum Special Tax for each Parcel for such Fiscal Year until the amount levied on Single Family Detached Residential Property and Other Property is equal to the Facilities Special Tax Requirement prior to applying any Capitalized Interest that is available in the District accounts.

Step 2: If additional revenue is needed after Step 1 and after applying Capitalized Interest to the Facilities Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property for such Fiscal Year.

Step 3: If additional revenue is needed after Step 2, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property and Taxable Public Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Owners Association Property and Taxable Public Property, as applicable, for such Fiscal Year.

Exemptions. No Special Tax will be levied on the following:

- (i) Public Property, except Taxable Public Property, and
- (ii) Owners Association Property, except Taxable Owners Association Property.

Partial Prepayment of Special Tax. A property owner may prepay up to 80% of the Special Tax obligation applicable to a Parcel in Improvement Area No. 3, subject to certain conditions. The Prepayment Amount is calculated based on the Bond Redemption Amount plus Redemption Premium and other costs, all as specified in “APPENDIX B – Rate and Method of Apportionment of Special Tax – Section I.”

Services Special Tax. In addition to the Special Tax, taxable property in Improvement Area No. 3 is subject to a special tax for services (the “**Services Special Tax**”), pursuant to the Rate and Method. The maximum Services Special Tax for Fiscal Year 2022-23 is set forth in Table 2. Table 2 is included for information only. The Services Special Tax does not secure, and is not pledged to the payment of, the 2023 Bonds.

Table 2
Improvement Area No. 3 of the City of Tracy
Community Facilities District No. 2016-2 (ECFD)
Fiscal Year 2022-23 Maximum Services Special Tax Rates

Type of Property	Maximum Services Special Tax Prior to Trigger Event (Fiscal Year 2022-23)⁽¹⁾	Maximum Services Special Tax After Trigger Event (Fiscal Year 2022-23)
<u>Single Family Detached Residential Property</u>		
Residential Units > 4,000 Square Feet	\$1,816.92 per Residential Unit	\$2,528.36 per Residential Unit
Residential Units 2,000 - 4,000 Square Feet	\$1,453.30 per Residential Unit	\$2,144.06 per Residential Unit
Residential Units < 2,000 Square Feet	\$1,089.68 per Residential Unit	\$1,539.64 per Residential Unit
Other Property	\$5,901.58 per Acre	\$5,901.58 per Acre
Undeveloped Property	\$5,901.58 per Acre	\$5,901.58 per Acre

(1) On each July 1, the maximum services special taxes shown in this table shall be increased by an Escalation Factor as described in the Rate and Method.

Source: Goodwin Consulting Group, Inc.

Covenant to Foreclose

Sale of Property for Nonpayment of Taxes. The Fiscal Agent Agreement provides that the Special Taxes are to be collected in the same manner as ordinary *ad valorem* property taxes are collected and, except as provided in the special covenant for foreclosure described below and in the Act, is to be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for *ad valorem* property taxes. Under these procedures, if taxes are unpaid for a period of five years or more, the property is subject to sale by the County.

Foreclosure Under the Act. Under Section 53356.1 of the Act, if any delinquency occurs in the payment of the Special Tax, the City may order the institution of a Superior Court action to foreclose the lien therefor within specified time limits. In such an action, the real property subject to the unpaid amount may be sold at judicial foreclosure sale.

While judicial foreclosure is not mandatory under the Act, the City will agree in the Fiscal Agent Agreement that on or about June 30 of each Fiscal Year, the Finance Director will compare the amount of Special Taxes previously levied in Improvement Area No. 3 of the District to the amount of Special Tax Revenues received by the City, and if delinquencies have occurred, proceed as follows:

Individual Delinquencies. If the Finance Director determines that any single parcel subject to the Special Tax in Improvement Area No. 3 is delinquent in the payment of four or more installments of Special Taxes, then the Finance Director will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) foreclosure proceedings will be commenced by the City within 90 days of such determination.

Notwithstanding the foregoing, the Finance Director may defer any such actions with respect to a delinquent parcel if (1) Improvement Area No. 3 is then participating in the "Teeter Plan" (as defined and described below), or an equivalent procedure and (2) the amount in the 2023 Reserve Fund is at least equal to the 2023 Reserve Requirement. For additional details on the Teeter Plan, see "*Special Tax Delinquencies; Teeter Plan*" below.

Aggregate Delinquencies. If the Finance Director determines that (i) the total amount of delinquent Special Tax for the prior Fiscal Year for the entire Improvement Area No. 3 (including the total of delinquencies described in the above two paragraphs), exceeds 5% of the total Special Tax due and payable for the prior Fiscal Year, determined by reference to the latest available secured property tax roll of the County, the Finance Director shall notify or cause to be notified property owners who are then delinquent in the payment of Special Taxes (and demand immediate payment of the delinquency) within 45 days of such determination, and shall commence foreclosure proceedings within 90 days of such determination against each parcel of land in Improvement Area No. 3 with a Special Tax delinquency.

Sufficiency of Foreclosure Sale Proceeds; Foreclosure Limitations and Delays. No assurances can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of sale will be sufficient to pay any delinquent Special Tax installment. The Act does not require the City to purchase or otherwise acquire any lot or parcel of property foreclosed upon if there is no other purchaser at such sale.

Section 53356.6 of the Act requires that property sold pursuant to foreclosure under the Act be sold for not less than the amount of judgment in the foreclosure action, plus post-judgment interest and authorized costs, unless the consent of the owners of 75% of the outstanding Bonds is obtained. However, under Section 53356.5 of the Act, the City, as judgment creditor, is entitled to purchase any property sold at foreclosure using a "credit bid," where the City could submit a bid crediting all or part of the amount required to satisfy the judgment for the delinquent amount of the Special Taxes. If the City becomes the purchaser under a credit bid, the City must pay the amount of its credit bid into the redemption fund established for the Bonds, but this payment may be made up to 24 months after the date of the foreclosure sale.

Foreclosure by court action is subject to normal litigation delays, the nature and extent of which are largely dependent on the nature of the defense, if any, put forth by the debtor and the Superior Court calendar. In addition, the ability of the City to foreclose the lien of delinquent unpaid Special Taxes may

be limited in certain instances and may require prior consent of the property owner if the property is owned by or in receivership of the Federal Deposit Insurance Corporation (the “**FDIC**”). See “**BOND OWNERS' RISKS – Bankruptcy Delays.**”

Special Tax Delinquencies; Teeter Plan. In 1949, the California Legislature enacted an alternative method for the distribution of property taxes to local agencies. This method, known as the “**Teeter Plan**,” is found in Sections 4701-4717 of the California Revenue and Taxation Code. Upon adoption and implementation of this method by a county board of supervisors, local agencies for which the county collects property taxes and certain other public agencies and taxing areas located in the county receive annually the full amount of their shares of property taxes and other levies collected on the secured roll, including delinquent property taxes which have yet to be collected. While the county bears the risk of loss on unpaid delinquent taxes, it retains the penalties associated with delinquent taxes when they are paid. In turn, the Teeter Plan provides participating local agencies with stable cash flow and the elimination of collection risk.

Once adopted, a county’s Teeter Plan will remain in effect in perpetuity unless the board of supervisors orders its discontinuance or unless, prior to the commencement of a fiscal year, a petition for discontinuance is received and joined in by resolutions of the governing bodies of not less than two-thirds of the participating districts in the county. An electing county may, however, decide to discontinue the Teeter Plan with respect to any levying agency in the county if the board of supervisors, by action taken not later than July 15 of a fiscal year, elects to discontinue the procedure with respect to such levying agency and the rate of secured tax delinquencies in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll by that agency.

The Board of Supervisors of San Joaquin County adopted the Teeter Plan in Fiscal Year 1994-95. The County has elected to apply its Teeter Plan to the collection of the Special Taxes in Improvement Area No. 3. To the extent that the County’s Teeter Plan continues in existence and is carried out as adopted, and to the extent the County does not discontinue the Teeter Plan with respect to the District, the County’s Teeter Plan may help protect owners of the 2023 Bonds from the risk of delinquencies in the payment of Special Tax. *There can be no assurance that the County will not modify or eliminate its Teeter Plan, or choose to remove Improvement Area No. 3 from its Teeter Plan, while the 2023 Bonds are outstanding.*

Special Tax Fund

Deposits. Under the Fiscal Agent Agreement, the Special Tax Fund is established as a separate fund to be held by the Fiscal Agent, to the credit of which the Fiscal Agent will deposit amounts received from or on behalf of the City consisting of Special Tax Revenues and amounts transferred from the Administrative Expense Fund and the Bond Fund. The City will promptly remit any Special Tax Revenues received by it to the Fiscal Agent for deposit by the Fiscal Agent to the Special Tax Fund.

Notwithstanding the foregoing,

(i) Special Tax Revenues in an amount not to exceed the amount included in the Special Tax levy for such Fiscal Year for Administrative Expenses will be separately identified by the Finance Director and shall be deposited by the Fiscal Agent in the Administrative Expense Fund;

(ii) any Special Tax Revenues constituting the collection of delinquencies in payment of Special Taxes shall be separately identified by the Finance Director and will be disposed of by the Fiscal Agent first, for transfer to the Bond Fund to pay any past due debt service on the Bonds; second, for transfer to the 2023 Reserve Fund to the extent

needed to increase the amount then on deposit in the 2023 Reserve Fund up to the then 2023 Reserve Requirement; and third, to be held in the Special Tax Fund for use as described in “Disbursements” below; and

(iii) any proceeds of Special Tax Prepayments will be separately identified by the Finance Director and will be deposited by the Fiscal Agent as follows (as directed in writing by the Finance Director): (a) that portion of any Special Tax Prepayment constituting a prepayment of construction costs (which otherwise could have been included in the proceeds of Parity Bonds) will be deposited by the Fiscal Agent into the Bond Proceeds Account of the Improvement Fund and (b) the remaining Special Tax Prepayment will be deposited by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to the Fiscal Agent Agreement.

Disbursements. At least 7 Business Days prior to each Interest Payment Date, the Fiscal Agent will withdraw from the Special Tax Fund and transfer the following amounts in the following order of priority:

(i) to the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund and any expected transfers from the Improvement Fund, the 2023 Reserve Fund, and the Special Tax Prepayments Account to the Bond Fund such that the amount in the Bond Fund equals the principal (including any sinking payment), premium, if any, and interest due on the Bonds on such Interest Payment Date and any past due principal or interest on the Bonds not theretofore paid from a transfer described in the Fiscal Agent Agreement,

(ii) to the 2023 Reserve Fund an amount, taking into account amounts then on deposit in the 2023 Reserve Fund, such that the amount in the 2023 Reserve Fund is equal to the 2023 Reserve Requirement, and

(iii) (A) on each October 1, beginning on October 1, 2023 and continuing through the Remainder Taxes Period, all of the moneys remaining in the Special Tax Fund will be transferred to the Remainder Taxes Account and (B) on each subsequent October 1 after the end of the Remainder Tax Period, all or a portion of the moneys remaining in the Special Tax Fund will be transferred to the Remainder Taxes Account as directed by the Finance Director.

“**Remainder Taxes Period**” is defined in the Fiscal Agent Agreement as the period through and including the earlier of (i) the end of the 15th Fiscal Year during which Special Taxes have been levied on the property in Improvement Area No. 3 or (ii) the date the City has fully satisfied its reimbursement obligations under the Acquisition Agreement.

Within 15 days after the end of each Bond Year after the Remainder Taxes Account is closed pursuant to the Fiscal Agent Agreement, and after the foregoing transfers have been made, the Fiscal Agent will transfer all amounts remaining on deposit in the Special Tax Fund for any lawful purpose, as directed by the City in an Officer’s Certificate.

Bond Fund

Deposits. The Fiscal Agent will hold the moneys in the Bond Fund for the benefit of the City and the Owners of the Bonds, and will disburse those funds for the payment of the principal of, and interest and any premium on, the Bonds as described below.

There is also created in the Bond Fund a separate account to be held by the Fiscal Agent, designated the "Special Tax Prepayments Account" to the credit of which deposits will be made as provided in the Fiscal Agent Agreement.

Disbursements. At least 10 Business Days before each Interest Payment Date, the Fiscal Agent will notify the Finance Director in writing as to the principal and premium, if any, and interest due on the Bonds on the next Interest Payment Date (whether as a result of scheduled principal of and interest on the Bonds, optional redemption of the Bonds or a mandatory sinking fund redemption). On each Interest Payment Date, the Fiscal Agent will withdraw from the Bond Fund and pay to the Owners of the Bonds the principal of, and interest and any premium, due and payable on such Interest Payment Date on the Bonds.

At least 5 Business Days prior to each Interest Payment Date, the Fiscal Agent will determine if the amounts then on deposit in the Bond Fund are sufficient to pay the Debt Service due on the Bonds on the next Interest Payment Date. In the event that amounts in the Bond Fund are insufficient for such purpose, the Fiscal Agent promptly will notify the Finance Director by telephone (and confirm in writing) of the amount of the insufficiency.

In the event that amounts in the Bond Fund are insufficient for the purpose set forth in the preceding paragraph with respect to any Interest Payment Date, the Fiscal Agent will withdraw from the 2023 Reserve Fund, in accordance with the provisions of the Fiscal Agent Agreement, to the extent of any funds or Permitted Investments therein, amounts to cover the amount of such Bond Fund insufficiency related to the 2023 Bonds and any Parity Bonds. Amounts so withdrawn from the 2023 Reserve Fund will be deposited in the Bond Fund.

If, after the foregoing transfers, there are insufficient funds in the Bond Fund to make the payments provided for in the second sentence of the first paragraph under "Bond Fund – Disbursements" above, the Fiscal Agent will apply the available funds first to the payment of interest on the Bonds, then to the payment of principal due on the Bonds other than by reason of sinking payments, if any, and then to payment of principal due on the bonds by reason of sinking payments.

Disbursements from the Special Tax Prepayments Account. Moneys in the Special Tax Prepayments Account will be transferred by the Fiscal Agent to the Bond Fund on the next date for which notice of redemption of Bonds can timely be given under the Fiscal Agent Agreement, and notice to the Fiscal Agent can timely be given under the Fiscal Agent Agreement, and will be used (together with any amounts transferred pursuant to the Fiscal Agent Agreement) to redeem Bonds on the redemption date selected in accordance the Fiscal Agent Agreement.

2023 Reserve Fund

General. In order to further secure the payment of principal of and interest on the 2023 Bonds and any Parity Bonds, certain proceeds of the 2023 Bonds will be deposited into the 2023 Reserve Fund in an amount equal to the "**2023 Reserve Requirement**" for the 2023 Bonds (as defined below). See "FINANCING PLAN."

2023 Reserve Requirement. The "**2023 Reserve Requirement**" is defined in the Fiscal Agent Agreement to mean the amount as of any date of calculation equal to the least of (a) Maximum Annual Debt Service on the 2023 Bonds and Parity Bonds, if any, (b) 125% of average Annual Debt Service on the 2023 Bonds and Parity Bonds, if any and (c) 10% of the original principal of the 2023 Bonds and Parity Bonds, if any; provided, however:

(A) that with respect to the calculation of clause (c) above, the issue price of the 2023 Bonds or any Parity Bonds excluding accrued interest shall be used rather than the original

principal amount, if (i) the net original issue discount or premium of the 2023 Bonds or any Parity Bonds was less than 98% or more than 102% of the original principal amount of the 2023 Bonds or any Parity Bonds and (ii) using the issue price would produce a lower result than using the original principal amount;

(B) that in no event shall the amount calculated under the definition of 2023 Reserve Requirement exceed the amount on deposit in the 2023 Reserve Fund on the date of issuance of the 2023 Bonds (if they are the only Bonds covered by the 2023 Reserve Fund) or the most recently issued series of Parity Bonds except in connection with any increase associated with the issuance of Parity Bonds; and

(C) that in no event shall the amount required to be deposited into the 2023 Reserve Fund in connection with the issuance of a series of Parity Bonds exceed the maximum amount under the Tax Code that can be financed with tax-exempt bonds and invested at an unrestricted yield.

Disbursements. Except as otherwise provided in the Fiscal Agent Agreement, all amounts deposited in the 2023 Reserve Fund will be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency at any time in the Bond Fund of the amount then required for payment of the principal of, and interest and any premium on, the 2023 Bonds and any Parity Bonds or, in accordance with the provisions of the Fiscal Agent Agreement, for the purpose of redeeming 2023 Bonds and any Parity Bonds from the Bond Fund. Whenever a transfer is made from the 2023 Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund for payment of the principal of, and interest and any premium on, the 2023 Bonds and any Parity Bonds, the Fiscal Agent will provide written notice thereof to the Finance Director, specifying the amount withdrawn.

Qualified Reserve Fund Credit Instruments. The City has the right at any time to direct the Fiscal Agent to release funds from the 2023 Reserve Fund, in whole or in part, by tendering to the Fiscal Agent: (i) a Qualified Reserve Account Credit Instrument (as defined in the Fiscal Agent Agreement), and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the 2023 Bonds or any Parity Bonds the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation.

The City will have no obligation to replace a Qualified Reserve Account Credit Instrument or to fund the 2023 Reserve Fund with cash if, at any time that the 2023 Bonds are Outstanding, the Qualified Reserve Account Credit Instrument (or its provider) is downgraded or the provider becomes insolvent, if there is an unscheduled termination of the Qualified Reserve Account or if for any reason insufficient amounts are available to be drawn upon under the Qualified Reserve Account Credit Instrument; provided, however, that the City will reimburse the provider, in accordance with the terms of the Qualified Reserve Account Credit Instrument, for any draws made thereon.

The City and the Fiscal Agent will comply with the terms of the Qualified Reserve Account Credit Instrument as will be required to receive payments thereunder in the event and to the extent required under the Fiscal Agent Agreement.

See APPENDIX C for a complete description of the timing, purpose and manner of disbursements from the 2023 Reserve Fund.

Investment of Moneys in Funds

Moneys in any fund or account created or established by the Fiscal Agent Agreement and held by the Fiscal Agent will be invested by the Fiscal Agent in Permitted Investments, which in any event by

their terms mature prior to the date on which such moneys are required to be paid out under the Fiscal Agent Agreement. See APPENDIX C for a definition of “Permitted Investments.”

Issuance of Future Parity Bonds for Refunding Only

In addition to the 2023 Bonds, the City may issue one or more additional series of Refunding Bonds payable from the Special Tax Revenues on a parity with the 2023 Bonds (collectively, “**Parity Bonds**”), in such principal amount as may be determined by the City, under a Supplemental Agreement entered into by the City and the Fiscal Agent. Any such Parity Bonds will constitute Bonds under the Fiscal Agent Agreement and will be secured by a lien on the Special Tax Revenues and funds pledged for the payment of the Bonds under the Fiscal Agent Agreement on a parity with all other Bonds Outstanding thereunder.

“**Refunding Bonds**” is defined in the Fiscal Agent Agreement as bonds issued by the City for the District with respect to Improvement Area No. 3, the net proceeds of which are used to refund all or a portion of the then-Outstanding Bonds; provided that the principal and interest on the Refunding Bonds to their final maturity date is less than the principal and interest on the Bonds being refunded to their final maturity date, and the final maturity of the Refunding Bonds is not later than the final maturity of the Bonds being refunded.

See APPENDIX C for additional details regarding the conditions for issuing Parity Bonds.

Subordinate Bonds

Nothing in the Fiscal Agent Agreement prohibits the City from issuing any other bonds or otherwise incurring debt secured by a pledge of the Special Tax Revenues subordinate to the pledge thereof under the Fiscal Agent Agreement.

THE DISTRICT AND IMPROVEMENT AREA NO. 3

Formation and Background

Formation Proceedings. The District, Improvement Area No. 1 and the Future Annexation Area were established by the City Council under the Act on February 7, 2017, following a noticed public hearing. On December 17, 2019, the City Council approved the annexation of property into and the designation of Improvement Area No. 3, pursuant to the unanimous approval of landowners in Improvement Area No. 3 and, on the same date, an election was held in which the qualified electors within Improvement Area No. 3 approved a ballot proposition authorizing the District to incur bonded indebtedness for Improvement Area No. 3 of up to \$25,000,000 to finance the acquisition and construction of the authorized facilities, to levy the Special Taxes within Improvement Area No. 3, and to establish an appropriations limit for Improvement Area No. 3. The District is authorized to finance the construction of authorized facilities. See “FINANCING PLAN – Authorized Facilities.”

Improvement Areas; Annexation Proceedings. In addition to Improvement Area No. 3, the District includes an Improvement Area No. 1, which consists of approximately 123.69 net acres (including approximately 46.08 acres that has been subdivided into 299 single-family residential lots and approximately 74.70 acres encompassing four larger parcels expected to be developed as commercial and other uses), an Improvement Area No. 2 consisting of approximately 55.1 acres that has been subdivided into 222 single-family residential lots, and a Future Annexation Area consisting of approximately 41.80 acres. The property in the Future Annexation Area is currently expected to be annexed into a new improvement area, in which case such future improvement area will be separately

authorized to issue special tax bonds secured only by special taxes levied within the applicable improvement area.

The 2023 Bonds are secured only by the Special Taxes levied within Improvement Area No. 3. If and to the extent the Future Annexation Area is annexed as additional improvement areas, there will be no cross-collateralization between or among improvement areas. The City does not have any current plans to annex any parcels within the Future Annexation Area into Improvement Area No. 3.

Description and Location

General. The District is located in the southwestern part of the City, at the Northwest intersection of Corral Hollow and Linne Roads. The land was formerly part of the County, and was annexed to the City in 2013. Improvement Area No. 3 encompasses approximately 73.65 acres. See APPENDIX A for demographic and other information regarding the City and the County.

Boundary Map. The map showing the boundaries of Improvement Area No. 3 is set forth on the following page.

[Insert CFD Boundary Map]

Authorized Facilities

General. Under the Resolution of Formation adopted by the City Council, as the legislative body of the District, on February 7, 2017, the District (and each improvement area therein) is authorized to finance all or a portion of the costs of acquisition, construction and improvement of facilities permitted under the Act and that are required as conditions of development of property in the District, the Future Annexation Area and any other property annexed to the District (collectively, the “**Facilities**”). The Facilities include but are not limited to the following:

- Public Buildings and Facilities (excluding Aquatic or Swim Center);
- Wastewater Treatment Plant Improvements and Facilities;
- Wastewater Collection Pipeline Improvements and Facilities;
- Drainage Improvements and Facilities;
- Water Improvements and Facilities;
- Roadway Improvements and Facilities including street lights, traffic signals, landscaped parkways, landscaped medians, curb, gutter, sidewalk, pavement;
- Public Parks and Facilities (excluding Aquatic or Swim Center), including trails and bike paths; and
- Ancillary Improvements and Facilities, such as publicly-owned masonry walls and fences.

Any Facility authorized to be financed by the District and each Improvement Area as originally designated and as designated in the future in conjunction with subsequent annexations of all or any part of the Future Annexation Area or any other property may be financed through the construction and acquisition of the Facility or through the payment of fees for such Facility. The Facilities authorized to be financed may be located within or outside the boundaries of the District or any Improvement Area as originally designated and as designated in the future in conjunction with subsequent annexations of all or any part of the Future Annexation Area or any other property.

The Facilities to be financed shall include all hard and soft costs associated with the Facilities, including the costs of the acquisition of land and rights-of-way, the costs of design engineering and planning, the costs of any environmental or traffic studies, surveys, or other reports, costs related to landscaping and irrigation, soils testing, permits, plan check, and inspection fees, insurance, legal, and related overhead costs, coordination and supervision, and any other costs or appurtenances related to any of the foregoing, as further defined in one or more acquisition agreements with the developer of the property in the District and each Improvement Area therein, in each case as originally designated and as designated in the future in conjunction with subsequent annexations of all or any part of the Future Annexation Area or any other property.

Status of Construction of Facilities. All infrastructure improvements for Improvement Area No. 3 have been completed by the Developer or LS-Tracy LLC. LS-Tracy LLC has also completed substantially all site improvements, with only crosswalk pavers, entry monument, park and parkway landscaping remaining to be completed as of February 1, 2023. See “OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3 – Status of Infrastructure for Improvement Area No. 3.”

Value of Property in Improvement Area No. 3

Appraisal. The City ordered preparation of an appraisal report dated February 21, 2023 (the “**Appraisal**”), of the estimated value of the taxable land within Improvement Area No. 3 as of a January 3, 2023 date of value. The Appraisal was prepared by Integra Realty Resources, Sacramento, California (the “**Appraiser**”). The Appraisal is set forth in APPENDIX H hereto. The description herein of the Appraisal is intended for limited purposes only; the Appraisal should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions, conditions and qualifications which are set forth in the Appraisal.

Parcels Appraised. The properties appraised represent various parcels within the Ellis Development. As of the date of value of the Appraisal, of the 308 assessor’s parcels representing the taxable parcels within Improvement Area No. 3 of the District, 179 have completed single-family homes, all of which do not have a complete assessed value for both land and improvements. As such, a “not-less than” estimate of market value for the smallest floor plans within each of the three product lines as appraised and assigned to each respective assessor’s parcel. The remaining 129 parcels consist of 74 finished lots and 55 homes under construction. This accounts for the entirety of Improvement Area No. 3 that is currently taxable.

Value Estimate. The Appraisal provides a market value of the appraised properties, as well as a cumulative, or aggregate, value of properties as of the January 3, 2023 date of value. The aggregate value is not the market value of the appraised properties in bulk.

The appraised valuation excludes the value of all portions of the property in Improvement Area No. 3 designated for public and quasi-public purposes, assumes the proceeds of the 2023 Bonds have been used to reimburse the completion of certain improvements associated with Improvement Area No. 3, and accounts for the impact of the lien of the Special Tax. The following estimate represents the hypothetical market value of the property to be subject to the Special Tax. The value estimate for the property as of the January 3, 2023 date of value, using the methodologies described in the Appraisal and subject to the limiting conditions and special assumptions set forth in the Appraisal, is \$191,793,000.

Value Method. Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach, and the income capitalization approach. Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type. The methodology employed in the Appraisal is the sales comparison approach.

Hypothetical Condition. The market value estimated in the Appraisal is based on a hypothetical condition that proceeds of the 2023 Bonds are available to reimburse the completion of certain improvements associated with Improvement Area No. 3.

Assumptions and Limiting Conditions. In addition to the hypothetical condition described above, the market value of the appraised parcels is subject to a number of other assumptions and conditions which affect the estimates as to value, including, among others, the following:

- The value estimate assumes that the transfer would reflect a cash transaction or terms considered to be equivalent to cash. The estimate is also premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller each acting prudently, knowledgeably, for their own self-interest, and assuming that neither is under undue stress. Additionally, the estimate assumes that the appraised properties within the boundaries of the District are not marketed concurrently, which would suggest a market under duress.

- The valuation analysis did not include review of a current title report of all properties to determine any possible conditions of title affecting the properties appraised. The Appraiser accepts no responsibility for matters pertaining to title.

- The Appraiser has also assumed that there is no hazardous material on or in the property that would cause a loss in value. Should future conditions and events involving hazardous material reduce the level of permitted development or delay the completion of any projected development, the value of the undeveloped land would likely be reduced from that estimated by the Appraiser. See “BOND OWNERS’ RISKS – Property Values” and “– Hazardous Substances” below.

See “APPENDIX H – Appraisal Report” hereto for a description of certain assumptions made by the Appraiser. Accordingly, because the Appraiser arrived at an estimate of current market value based upon certain assumptions which may or may not be fulfilled, no assurance can be given that should the parcels become delinquent due to unpaid Special Taxes, and be foreclosed upon and offered for sale for the amount of the delinquency, that any bid would be received for such property or, if a bid is received, that such bid would be sufficient to pay such delinquent Special Taxes.

Limitations of Appraisal Valuation. Property values may not be evenly distributed throughout Improvement Area No. 3; thus, certain parcels may have a greater value than others. This disparity is significant because in the event of nonpayment of the Special Tax, the only remedy is to foreclose against the delinquent parcel. No assurance can be given that the foregoing valuation can or will be maintained during the period of time that the 2023 Bonds are outstanding in that the City has no control over the market value of the property within Improvement Area No. 3 or the amount of additional indebtedness that may be issued in the future by other public agencies, the payment of which, through the levy of a tax or an assessment, may be on a parity with the Special Taxes. See “BOND OWNERS’ RISKS – Other Possible Claims Upon the Value of Taxable Property” below.

For a description of certain risks that might affect the assumptions made in the Appraisal, see “BOND OWNERS’ RISKS” herein. *Neither the City nor the Underwriter makes any representation as to the accuracy or completeness of the Appraisal. See APPENDIX H for the Appraisal Report.*

Value-to-Lien Ratios

The tables below show the approximate value-to-lien ratio for the parcels in Improvement Area No. 3, based on the appraised values set forth in the Appraisal and the proposed principal amount of the 2023 Bonds. The value-to-lien ratios in the tables below are based on the proposed par amount of the 2023 Bonds only. When including the general obligation bond indebtedness shown on the overlapping debt statement, the value-to-lien ratio is 11.3:1*.

No assurance can be given that the amounts shown in these tables will conform to those ultimately realized in the event of a foreclosure action following delinquency in the payment of the Special Taxes.

Table 3
Improvement Area No. 3 of the
City of Tracy Community Facilities District No. 2016-2 (ECFD)
Estimated Property Values and Value-to-Lien Ratios
(Development Status as of January 3, 2023)⁽¹⁾

<u>Property Ownership and Development Status</u>	<u>Construction Status⁽¹⁾</u>	<u>Taxable Parcels</u>	<u>Maximum FY 2023-24 Special Tax Revenue</u>	<u>Projected FY 2023-24 Special Tax Levy</u>	<u>% of Projected Special Tax Levy</u>	<u>Appraised Value</u>	<u>Allocated 2023 Bond Debt⁽²⁾</u>	<u>Estimated Value-to-Lien Ratio*</u>
Developed Property ⁽³⁾								
Individual Homeowners	Completed	169	\$551,322	\$551,322	60.3%	\$148,275,000	\$10,099,811	14.7
LCG - CA Model, LLC ⁽⁴⁾	Sold Model Homes	10	32,623	32,623	3.6	8,910,000	597,622	14.9
LS-Tracy LLC ⁽⁴⁾	Under Construction	55	179,424	179,424	19.6	14,784,000	3,286,921	4.5
<i>Subtotal</i>		<i>234</i>	<i>\$763,369</i>	<i>\$763,369</i>	<i>83.5%</i>	<i>\$171,969,000</i>	<i>\$13,984,354</i>	<i>12.3</i>
Undeveloped Property								
LS-Tracy LLC ⁽⁴⁾	Finished Lots	27	\$86,638	\$54,010	5.9%	\$7,218,000	\$989,415	7.3
LS-LCF CA, LLC ⁽⁴⁾	Finished Lots	47	155,536	96,960	10.6	12,606,000	1,766,232	7.1
<i>Subtotal</i>		<i>74</i>	<i>\$242,174</i>	<i>\$150,969</i>	<i>16.5%</i>	<i>\$19,824,000</i>	<i>\$2,765,646</i>	<i>7.2</i>
Total		308	\$1,005,543	\$914,338	100.0%	\$191,793,000	\$16,750,000	11.5

* Preliminary; subject to change.

(1) Ownership information and construction status based on the Appraisal Report and as of the January 3, 2023 date of value of the Appraisal.

(2) Allocated based on the projected fiscal year 2023-24 facilities special tax levy, based on development status as of January 3, 2023. The actual fiscal year 2023-24 facilities special tax levy will be based on development status as of June 30, 2023. Does not take into account overlapping bonded indebtedness secured by ad valorem taxes on the property.

(3) Under the Rate and Method, "Developed Property" includes Taxable Property for which a building permit for new construction was issued prior to June 30 of the prior fiscal year.

(4) As described below, LS-Tracy LLC, LCG-CA Model, LLC, and LS-LCF CA, LLC are each affiliated with Landsea Homes Corporation, a publicly traded homebuilder. See "OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3 – Property Ownership in Improvement Area No. 3."

Source: Integra Realty Resources; Goodwin Consulting Group, Inc.

Table 4
Improvement Area No. 3 of the
City of Tracy Community Facilities District No. 2016-2 (ECFD)
Summary Value-to-Lien Ratios

Value to Lien	Taxable Parcels	Maximum FY 2023-24 Special Tax Revenue	Projected FY 2023-24 Special Tax Levy	% of Projected Special Tax Levy	Appraised Value	Allocated 2023 Bond Debt ^{*(1)}	Average Value-to- Lien Ratio*
Greater than 10:1	179	\$583,945	\$583,945	63.9%	\$157,185,000	\$10,697,433	14.7
5:1 to 10:1	70	222,345	138,608	15.2	18,752,000	2,539,198	7.4
3:1 to 5:1	59	199,253	191,786	21.0	15,856,000	3,513,369	4.5
Less than 3:1	0	0	0	0.0	0	0	0.0
Total	308	\$1,005,543	\$914,338	100.0%	\$191,793,000	\$16,750,000	11.5

*Preliminary; subject to change.

(1) Allocated based on the projected fiscal year 2023-24 facilities special tax levy, based on development status as of January 3, 2023. The actual fiscal year 2023-24 facilities special tax levy will be based on development status as of June 30, 2023. Does not take not account overlapping bonded indebtedness secured by ad valorem taxes on the property.

Source: *Integra Realty Resources; Goodwin Consulting Group, Inc.*

Direct and Overlapping Governmental Obligations

Overlapping Debt Statement. Contained within the boundaries of Improvement Area No. 3 are certain overlapping local agencies providing public services. Many of these local agencies have outstanding debt. The direct and overlapping debt affecting Improvement Area No. 3 as of March 1, 2023 is shown in the table below, a direct and overlapping debt report (the "**Debt Report**") prepared by California Municipal Statistics, Inc. The Debt Report is included for general information purposes only. Neither the City nor the Underwriter has reviewed the Debt Report for completeness or accuracy and neither makes any representation in connection therewith.

The Debt Report generally includes long term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of Improvement Area No. 3 in whole or in part. These long-term obligations are not payable from revenues of Improvement Area No. 3 (except as indicated) nor are they necessarily obligations secured by land within Improvement Area No. 3. In many cases long term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

The contents of the Debt Report are as follows: (1) the first column indicates the public agencies that have outstanding debt as of the date of the Debt Report and whose territory overlaps Improvement Area No. 3; (2) the second column shows the percentage of the assessed valuation of the overlapping public agency identified in column 1 which is represented by property located within Improvement Area No. 3; and (3) the third column is an apportionment of the dollar amount of each public agency's outstanding debt (which amount is not shown in the table) to property in Improvement Area No. 3, as determined by multiplying the total outstanding debt of each agency by the percentage of the public agency's assessed valuation represented in column 2.

Table 5
Improvement Area No. 3 of the
City of Tracy Community Facilities District No. 2016-2 (ECFD)
Direct and Overlapping Governmental Obligations
As of March 1, 2023

2022-23 Assessed Valuation: \$15,299,997 (Land & Improvements)

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 3/1/23</u>
San Joaquin Delta Community College District General Obligation Bonds	0.014%	\$24,983
Tracy Unified School District General Obligation Bonds	0.059	16,973
Jefferson School District General Obligation Bonds	0.389	172,492
City of Tracy Community Facilities District No. 2016-2, I.A. No. 3	100.000	--⁽¹⁾
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$214,448

Ratios to 2022-23 Assessed Valuation:

Direct Debt..... **0.00%** ⁽¹⁾
Total Direct and Overlapping Tax and Assessment Debt 1.40%

(1) Excludes the 2023 Bonds.

Source: *California Municipal Statistics, Inc.*

Estimated Tax Burden on Single-Family Homes

The following table sets forth the estimated total tax burden on a developed single-family detached unit in Improvement Area No. 3, based on special tax rates for Fiscal Year 2022-23.

Table 6
Improvement Area No. 3 of the
City of Tracy Community Facilities District No. 2016-2 (ECFD)
Fiscal Year 2022-23 Illustrative Tax Bill

Assumptions

Expected Assessed Value ⁽¹⁾	\$1,008,028
Homeowner's Exemption	(\$7,000)
Net Expected Assessed Value	\$1,001,028

Ad Valorem Tax Rate⁽²⁾

County General	1.000000	\$10,010
Jefferson Elem 2010 Meas J 2011A Bond	0.024100	241
Jefferson Elem 2010 Meas J 2013B Bond	0.014400	144
Jefferson Elem 2010 Meas J 2014C Bond	0.011200	112
Total Ad Valorem Taxes	1.049700	\$10,508

Direct Charges⁽³⁾

Tracy Rural Fire	\$108
SJC Mosq & VCTR Contr	9
Water Zone 2	2
CSA No 53 Haz Was	4
SJC Mosquito Abate	1
IA 3 CFD No. 2016-2 Facilities Special Tax	3,198
IA 3 CFD No. 2016-2 Services Special Tax	1,453
Total Direct Charges	\$4,776

Total Taxes and Direct Charges **\$15,284**

Percentage of Expected Assessed Value **1.52%**

(1) Based on the average base prices in the Appraisal Report.

(2) Based on the Fiscal Year 2022-23 ad valorem tax rates for the tax rate area within the District.
Ad valorem tax rates are subject to change in future years.

(3) Based on the Fiscal Year 2022-23 charges identified on the San Joaquin County-issued property tax bills. Charges subject to change in future years. Does not reflect any amounts for PACE liens. Property owners in Improvement Area No. 3 may elect to have PACE assessment liens placed on their property.

Source: San Joaquin County Tax Collector's Office; Integra Realty Resources; Goodwin Consulting Group, Inc.

Special Tax Collection and Delinquency Rates

Fiscal Year 2022-23 is the first fiscal year in which the Special Tax was levied in Improvement Area No. 3, with the first installment due on November 1 and considered delinquent on December 10. There were no delinquencies in the payment of the first installment of Special Taxes in Improvement Area No. 3 for Fiscal Year 2022-23.

Potential Consequences of Special Tax Delinquencies

General. Delinquencies in the payment of property taxes (including the Special Taxes) with respect to property in Improvement Area No. 3 could result in draws on the 2023 Reserve Fund established for the 2023 Bonds, and perhaps, ultimately, a default in the payment on the 2023 Bonds. See “BOND OWNERS’ RISKS.”

The Board of Supervisors of San Joaquin County adopted the Teeter Plan in Fiscal Year 1994-95. The County has elected to apply its Teeter Plan to the collection of the Special Taxes in Improvement Area No. 3. To the extent that the County’s Teeter Plan continues in existence and is carried out as adopted, and to the extent the County does not discontinue the Teeter Plan with respect to Improvement Area No. 3, the County’s Teeter Plan may help protect owners of the 2023 Bonds from the risk of delinquencies in the payment of Special Tax. *There can be no assurance that the County will not modify or eliminate its Teeter Plan, or choose to remove Improvement Area No. 3 from its Teeter Plan, while the 2023 Bonds are outstanding.* See “SECURITY FOR THE 2023 BONDS – Covenant to Foreclose – Special Tax Delinquencies; Teeter Plan” for additional information.

Special Tax Enforcement and Collection Procedures. The City could receive additional funds for the payment of debt service through foreclosures sales of delinquent property, but no assurance can be given as to the amount of foreclosure sale proceeds or when foreclosure sale proceeds would be received. The City has covenanted in the Fiscal Agent Agreement to take certain enforcement actions and commence and pursue foreclosure proceedings against delinquent parcels under the terms and conditions described herein. See “SECURITY FOR THE 2023 BONDS — Covenant to Foreclose.”

Foreclosure actions would include, among other steps, formal City Council action to authorize commencement of foreclosure proceedings, mailing multiple demand letters to the record owners of the delinquent parcels advising them of the consequences of failing to pay the applicable Special Taxes and contacting secured lenders to obtain payment. If these efforts were unsuccessful, they would be followed (as needed) by the filing of an action to foreclose in superior court against each parcel that remained delinquent.

Limitations on Increases in Special Tax Levy. If owners are delinquent in the payment of Special Taxes, the City may not increase Special Tax levies to make up for delinquencies for prior Fiscal Years above the Maximum Special Tax rates specified for each category of property within Improvement Area No. 3. See “SECURITY FOR THE 2023 BONDS – Rate and Method.” In addition, Section 53321(d) of the Act provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such Fiscal Year had there never been any such delinquencies or defaults. In cases of significant delinquency, these factors may result in defaults in the payment of principal of and interest on the 2023 Bonds. See “BOND OWNERS’ RISKS.”

OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3

*The information regarding the development and ownership of the Property contained under this caption, "OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3," has been provided by representatives of Surland Communities LLC, a California limited liability company (the "**Developer**"), and LS-Tracy LLC, a Delaware limited liability company ("**LS-Tracy LLC**"), and has not been independently confirmed or verified by the Underwriter, the City, or the District. The Underwriter, the City, and the District make no representation as to the accuracy or adequacy of the information contained under this caption. There may be material adverse changes in this information after the date of this Official Statement. Neither the Bonds nor the Special Taxes securing the Bonds are personal obligations of the Developer or LS-Tracy LLC, or any affiliate thereof, or any other property owner and, in the event that any property owner defaults in the payment of its Special Taxes, the District may proceed with judicial foreclosure but has no direct recourse to the assets of any property owner or any affiliate thereof. See "BOND OWNERS' RISKS" herein.*

The Ellis Project

General. The Property in Improvement Area No. 3 is part of a larger residential community referred to as the "Ellis Development" being developed by the Developer, which includes the Property within Improvement Area No. 3, property within Improvement Area No. 1, Improvement Area No. 2, and the Future Annexation Area, and possibly future additional property that may annex into the District. The Ellis Development plan is ultimately expected to contain approximately 2,250 single-family residential dwelling units plus other uses.

Improvement Area No. 1. The property in Improvement Area No. 1 consists of approximately 150.75 acres, including approximately 55.01 acres within Final Tract Map. No. 3764 (Ellis Phase 1A) (Lots 1-168) and Final Tract Map No. 3872 (Ellis Phase 1B) (Lots 169-299), which has been subdivided into 299 single-family residential lots, and approximately 74.70 acres encompassing four larger parcels expected to be developed as commercial and other uses. As of February 1, 2023, the property in Improvement Area No. 1 was owned by individual homeowners, Woodside Homes 05N, LP, a California limited partnership ("**Woodside Homes**"), and a limited liability company affiliated with the Developer. Of the 299 residential lots, 296 have been conveyed to individual homeowners as of February 1, 2023 and the remaining 3 lots were owned by Woodside Homes.

Improvement Area No. 2. The property in Improvement Area No. 2 consists of approximately 55.1 acres that has been subdivided into 222 single-family residential lots. As of February 1, 2023, the property in Improvement Area No. 2 was owned by individual homeowners and Woodside Homes. All of the 222 residential lots have been conveyed to individual homeowners as of February 1, 2023.

Improvement Area No. 3. See the discussion under "THE DISTRICT AND IMPROVEMENT AREA NO. 3" above for a discussion of Improvement Area No. 3.

Future Annexation Area. There is approximately 41.80 acres of Future Annexation Area. The property in the Future Annexation Area is intended to be annexed to a new improvement area (Improvement Area No. 4) at some point in the future and is anticipated to be developed as approximately 126 homes and a K-8 school.

Information on Improvement Area No. 1, Improvement Area No. 2, and the Future Annexation Area and any other land in the Ellis Development that is outside Improvement Area No. 3 is provided for informational purposes; only the taxable property in Improvement Area No. 3 is security for the 2023 Bonds.

Surland Communities LLC. The Developer is a California limited liability company with its primary development executive team having both regional and national development experience in residential, commercial, and municipal projects.

Examples of some of the Developer's projects in the City include the following:

- Redbridge, which is a residential neighborhood in the City, with parks, pools, and a community General Store, and consisted of 438 single family homes master planned by the Developer and development completed in approximately 2009.
- Laurel Brook, is a residential neighborhood in the City constructed and sold by the Developer consisting of 106 single family homes completed in 1999.
- Bridle Creek, is a residential neighborhood in the City consisting of 169 single family homes constructed and sold by the Developer and completed in 1998.
- Spring Meadows, which is a residential neighborhood consisting of 51 single family homes completed in 1993.
- The Developer has also provided pro bono municipal work in the City, including the architectural design of the Tracy City Hall and the Tracy Transit Station, and serving as an architectural advisor on the Tracy Grand Theatre.

Development Plan of the Developer. For each phase of the Ellis Development, the Developer has or will either construct infrastructure improvements necessary to serve that phase, or contract with merchant builders to construct the improvements. For Improvement Area No. 3, all of the infrastructure improvements necessary for the build-out of Improvement Area No. 3 is the responsibility of LS-Tracy LLC. See “– Status of Infrastructure for Improvement Area No. 3” below.

Acquisition Agreement. The City and the Developer are parties to an Amended and Restated Master Acquisition Agreement, dated as of September 1, 2021 (the “**Acquisition Agreement**”) related to the financing of Facilities. The Acquisition Agreement sets forth the terms upon which the City will acquire Facilities constructed by the Developer or merchant builders. Among other things, the Acquisition Agreement provides that through the 15th fiscal year in which the special tax is first levied in an improvement area (including Improvement Area No. 3), the Special Tax will be levied on Developed Property (as defined in the Rate and Method) in the amount of the Maximum Facilities Special Tax (as defined in the Rate and Method) and any Remainder Taxes will be used to finance the acquisition costs of Facilities, including components thereof and development fees.

City's Growth Management Ordinance. On June 16, 1987, the City Council of the City adopted by ordinance a Residential Growth Management Plan (referred to as the “**Growth Management Ordinance**”). The Growth Management Ordinance has been amended to-date. The Growth Management Ordinance requires an annual reservation of a certain number of building permits for the Ellis Project. The Growth Management Ordinance will not limit the development in Improvement Area No. 3 since all necessary permits for satisfaction of the Growth Management Ordinance as it applies to Improvement Area No. 3 have been pulled.

Property Ownership in Improvement Area No. 3

Current Property Ownership. As of February 1, 2023, the Property was owned by individual homeowners and LS-Tracy LLC and its affiliates as follows:

Owner	# of Lots
Individual Homeowners	173 Residential Lots
LS-Tracy LLC	78 Residential Lots
LCG-CA Model, LLC	10 Residential Lots
LS-LCF CA, LLC	47 Residential Lots

As described in more detail in the following paragraphs, LS-Tracy LLC, LCG-CA Model, LLC, and LS-LCF CA, LLC are all affiliated through their ultimate parent company Landsea Homes Corporation (“**Landsea**”), a publicly traded homebuilder (Nasdaq: LSEA) based in Newport Beach, California that has operations in several states and has been building homes in Northern California for over eight years.

LS-Tracy LLC and Affiliates. LS-Tracy LLC is wholly owned by Landsea Homes-WAB LLC, a Delaware limited liability company (“**Landsea Homes-WAB LLC**”). Landsea Homes-WAB LLC is in turn wholly owned by Landsea Homes US Corporation, a Delaware corporation (“**Landsea Homes US Corporation**”). Landsea Homes US Corporation is wholly owned by Landsea.

LS-LCF CA, LLC, a Delaware limited liability company (“**LS-LCF CA, LLC**”), is owned by Landsea Homes US Corporation, as managing member, and Landsea Capital Fund I, LLC a Delaware limited liability company (“**Landsea Capital Fund I, LLC**”). [The members of Landsea Capital Fund I, LLC [include affiliates of Landsea and other entities unaffiliated with Landsea/consist of entities unaffiliated with Landsea]. [To be confirmed.]

LCG-CA Model, LLC, a Delaware limited liability company (“**LCG-CA Model LLC**”) is owned by Landsea Capital Group, LLC, a Delaware limited liability company, as managing member, and Landsea Capital Fund I, LLC.

Improvement Area No. 3 consists of approximately 73.65 acres (41.00 net acres) expected to be developed into 308 single-family homes by LS-Tracy LLC. All required off-site improvements for Improvement Area No. 3 for occupancy are complete. LS-Tracy LLC has completed substantially all site improvements, with only crosswalk pavers, entry monument, park, and parkway landscaping remaining to be completed as of February 1, 2023. LS-Tracy LLC held a grand opening featuring 10 model homes on the Model Lots in September 2022. As of February 1, 2023, LS-Tracy LLC had pulled 266 full building permits and 42 foundation-only permits, with the remaining 42 full-building permits expected to be pulled by December 2023. As of February 1, 2023, LS-Tracy LLC had closed escrow on 173 residential lots to homebuyers, with an additional 28 under contract to be sold (but not yet closed), and 107 lots not yet sold or closed to individual homeowners. It should be noted that homes under contract may not result in closed escrows as sales contracts are subject to cancellation by the individual homebuyers.

LS-Tracy LLC has constructed or is constructing homes in three product lines known as Townsend, Kinbridge, and Hartwell. Four floor plans are available in each product line, ranging from 2,107-2,587 square feet in the Townsend product line, 2,382-2,894 square feet in the Kinbridge product line, and 2,297-3,733 square feet in the Hartwell product line. The first home closing occurred in December 2021 and the final home closing is projected to occur in September 2024. See “– The Merchant Builder – *LS-Tracy LLC Development Plan*” below.

Landbank Lots. The residential lots owned by LS-LCF CA, LLC (“**Landbank Lots**”) are subject to a land-banking arrangement and governed by an Option Agreement dated June 27, 2022 (the “**Landbank Option Agreement**”) by and between LS-LCF CA, LLC and LS-Tracy LLC. [As described

above, the managing member of LS-LCF CA, LLC is Landsea Homes US Corporation; other unrelated entities are direct or indirect owners of LS-LCF CA, LLC's other membership interests.] Pursuant to the Landbank Option Agreement, LS-LCF CA, LLC acquired the Landbank Lots from LS-Tracy LLC, and LS-LCF CA, LLC granted LS-Tracy LLC an option to re-acquire the Landbank Lots (the "**Landbank Option**"). The Landbank Option Agreement required certain consideration for granting the Landbank Option, which has been paid by LS-Tracy LLC. The Landbank Option Agreement does not require any specified order or minimum takedown of the Landbank Lots, with LS-Tracy LLC having discretion as to the timing and order of any takedown(s). The term of the Landbank Option will terminate upon the first to occur of (i) LS-Tracy LLC's uncured breach or default under the Landbank Option, (ii) LS-Tracy LLC's acquisition of all Landbank Lots, and (iii) LS-Tracy LLC's election to not exercise the option with respect to any Landbank Lots not already acquired by LS-Tracy LLC. During the term of the Landbank Option, LS-Tracy LLC shall be responsible for any and all homeowner's association assessments, property taxes (including the Special Taxes), and maintenance of the Landbank Lots.

Model Lots. The residential lots owned by LCG-CA Model, LLC ("**Model Lots**") are being leased to LS-Tracy LLC pursuant to the terms of a Model Home Purchase and Leaseback Agreement (the "**Model Home Lease Agreement**") by and between LCG-CA Model, LLC, as purchaser/landlord, and LS-Novato, LLC, a Delaware limited liability company ("**LS-Novato, LLC**") and LS-Tracy LLC, collectively as seller/tenant. LS-Novato is a wholly owned subsidiary of Landsea Homes of California, Inc., a Delaware corporation ("**Landsea Homes of California, Inc.**"). Landsea Homes of California, Inc. is wholly owned by Landsea Homes US Corporation. Pursuant to the Model Home Lease Agreement, LS-Tracy LLC and LS-Novato, LLC each sold certain real property described therein to LCG-CA Model, LLC, with LS-Tracy LLC leasing back certain real property, including the Model Lots. Under the Model Home Lease Agreement, LS-Tracy LLC is leasing the Model Lots for a period of 36 months during which term LS-Tracy LLC shall pay a rental amount as specified therein as well as paying all real property taxes (including the Special Taxes) on the Model Lots. During the lease term, LS-Tracy LLC shall be permitted to use the Model Lots for model homes as well as a portion of such Model Lots as a sales office, design center, and other uses consistent with the operation of model homes to facilitate home sales. At or prior to the end of the term of the Model Home Lease Agreement, it is expected that LCG-CA Model, LLC will sell the model homes to individual homeowners.

Environmental Matters

Flood Hazard Map Information. According to the Federal Emergency Management Agency's flood insurance rate maps (Map Panel Number 06077C-0730F, dated October 16, 2009), the developable portions of the property in Improvement Area No. 3 are located within Flood Zone X, described as areas of minimal flooding (outside of the 100- and 500-year floodplains). Property in Improvement Area No. 3 is not subject to the Central Valley Flood Protection Plan.

Seismic Conditions. According to the Seismic Safety Commission, Improvement Area No. 3 is located within Zone 3, which is considered to be the lowest risk zone in California. There are only two zones in California: Zone 4, which is assigned to areas near major faults; and Zone 3, which is assigned to all other areas of more moderate seismic activity. In addition, Improvement Area No. 3 is not located within a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 of the California Department of Conservation, Division of Mines and Geology.

Wetlands. No wetland mitigation was required for development within Improvement Area No. 3.

Environmental Status. According to the Environmental Impact Report approved in January 22, 2013 by the City, impacts of the development of land in Improvement Area No. 3 have been analyzed and addressed and no further actions are necessary in order to complete the final construction of the

planned units, and continued development of the tracts in Improvement Area No. 3 will not result in any other direct or indirect adverse impacts.

Fire Hazard Zone. The property in Improvement Area No. 3 is not located within an area mapped by the California Department of Forestry and Fire Protection as a fire hazard severity zone.

Explosives Testing. The Lawrence Livermore National Laboratory (“LLNL”) Experimental Test Site (“**Site 300**”) is a restricted-access facility operated for the U.S. Department of Energy National Nuclear Security Administration (“**DOE/NNSA**”) by Lawrence Livermore National Security, LLC. Site 300 is located approximately 6.4 miles to the southwest of the Ellis project. The Site 300 facility is used in the research, development, and testing of non-radioactive explosive materials to support DOE/NNSA stockpile stewardship, counterterrorism and counterproliferation programs. Site 300 has been in operation as an explosive testing and research facility since 1955.

Site 300 conducts explosive testing in both indoor and outdoor facilities. Explosive testing conducted at Site 300 is regulated by the San Joaquin Valley Air Pollution Control District (“**SJVAPCD**”). Currently, Site 300 operates under a SJVAPCD air permit that allows detonations of explosives up to 100 pounds per day and 1,000 pounds per year. To minimize noise impacts to surrounding land uses, adjacent neighbors and other sensitive receptors, Site 300 constructed the Contained Firing Facility in 2000. The concrete, 28,000 square foot facility allows Site 300 to conduct explosive tests indoors. Intermittent outdoor explosive tests (otherwise known as open detonations) are also conducted.

In the Fall of 2017, DOE/NNSA submitted a new SJVAPCD permit application and released a Draft Environmental Assessment proposing to increase the weight of explosives from the current limit of 100 lbs./day to 1,000 lbs./day, and from 1,000 lbs./year to 7,500 lbs./year. The proposed increase would allow larger single detonations and would result in more open detonations. The City and the County submitted comment letters expressing concern and questions in regards to potential increase in noise impacts. To date, the SJVAPCD has not taken any action on the permit application.

Utilities. All public utilities are available to each of the parcels within Improvement Area No. 3. Public utilities are provided by the following entities:

<u>Utility</u>	<u>Provider</u>
Electricity	Pacific Gas & Electric
Natural Gas	Pacific Gas & Electric
Sewer/Water	City of Tracy
Data/Phone	Comcast/ATT

The Merchant Builder

LS-Tracy LLC. As previously defined in this Official Statement, “**LS-Tracy LLC**” is LS-Tracy LLC, a Delaware limited liability company that is the sole builder of homes in Improvement Area No. 3. LS-Tracy LLC’s ultimate parent company is Landsea.

Examples of some of projects completed by Landsea and its subsidiaries include the following:

- Kingswood in Dublin consisting of 109 Multifamily Townhomes completed in 2017.
- Stoneyridge in Walnut Creek consisting of 30 Multifamily Townhomes completed in 2019.
- The Vale in Sunnyvale consisting of 171 Multifamily Townhomes completed in 2020.
- Abigail Place in Danville consisting of 17 Single Family homes completed in 2020.
- Catalina in Santa Clara consisting of 93 Multifamily Townhomes completed in 2021.

- Sanctuary in Newark consisting of 108 Single Family homes completed in 2021.
- Relevae in Orinda consisting of 34 Single Family homes 2022.

Projects currently under development by Landsea and its subsidiaries include the following:

- Alameda Marina in Alameda consisting of 182 Multifamily Townhomes.
- Lavender in Sunnyvale consisting of 128 Multifamily Townhomes.
- Verandah in Novato consisting of 80 Multifamily Townhomes.

LS-Tracy LLC Development Plan. LS-Tracy LLC is underway with its planned development within Improvement Area No. 3, which includes the expected construction and sale to individual homebuyers of 308 residential homes within Improvement Area No. 3 in three product lines known as Townsend, Kinbridge, and Stanford, and the construction of street, water, wastewater, and storm improvements for Improvement Area No. 3. As of February 1, 2023, LS-Tracy LLC had pulled 266 full building permits and 42 foundation-only building permits, with the remaining 42 full building permits expected to be pulled by December 2023. As of February 1, 2023, LS-Tracy LLC had closed escrow on 173 residential lots to homebuyers, with an additional 28 under contract to be sold (but not yet closed), and 107 lots not yet sold or closed to individual homeowners. It should be noted that homes under contract may not result in closed escrows as sales contracts are subject to cancellation by the individual homebuyers. Completion of the project and conveyance of the final homes to homebuyers is expected to occur by September 2024.

Table 8 below summarizes the product mix of the 308 proposed homes expected to be constructed by LS-Tracy LLC within the Townsend, Kinbridge, and Hartwell product lines in Improvement Area No. 3:

Table 8
Summary of Development
Townsend, Kinbridge, and Hartwell at Ellis
(As of February 1, 2023)

<i>Neighborhood</i>	<i>Plan</i>	<i>Minimum Square Footage⁽¹⁾</i>	<i>No. of Lots</i>	<i>Base Home Price⁽²⁾</i>
Townsend				
	1	2,107 sq ft	24	\$977,735
	2	2,246 sq ft	26	\$1,073,274
	3	2,411 sq ft	26	\$949,000
	4	2,587 sq ft	<u>28</u>	\$1,037,431
Townsend Total			104	
Kinbridge				
	5	2,382 sq ft	17	\$956,277
	6	2,611sq ft	21	\$976,552
	7	2,717sq ft	24	\$997,882
	8	2,894 sq ft	<u>21</u>	\$1,026,249
Kinbridge Total			83	
Hartwell				
	9	2,297 sq ft	28	\$942,990
	10	3,231 sq ft	28	\$1,019,990
	11	3,376 sq ft	33	\$1,030,990
	12	3,733 sq ft	<u>32</u>	\$1,107,971
Hartwell Total			121	
Grand Total			308	

(1) Square footage shown excludes room options which may be offered.

(2) Base home prices shown exclude the builder's estimate of lot premiums, the sales of options and extras and any incentives, concessions, or price reductions. Based on base home sale price as of February 1, 2023 or the last homes sold.

Source: LS-Tracy LLC.

LS-Tracy LLC's development expectations described above are based on LS-Tracy LLC's current plans. These plans may change due to changes in economic and market conditions or other factors. No assurance can be given that the remaining home construction and sales will be carried out according to the plans outlined herein. No representation is made as to the ability or willingness of LS-Tracy LLC to complete its property development in Improvement Area No. 3 as currently planned and as described in this Official Statement.

COVID-19 Impact. The COVID-19 pandemic and related public health and governmental authorities' orders and actions is having a negative impact throughout the world, including in the County of San Joaquin, and could have a material adverse effect on LS-Tracy LLC's ability to complete its development within Improvement Area No. 3 in the time frame and budget, and at the sales prices, described in this Official Statement.

As of February 1, 2023, LS-Tracy LLC has experienced increases in certain construction costs, supply chain delays, labor shortages, and increased cycle time for home deliveries. However, LS-Tracy LLC has not experienced any significant development delays resulting from work stoppages, reduced attendance of workers, or the ability to obtain necessary inspections and approvals for homes, which may be attributed, directly or indirectly, to the COVID-19 pandemic. While the cost increases and delays may have been and may continue to be intermittently affected by COVID-19, the majority of cost

increases and delays can be attributable to the strength of the housing market and the result of vendors not anticipating the scale of the demand for housing materials.

Although the recent cost increases and construction delays are not currently having a significant impact on the overall development of LS-Tracy LLC's development in Improvement Area No. 3, the impacts caused by the outbreak are evolving and no prediction can be made with respect to the ultimate effects of the COVID-19 outbreak and related public health and governmental authorities' orders and actions (including, without limitation, the scope of restrictions under the current or any amended County of Joaquin or State of California orders), on LS-Tracy LLC's ability to continue to sell and close homes in Improvement Area No. 3.

See the caption "BOND OWNERS' RISKS—COVID-19 Pandemic" for certain risks associated with the outbreak of the COVID-19 Pandemic.

Status of Infrastructure for Improvement Area No. 3

All infrastructure improvements required for the sale and closing of homes within Improvement Area No. 3 have been completed by the Developer or LS-Tracy LLC. LS-Tracy LLC has also completed substantially all site improvements, with only crosswalk pavers, entry monument, park and parkway landscaping remaining to be completed as of February 1, 2023.

The Financing Plan in Improvement Area No. 3

LS-Tracy LLC Financing Plan. Through February 1, 2023, LS-Tracy LLC had spent approximately \$159.8 million related to its development within Improvement Area No. 3, not including land acquisition costs. As of such date, LS-Tracy LLC estimated it would spend approximately \$57 million in additional direct and indirect construction costs, permit and impact fees, and other development, marketing and sales costs (exclusive of internal financing repayment, corporate overhead and other carry costs) between February 1, 2023 and full buildout of the 308 homes expected to be constructed by LS-Tracy LLC in Improvement Area No. 3, which is expected to occur by September 2024.

Through February 1, 2023, LS-Tracy LLC had financed its land acquisition costs and various site development costs related to its property within Improvement Area No. 3 through internally generated funds, including cash generated from its homebuilding operations and through a credit facility that its parent company, Landsea, has with Western Alliance Bank (the "**Credit Facility**"). The Credit Facility is used for projects in which Landsea is involved (see, e.g., the projects listed as currently under development under the heading "OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3 – The Merchant Builder"). The Credit Facility is a senior unsecured borrowing base revolving line of credit with a total loan commitment of \$675 million and an expiration date of October 6, 2025, subject to additional one-year extension options. As of February 1, 2023, approximately \$160 million was available to be borrowed under the Credit Facility, subject to the terms thereof. LS-Tracy LLC expects to use the same sources of funding to complete its development activities within Improvement Area No. 3 (including the payment of property taxes and the Special Taxes).

Although LS-Tracy LLC expects to have sufficient funds available to complete its development activities in Improvement Area No. 3 in accordance with the development timing described in this Official Statement, there can be no assurance that amounts necessary to finance the remaining development and home construction costs will be available from LS-Tracy LLC or any other source when needed. Neither LS-Tracy LLC nor any of its related entities are under any legal obligation of any kind to expend funds for the development of and construction of homes on LS-Tracy LLC's property in Improvement Area No. 3. Any contributions by LS-Tracy LLC to fund the costs of such development and home construction are entirely voluntary.

If and to the extent that internal funding, including but not limited to home sales revenues, is inadequate to pay the costs to complete the planned development by LS-Tracy LLC within Improvement Area No. 3 and other financing by LS-Tracy LLC is not put into place, there could be a shortfall in the funds required to complete the planned development by LS-Tracy LLC within Improvement Area No. 3.

BOND OWNERS' RISKS

The purchase of the 2023 Bonds described in this Official Statement involves a degree of risk that may not be appropriate for some investors. The following includes a discussion of some of the risks which should be considered before making an investment decision. This discussion does not purport to be comprehensive or definitive and does not purport to be a complete statement of all factors which may be considered as risks in evaluating the credit quality of the 2023 Bonds.

Limited Obligation of the City to Pay Debt Service

The City has no obligation to pay principal of and interest on the 2023 Bonds if Special Tax collections are delinquent or insufficient, other than from amounts, if any, on deposit in the 2023 Reserve Fund or funds derived from the tax sale or foreclosure and sale of parcels for Special Tax delinquencies. The City is not obligated to advance funds to pay debt service on the 2023 Bonds.

Levy and Collection of the Special Tax

General. The principal source of payment of principal of and interest on the 2023 Bonds is the proceeds of the annual levy and collection of the Special Tax against property within Improvement Area No. 3.

Limitation on Maximum Special Tax Rate. The annual levy of the Special Tax is subject to the maximum annual Special Tax rate authorized in the Rate and Method. The levy cannot be made at a higher rate even if the failure to do so means that the estimated proceeds of the levy and collection of the Special Tax, together with other available funds, will not be sufficient to pay debt service on the 2023 Bonds.

No Relationship Between Property Value and Special Tax Levy. Because the Special Tax formula set forth in the Rate and Method is not based on property value, the levy of the Special Tax will rarely, if ever, result in a uniform relationship between the value of particular parcels of Taxable Property and the amount of the levy of the Special Tax against those parcels. Thus, there will rarely, if ever, be a uniform relationship between the value of the parcels of Taxable Property and their proportionate share of debt service on the 2023 Bonds, and certainly not a direct relationship.

Factors that Could Lead to Special Tax Deficiencies. The following are some of the factors that might cause the levy of the Special Tax on any particular parcel of Taxable Property to vary from the Special Tax that might otherwise be expected:

Transfers to Governmental Entities. The number of parcels of Taxable Property could be reduced through the acquisition of Taxable Property by a governmental entity and failure of the government to pay the Special Tax based upon a claim of exemption or, in the case of the federal government or an agency thereof, immunity from taxation, thereby resulting in an increased tax burden on the remaining taxed parcels. See “— Exempt Properties” below.

Property Tax Delinquencies. Failure of the owners of Taxable Property to pay property taxes (and, consequently, the Special Tax), or delays in the collection of or inability to collect the

Special Tax by tax sale or foreclosure and sale of the delinquent parcels, could result in a deficiency in the collection of Special Tax revenues. See “– Property Tax Delinquencies” below.

Delays Following Special Tax Delinquencies and Foreclosure Sales. The Fiscal Agent Agreement generally provides that the Special Tax is to be collected in the same manner as ordinary *ad valorem* property taxes are collected and, except as provided in the special covenant for foreclosure described in “SECURITY FOR THE 2023 BONDS – Covenant to Foreclose” and in the Act, is subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for ordinary *ad valorem* property taxes. Under these procedures, if taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the County.

If sales or foreclosures of property are necessary, there could be a delay in payments to owners of the 2023 Bonds pending such sales or the prosecution of foreclosure proceedings and receipt by the City of the proceeds of sale if the 2023 Reserve Fund is depleted. See “SECURITY FOR THE 2023 BONDS – Covenant to Foreclose.”

The ability of the City to collect interest and penalties specified by State law and to foreclose against properties having delinquent Special Tax installments may be limited in certain respects with regard to properties in which a federal governmental agency has or obtains an interest. See “– FDIC/Federal Government Interests in Properties” below.

Other laws generally affecting creditors’ rights or relating to judicial foreclosure may affect the ability to enforce payment of Special Taxes or the timing of enforcement of Special Taxes. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections such as a stay in enforcement of the foreclosure covenant, a six-month period after termination of such military service to redeem property sold to enforce the collection of a tax or assessment, and a limitation on the interest rate on the delinquent tax or assessment to persons in military service if the court concludes the ability to pay such taxes or assessments is materially affected by reason of such service.

Concentration of Ownership

All of the taxable property within Improvement Area No. 3 is currently owned by LS-Tracy LLC (or its affiliates) and individual homeowners. As of January 3, 2023, and assuming no further home closings after such date, the property owned by LS-Tracy LLC (and its affiliates) is estimated to be responsible for approximately 39.7% of the projected Fiscal Year 2023-24 Facilities Special Tax levy. See “THE DISTRICT AND IMPROVEMENT AREA NO. 3 – Value-to-Lien Ratios” and “OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3 – The Merchant Builder.”

The owners of property in Improvement Area No. 3 are not personally obligated to pay the Special Tax attributable to their property. Rather, the Special Tax is an obligation only against the parcel of property, secured by the amount which could be realized in a foreclosure proceeding against the property, and not by any promise of the owner to pay. If the value of the property is not sufficient, taking into account other obligations also constituting a lien against the property, the City, Fiscal Agent and owners of the 2023 Bonds have no recourse against the owner, such as filing a lawsuit to collect money.

Failure of LS-Tracy LLC (and its affiliates) or any future merchant builder or future owner of significant property subject to the Special Taxes in Improvement Area No. 3 to pay installments of Special Taxes when due could cause the depletion of the 2023 Reserve Funds prior to reimbursement from the resale of foreclosed property or payment of the delinquent Special Tax and, consequently, result in the delinquency rate reaching a level that would cause an insufficiency in collection of the Special Tax for the City to pay debt service with respect to the 2023 Bonds.

Potential Early Redemption of Bonds from Prepayments

Property owners within Improvement Area No. 3, including LS-Tracy LLC, and individual homeowners, are permitted to prepay up to 80% of the Facilities Special Tax obligation applicable to their parcel, subject to certain notice and other provisions of the Rate and Method. Such prepayments will result in a redemption of the 2023 Bonds on the interest payment date for which timely notice may be given under the Fiscal Agent Agreement following the receipt of the prepayment. The resulting redemption of 2023 Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such 2023 Bonds.

Property Tax Delinquencies

General. Delinquencies in the payment of property taxes and, consequently, the Special Taxes, can occur because the owners of delinquent parcels may not have received property tax bills from the County in a timely manner, including situations in which the County initially sent property tax bills to the property developer or merchant builder at a time when the parcels in question had already been sold to individual homeowners. Delinquencies can also reflect economic difficulties and duress by the property owner.

Numerous future delinquencies by the owners of Taxable Property in Improvement Area No. 3 in the payment of property taxes (and, consequently, the Special Taxes, which are collected on the ordinary property tax bills) when due could result in a deficiency in Special Tax revenues necessary to pay debt service on the 2023 Bonds, which could in turn result in the depletion of the 2023 Reserve Fund, prior to reimbursement from the resale of foreclosed property or payment of the delinquent Special Tax. In that event, there could be a delay or failure in payments of the principal of and interest on the 2023 Bonds. See “SECURITY FOR THE 2023 BONDS – 2023 Reserve Fund,” and “THE DISTRICT AND IMPROVEMENT AREA NO. 3 – Potential Consequences of Special Tax Delinquencies.”

Measures to Mitigate Consequences of Continuing Delinquencies. The City intends to take certain actions designed to mitigate the impact of future delinquencies, including: enforcing the lien of the Special Taxes through collection procedures that will include foreclosure actions under certain circumstances (see “SECURITY FOR THE 2023 BONDS – Covenant to Foreclose”); and increasing the levy of Special Taxes against non-delinquent property owners in Improvement Area No. 3 to the extent permitted under the Rate and Method and the Act, and to the extent the Special Taxes are not already being levied at the maximum Special Tax rate. See “THE DISTRICT AND IMPROVEMENT AREA NO. 3 – Potential Consequences of Special Tax Delinquencies.”

Limitations on Increases in Special Tax Levy. If property owners are delinquent in the payment of the Special Tax, the City may not increase Special Tax levies to make up for delinquencies for prior fiscal years above the maximum annual Special Tax rates specified in the Rate and Method.

In addition, the City’s ability to increase Special Tax levies on residential property to make up for delinquencies for prior Fiscal Years is limited by Section 53321(d) of the Act, which provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel by more than 10% above the amount that would have been levied in such Fiscal Year had there never been any such delinquencies or defaults.

In cases of significant delinquency, these factors may result in defaults in the payment of principal of and interest on the 2023 Bonds.

Risks Related to Homeowners with High Loan to Value Ratios

Any future decline in home values in Improvement Area No. 3 could result in property owner unwillingness or inability to pay mortgage payments, as well as *ad valorem* property taxes and Special Taxes, when due. Under such circumstances, bankruptcies are likely to increase. Bankruptcy by homeowners with delinquent Special Taxes would delay the commencement and completion of foreclosure proceedings to collect delinquent Special Taxes.

It is possible that laws could be enacted in the future to assist homeowners in default in the payment of mortgages and property taxes. It is further possible that federal laws could be enacted that would adversely impact the ability of the City to foreclose on parcels with delinquent Special Taxes. No assurance can be given that any such laws will be enacted, or if enacted will be effective in assisting affected homeowners.

Payment of Special Tax is Not a Personal Obligation of the Property Owners

An owner of Taxable Property is not personally obligated to pay the Special Taxes. Rather, the Special Taxes are an obligation running only against the parcels of Taxable Property. If, after a default in the payment of the Special Tax and a foreclosure sale by the City, the resulting proceeds are insufficient, taking into account other obligations also constituting a lien against the affected parcels of Taxable Property, the City has no recourse against the owner.

Appraised Values

The Appraisal summarized in APPENDIX H estimates the market value of the property that is currently Taxable Property within Improvement Area No. 3. This market value is merely the opinion of the Appraiser as of the date of value set forth in the Appraisal, and is subject to the assumptions and limiting conditions stated in the Appraisal. The City has not sought an updated opinion of value by the Appraiser subsequent to the date of value of the Appraisal, or an opinion of the value of the Taxable Property by any other appraiser. A different opinion of value might be rendered by a different appraiser.

The opinion of value assumes a sale by a willing seller to a willing buyer, each having similar information and neither being forced by other circumstances to sell or to buy. Consequently, the opinion is of limited use in predicting the selling price at a foreclosure sale, because the sale is forced and the buyer may not have the benefit of full information.

In addition, the opinion of value is made as of the date of value set forth in the Appraisal, based upon facts and circumstances existing as of the date of value. Differing facts and circumstances may lead to differing opinions of value. The appraised value is not evidence of future value because future facts and circumstances may differ significantly from the facts and circumstances at the time the Appraisal was prepared.

No assurance can be given that any of the Taxable Property in Improvement Area No. 3 could be sold for the estimated market value contained in the Appraisal if that property should become delinquent in the payment of Special Taxes and be foreclosed upon.

Property Values

The value of Taxable Property within Improvement Area No. 3 is a critical factor in determining the investment quality of the 2023 Bonds. If a property owner defaults in the payment of the Special Tax, the City's only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Special Tax. Land values could be adversely affected by economic and other factors beyond the City's control, such as a general economic downturn, relocation of employers out of

the area, shortages of water, electricity, natural gas or other utilities, destruction of property caused by earthquake, flood, landslides, wildfires, or other natural disasters, environmental pollution or contamination, or unfavorable economic conditions.

The following is a discussion of specific risk factors that could affect the value of property in Improvement Area No. 3.

Natural Disasters. The value of the Taxable Property in the future can be adversely affected by a variety of natural occurrences, particularly those that may affect infrastructure and other public improvements and private improvements on the Taxable Property and the continued habitability and enjoyment of such private improvements.

The areas in and surrounding the District, like those in much of California, may be subject to unpredictable seismic activity, including earthquakes and landslides. Other natural disasters could include, without limitation, floods, landslides, wildfires, droughts or tornadoes. One or more natural disasters could occur and could result in damage to improvements of varying seriousness. The damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost, or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances there could be significant delinquencies in the payment of Special Taxes, and the value of the Taxable Property may well depreciate or disappear. See “OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3 – Environmental Matters” for additional details on certain environmental matters.

Drought. With respect to droughts specifically, California has a history of suffering periodic drought conditions. Most recently, on May 10, 2021, the governor proclaimed a State of Emergency for 41 of the State’s 58 counties (including San Joaquin County, where the District is located), citing above-average temperatures and dry conditions. In April 2022, the governor extended the State of Emergency to all counties in the State and asked all Californians to voluntarily reduce water usage by 15%. No assurance can be given that drought conditions will not continue in 2023 and future years or, subside only to return in the future, potentially impacting the development of property in Improvement Area No. 3, the value of Taxable Property within Improvement Area No. 3, or economic activity within Improvement Area No. 3.

Wildfire. In recent years, drought conditions in the State (see “– Drought above”) have led to increased risk of wildfire. In particular, certain electrical operators in the State have seen their distribution/transmission lines cause billions of dollars in property damage and the loss of lives. Although the land in Improvement Area No. 3 is not in a high-risk area (or a special fire hazard severity zone) for wildfires, landslides, floods, or tornadoes, natural disasters such as these are unpredictable and may occur anywhere throughout the State, with devastating consequences, including resulting in significant delinquencies in the payment of Special Taxes, and reduction in the value of the parcels. No assurance can be given that wildfires will not erupt in the developments being undertaken in Improvement Area No. 3 and negatively impact development of property in the Improvement Area No. 3 in the future.

Legal Requirements. Other events that may affect the value of Taxable Property include changes in the law or application of the law. Such changes may include, without limitation, local growth control initiatives, local utility connection moratoriums and local application of statewide tax and governmental spending limitation measures.

Hazardous Substances. One of the most serious risks in terms of the potential reduction in the value of Taxable Property is a claim with regard to a hazardous substance. In general, the owners and operators of Taxable Property may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental

Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act,” is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the Taxable Property be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The property values set forth in this Official Statement do not take into account the possible reduction in marketability and value of any of the Taxable Property by reason of the possible liability of the owner or operator for the remedy of a hazardous substance condition of the parcel. Although the City is not aware that the owner or operator of any of the Taxable Property has such a current liability with respect to any of the Taxable Property, it is possible that such liabilities do currently exist and that the City is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the Taxable Property resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but that has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently on the parcel of a substance not presently classified as hazardous but that may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of Taxable Property that is realizable upon a delinquency.

Other Possible Claims Upon the Value of Taxable Property

While the Special Taxes are secured by the Taxable Property, the security only extends to the value of such Taxable Property that is not subject to priority and parity liens and similar claims.

The tables in the sections entitled “THE DISTRICT AND IMPROVEMENT AREA NO. 3 – Direct and Overlapping Governmental Obligations” and “– Estimated Tax Burden on Single Family Homes,” show the presently outstanding amount of governmental obligations, the tax or assessment for which is or may become an obligation of one or more of the parcels of Taxable Property. The tables do not specifically identify which of the governmental obligations are secured by liens on one or more of the parcels of Taxable Property.

In addition, other governmental obligations may be authorized and undertaken or issued in the future, the tax, assessment or charge for which may become an obligation of one or more of the parcels of Taxable Property and may be secured by a lien on a parity with the lien of the Special Tax securing the 2023 Bonds. Property owners can also voluntarily add Property Assessed Clean Energy (PACE) assessment liens on their property to finance energy efficiency improvements.

In general, as long as the Special Tax is collected on the County tax roll, the Special Tax and all other taxes, assessments and charges also collected on the tax roll are on a parity, that is, are of equal priority. Questions of priority become significant when collection of one or more of the taxes, assessments or charges is sought by some other procedure, such as foreclosure and sale. In the event of proceedings to foreclose for delinquency of Special Taxes securing the 2023 Bonds, the Special Tax will be subordinate only to existing prior governmental liens, if any. Otherwise, in the event of such foreclosure proceedings, the Special Taxes will generally be on a parity with the other taxes, assessments and charges, and will share the proceeds of such foreclosure proceedings on a pro-rata basis. Although the Special Taxes will generally have priority over non-governmental liens on a parcel of Taxable Property, regardless of whether the non-governmental liens were in existence at the time of the levy of

the Special Tax or not, this result may not apply in the case of bankruptcy. See “– Bankruptcy Delays” below.

Exempt Properties

Certain properties are exempt from the Special Tax in accordance with the Rate and Method and the Act, which provides that properties or entities of the state, federal or local government are exempt from the Special Tax; provided, however, that property within Improvement Area No. 3 acquired by a public entity through a negotiated transaction or by gift or devise, which is not otherwise exempt from the Special Tax, will continue to be subject to the Special Tax. See “SECURITY FOR THE 2023 BONDS – Rate and Method.”

In addition, although the Act provides that if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment, the constitutionality and operation of these provisions of the Act have not been tested, meaning that such property could become exempt from the Special Tax. The Act further provides that no other properties or entities are exempt from the Special Tax unless the properties or entities are expressly exempted in a resolution of consideration to levy a new special tax or to alter the rate or method of apportionment of an existing special tax.

FDIC/Federal Government Interests in Properties

General. The ability of the City to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the FDIC, the Federal National Mortgage Association, the Drug Enforcement Agency, the Internal Revenue Service, or other federal agency has or obtains an interest.

Federal courts have held that, based on the supremacy clause of the United States Constitution, in the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest.

The supremacy clause of the United States Constitution reads as follows: “This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding.”

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the City wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government’s mortgage interest. In *Rust v. Johnson* (9th Circuit; 1979) 597 F.2d 174, the United States Court of Appeal, Ninth Circuit held that the Federal National Mortgage Association (“**FNMA**”) is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

The City has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the 2023 Bonds are outstanding.

FDIC. In the event that any financial institution making any loan which is secured by real property within Improvement Area No. 3 is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default, resulting in ownership of the property by the FDIC, then the ability of the City to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited.

The FDIC's policy statement regarding the payment of state and local real property taxes (the "**Policy Statement**") provides that property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement states that the FDIC generally will not pay non-ad valorem taxes, including special assessments, on property in which it has a fee interest unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent it purports to secure the payment of any such amounts. Special taxes imposed under the Act and a special tax formula which determines the special tax due each year are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. The Ninth Circuit has issued a ruling on August 28, 2001 in which it determined that the FDIC, as a federal agency, is exempt from Mello-Roos special taxes.

The City is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of Special Taxes on a parcel within Improvement Area No. 3 in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Taxes to be foreclosed out at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale. Such an outcome could cause a draw on the 2023 Reserve Fund and perhaps, ultimately, if enough property were to become owned by the FDIC, a default in payment on the 2023 Bonds.

Depletion of 2023 Reserve Fund

The 2023 Reserve Fund is to be maintained at an amount equal to the Reserve Requirement for the 2023 Bonds. See "SECURITY FOR THE 2023 BONDS – 2023 Reserve Fund." The 2023 Reserve Fund will be used to pay principal of and interest on the 2023 Bonds (and any Parity Bonds) if insufficient funds are available from the proceeds of the levy and collection of the Special Tax against property within Improvement Area No. 3. If the 2023 Reserve Fund is depleted, it can be replenished from the proceeds of the levy and collection of the Special Taxes that exceed the amounts to be paid to the owners of the 2023 Bonds (and any Parity Bonds) under the Fiscal Agent Agreement. However, because the Special

Tax levy is limited to the maximum annual Special Tax rates, it is possible that no replenishment would be possible if the Special Tax proceeds, together with other available funds, remain insufficient to pay all such amounts. Thus, it is possible that the 2023 Reserve Fund will be depleted and not be replenished by the levy and collection of the Special Taxes.

Bankruptcy Delays

The payment of the Special Tax and the ability of the City to foreclose the lien of a delinquent unpaid Special Tax, as discussed in "SECURITY FOR THE 2023 BONDS," may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State of California relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the delivery of the 2023 Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the Special Taxes to become extinguished, bankruptcy of a property owner or any other person claiming an interest in the property could result in a delay in superior court foreclosure proceedings and could result in the possibility of Special Tax installments not being paid in part or in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2023 Bonds.

In addition, the amount of any lien on property securing the payment of delinquent Special Taxes could be reduced if the value of the property were determined by the bankruptcy court to have become less than the amount of the lien, and the amount of the delinquent Special Taxes in excess of the reduced lien could then be treated as an unsecured claim by the court. Any such stay of the enforcement of the lien for the Special Tax, or any such delay or non-payment, would increase the likelihood of a delay or default in payment of the principal of and interest on the 2023 Bonds and the possibility of delinquent Special Taxes not being paid in full.

The chances are increased that the 2023 Reserve Fund established for the 2023 Bonds could be fully depleted during any such delay in obtaining payment of delinquent Special Taxes. As a result, sufficient moneys would not be available in the 2023 Reserve Fund to make up shortfalls resulting from delinquent payments of the Special Tax and thereby to pay principal of and interest on the 2023 Bonds on a timely basis.

Cyber Security

The City, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other sensitive electronic information, the City is potentially subject to multiple cyber threats, including without limitation hacking, viruses, ransomware, malware and other attacks. No assurance can be given that the City's efforts to manage cyber threats and attacks will be successful in all cases, or that any such attack will not materially impact the operations or finances of the City or the District, or the administration of the 2023 Bonds. The City is also reliant on other entities and service providers in connection with the administration of the 2023 Bonds, including without limitation the County tax collector for the levy and collection of Special Taxes, the Fiscal Agent, and the Dissemination Agent. No assurance can be given that the City, the District and these other entities will not be affected by cyber threats and attacks in a manner that may affect the Bond owners.

Disclosure to Future Purchasers

The City has recorded a notice of the Special Tax lien in the Office of the County Recorder. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such special tax obligation in the purchase of a parcel of land or a home in Improvement Area No. 3 or the lending of money secured by property in Improvement Area No. 3. The Act requires the subdivider of a subdivision (or its agent or representative) to notify a prospective purchaser or long-term lessor of any lot, parcel, or unit subject to a Mello-Roos special tax of the existence and maximum amount of such special tax using a statutorily prescribed form. California Civil Code Section 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with these requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

No Acceleration Provisions

The 2023 Bonds do not contain a provision allowing for their acceleration in the event of a payment default or other default under the terms of the 2023 Bonds or the Fiscal Agent Agreement. Under the Fiscal Agent Agreement, a Bondholder is given the right for the equal benefit and protection of all Bondowners similarly situated to pursue certain remedies. See “APPENDIX C – Summary of Certain Provisions of the Fiscal Agent Agreement.” So long as the 2023 Bonds are in book-entry form, DTC will be the sole Bondholder and will be entitled to exercise all rights and remedies of Bond holders.

Loss of Tax Exemption

As discussed under the caption “LEGAL MATTERS – Tax Exemption,” interest on the 2023 Bonds might become includable in gross income for purposes of federal income taxation retroactive to the date the 2023 Bonds were issued as a result of future acts or omissions of the City in violation of its covenants in the Fiscal Agent Agreement. The Fiscal Agent Agreement does not contain a special redemption feature triggered by the occurrence of an event of taxability. As a result, if interest on the 2023 Bonds were to become includable in gross income for purposes of federal income taxation, the 2023 Bonds would continue to remain outstanding until maturity unless earlier redeemed pursuant to optional or mandatory redemption or redemption upon prepayment of the Special Taxes. See “THE 2023 BONDS – Redemption.”

IRS Audit of Tax-Exempt Bond Issues

The Internal Revenue Service (the “IRS”) has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the 2023 Bonds will be selected for audit by the IRS. It is also possible that the market value of such 2023 Bonds might be affected as a result of such an audit of such 2023 Bonds (or by an audit of similar bonds or securities).

Impact of Legislative Proposals, Clarifications of the Tax Code and Court Decisions on Tax Exemption

Future legislative proposals, if enacted into law, clarification of the Tax Code (defined herein) or court decisions may cause interest on the 2023 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Bondowners from realizing the full current benefit of the tax status of such interest.

Voter Initiatives

Under the California Constitution, the power of initiative is reserved to the voters for the purpose of enacting statutes and constitutional amendments. Since 1978, the voters have exercised this power through the adoption of Proposition 13 and similar measures, including Proposition 218, which was approved in the general election held on November 5, 1996, and Proposition 26, which was approved on November 2, 2010.

Any such initiative may affect the collection of fees, taxes and other types of revenue by local agencies such as the City. Subject to overriding federal constitutional principles, such collection may be materially and adversely affected by voter-approved initiatives, possibly to the extent of creating cash-flow problems in the payment of outstanding obligations such as the 2023 Bonds.

Proposition 218—Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment, added Articles XIII C and XIII D to the California Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges.

On November 2, 2010, California voters approved Proposition 26, entitled the “Supermajority Vote to Pass New Taxes and Fees Act”. Section 1 of Proposition 26 declares that Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as “fees.” Proposition 26 amended Articles XIII A and XIII C of the State Constitution. The amendments to Article XIII A limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes require a majority vote and taxes for specific purposes (“special taxes”) require a two-thirds vote.

The Special Taxes and the 2023 Bonds were each authorized by not less than a two-thirds vote of the landowners within Improvement Area No. 3 who constituted the qualified electors at the time of such voted authorization. The City believes, therefore, that issuance of the 2023 Bonds does not require the conduct of further proceedings under the Act, Proposition 218 or Proposition 26.

Like their antecedents, Proposition 218 and Proposition 26 are likely to undergo both judicial and legislative scrutiny before the impact on the City and its obligations can be determined. Certain provisions of Proposition 218 and Proposition 26 may be examined by the courts for their constitutionality under both State and federal constitutional law, the outcome of which cannot be predicted.

For example, in August 2014, in *City of San Diego. v. Melvin Shapiro*, an Appellate Court invalidated an election held by the City of San Diego to authorize the levying of special taxes on hotels city-wide pursuant to a city charter ordinance creating a convention center facilities district which specifically defined the electorate to consist solely of (1) the owners of real property in the city on which a hotel is located, and (2) the lessees of real property owned by a governmental entity on which a hotel is located. The court held that such landowners and lessees are neither “qualified electors” of the city for purposes of Articles XIII A, Section 4 of the California Constitution, nor a proper “electorate” under Article XIII C, Section 2(d) of the California Constitution. The court specifically noted that the decision did not require the Court to consider the distinct question of whether landowner voting to impose special taxes under Section 53326(b) of the Act (which was the nature of the voter approval through which the District and Improvement Area No. 3 were formed) violates the California Constitution in districts that lack sufficient registered voters to conduct an election among registered voters. Accordingly, this case should have no effect on the levy of the Special Taxes by the City

The City cannot predict the ultimate outcome or effect of any such judicial scrutiny, legislative actions, or future initiatives. These initiatives, and any future initiatives, may affect the collection of fees, taxes and other types of revenue by local agencies such as the City. Subject to overriding federal constitutional principles, such collection may be materially and adversely affected by voter-approved initiatives, possibly to the extent of creating cash-flow problems in the payment of outstanding obligations such as the 2023 Bonds.

Increasing Mortgage Interest Rates

Between approximately November 2021 and February 2023, fixed interest mortgage interest rates have increased from approximately 3.1% to 6.5%. Mortgage interest rates may continue to increase in the near term. Increases in mortgage interest rates could have a negative impact on the estimated pace of sales in Improvement Area No. 3 described herein. With respect to entry-level households, increased mortgage interest rates may adversely impact the affordability of homes and may increase mortgage payment levels for owning a lower-priced home relative to renting a residence, thereby making purchasing less attractive. With respect to move-up households, higher mortgage interest rates may impact the desire of current homeowners to move from their present home due to the fact that their present home likely has a relatively low mortgage interest rate. In addition, the new home would likely have a higher interest rate on a new mortgage loan as well as higher purchase price and property taxes. Such considerations may decrease the desire for move-up households to purchase a new home.

COVID-19 Pandemic

LS-Tracy LLC's planned development within Improvement Area No. 3 is subject to disruption due to the COVID-19 pandemic and related public health and governmental authorities' orders and actions, which could have a material adverse effect on LS-Tracy LLC's ability to complete its proposed development within Improvement Area No. 3 and sell completed homes in the time frame and budget, and at the sales prices, described in this Official Statement. LS-Tracy LLC has largely continued, with certain modifications, its development in Improvement Area No. 3 to date.

As of February 1, 2023, LS-Tracy LLC has experienced increases in certain construction costs, supply chain delays, labor shortages, and increased cycle time for construction projects generally. However, LS-Tracy LLC has not experienced any significant development delays resulting from work stoppages, reduced attendance of workers, or the ability to obtain necessary inspections and approvals for homes, which may be attributed, directly or indirectly, to the COVID-19 pandemic. While the cost increases and delays may have been and may continue to be intermittently affected by COVID-19, the majority of cost increases and delays can be attributable to production backlogs due to prior shutdowns or shelter in place orders, the strength of the housing market, inflation, and the result of vendors not anticipating the scale of the demand for housing materials. See "OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3 – The Merchant Builder – *COVID-19 Impact*."

The COVID-19 outbreak is ongoing and, among other things, the ultimate geographic spread of the virus, the emergence and spread of new strains or variants of COVID-19, the duration and severity of the outbreak, the availability and acceptance of effective vaccines, adequate testing and treatments and the prevalence of widespread immunity to COVID-19, and the economic and other actions that may be taken by governmental authorities to contain the outbreak or to address its impact remain uncertain. The ultimate effects of COVID-19 on Improvement Area No. 3 and LS-Tracy LLC's operations and financial condition, homebuyers' willingness and ability to pay the Special Tax when due, and the real estate market and United States economy in general are unknown. Such effects, if and as they arise, could have a material adverse effect on the ability to complete the development within Improvement Area No. 3 and/or sell homes as planned, and no assurance can be provided that LS-Tracy LLC will be able to (a) complete in whole or in any part, or within any particular time, its development within Improvement Area No. 3; (b) avoid additional material increases in development costs or delays resulting from work

stoppages, reduced attendance of workers, shortages or delays in the delivery of building materials, and/or delays in obtaining necessary inspections and approvals; or (c) sell homes, and close home sales or not experience purchase contract cancellations, due in each case to public health or governmental restrictions, further spread of COVID-19, an economic downturn driven by the pandemic, or otherwise. See “— Increasing Mortgage Interest Rates.”

Secondary Market for Bonds

There can be no guarantee that there will be a secondary market for the 2023 Bonds or, if a secondary market exists, that any 2023 Bonds can be sold for any particular price. Prices of bond issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

No assurance can be given that the market price for the 2023 Bonds will not be affected by the introduction or enactment of any future legislation (including without limitation amendments to the Internal Revenue Code), or changes in interpretation of the Internal Revenue Code, or any action of the Internal Revenue Service, including but not limited to the publication of proposed or final regulations, the issuance of rulings, the selection of the 2023 Bonds for audit examination, or the course or result of any Internal Revenue Service audit or examination of the 2023 Bonds or obligations that present similar tax issues as the 2023 Bonds.

LEGAL MATTERS

Legal Opinions

The legal opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, approving the validity of the 2023 Bonds will be made available to purchasers at the time of original delivery and is attached in substantially final form as APPENDIX G.

Jones Hall, A Professional Law Corporation, San Francisco, California, has served as Disclosure Counsel to the District. Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California, is serving as counsel to the Underwriter.

Tax Exemption

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the 2023 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "**Tax Code**") that must be satisfied subsequent to the issuance of the 2023 Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023 Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2023 Bond is sold is less than the amount payable at maturity thereof, then such difference

constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a 2023 Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "bond premium" for purposes of federal income taxes and State of California personal income taxes.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the 2023 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such 2023 Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2023 Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the 2023 Bonds who purchase the 2023 Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2023 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2023 Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such 2023 Bonds is sold to the public.

Under the Tax Code, bond premium is amortized on an annual basis over the term of the 2023 Bond (said term being the shorter of the 2023 Bond's maturity date or its call date). The amount of bond premium amortized each year reduces the adjusted basis of the owner of the 2023 Bond for purposes of determining taxable gain or loss upon disposition. The amount of bond premium on a 2023 Bond is amortized each year over the term to maturity of the 2023 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized bond premium is not deductible for federal income tax purposes. Owners of premium 2023 Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such 2023 Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2023 Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the 2023 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the 2023 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the 2023 Bonds, or as to the consequences of owning or receiving interest on the 2023 Bonds, as of any future date. Prospective purchasers of the 2023 Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the 2023 Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Bonds may have federal or state tax consequences other than

as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2023 Bonds, the ownership, sale or disposition of the 2023 Bonds, or the amount, accrual or receipt of interest on the 2023 Bonds.

Litigation

The City is a defendant in a lawsuit that challenged the legality of the Second Amendment to Amended and Restated Development Agreement By and Between the City of Tracy and Surland Communities LLC, approved and executed in 2018 (the “Second Amendment”), by which the City and Surland Communities LLC (“**Developer**”) had attempted to amend the Amended and Restated Development Agreement by and between the City of Tracy and Surland Communities, LLC, approved and executed in 2013 (“**Development Agreement**”), which concerns property within the Ellis Specific Plan area. The plaintiff is a third party, not the Developer or any of its affiliates, and the Developer is a party to the lawsuit as real party in interest. The lawsuit claims, among other things, that the Second Amendment is void ab initio and beyond the powers of the City because it purported to potentially allow for Developer to secure rights to residential growth allotments (“**RGAs**”) outside the Ellis Specific Plan. On September 30, 2020, the Superior Court entered Judgment and issued a Writ of Mandate ruling that the Second Amendment is invalid and void ab initio and commanding the City to rescind it. The Court of Appeal upheld the Judgment and Writ. On September 20, 2022, the City Council set aside and rescinded the Second Amendment. It is not expected that the Judgment, Writ, or City Council rescission of the Second Amendment will adversely impact the 2023 Bonds or development in or the issuance of building permits in Improvement Area No. 3 because none of the improvements relate back to terms and conditions set forth in the Second Amendment.

At the time of delivery of the 2023 Bonds, the City will certify that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending with respect to which the City has been served with process or threatened, which:

- in any way questions the powers of the City Council, City or District, or
- in any way questions the validity of any proceeding taken by the City Council in connection with the issuance of the 2023 Bonds, or
- wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by the purchase contract with respect to the 2023 Bonds, or
- which, in any way, could adversely affect the validity or enforceability of the resolutions of the City Council adopted in connection with the formation of the District and Improvement Area No. 3 or the issuance of the 2023 Bonds, the Fiscal Agent Agreement, the Continuing Disclosure Certificate or the purchase contract with respect to the 2023 Bonds, or
- to the knowledge of the City, which in any way questions the exclusion from gross income of the recipients thereof of the interest on the 2023 Bonds for federal income tax purposes, or
- in any other way questions the status of the 2023 Bonds under State tax laws or regulations.

CONTINUING DISCLOSURE

City Continuing Disclosure. The City will covenant for the benefit of owners of the 2023 Bonds to provide certain financial information and operating data relating to Improvement Area No. 3 and the 2023 Bonds by not later than nine months after the end of the City’s fiscal year (currently March 31 based

on the City's fiscal year end of June 30) (the "**Annual Report**") and to provide notices of the occurrence of certain listed events.

These covenants have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**"). The specific nature of the information to be contained in the Annual Report or the notices of listed events is set forth in APPENDIX E.

The City, on its own behalf and on behalf of related entities, has entered into a number of prior continuing disclosure undertakings under the Rule in connection with the issuance of long-term obligations, and has provided annual financial information and event notices in accordance with those undertakings. During the past five years, the City or its related entities have failed to comply with prior undertakings as follows:

- The audited financial statements for Fiscal Years 2017-18, 2018-19, 2019-20, and 2020-21 were not filed with the annual report, as permitted because they were unavailable at the time, and were later filed between 2 and 25 days after becoming available; and
- Certain operating and financial data for Fiscal Years 2018-19 and 2020-21 were 43 and 4 days late, respectively.
- Certain information was omitted from the operating and financial data for filed Fiscal Years 2016-17, 2017-18 and 2019-20 because it was unavailable at the time the filing was due, but that information was subsequently filed when it became available.

The City has engaged Goodwin Consulting Group to serve as its dissemination agent and assist the City in complying with its continuing disclosure undertakings. To further ensure such compliance, the City has adopted policies and procedures related thereto.

LS-Tracy LLC Continuing Disclosure. LS-Tracy LLC will covenant in a continuing disclosure certificate, the form of which is set forth in APPENDIX F (the "**Property Owner Continuing Disclosure Certificate**"), for the benefit of holders and beneficial owners of the 2023 Bonds, to provide certain information relating to itself and the status of its property within Improvement Area No. 3 on a semi-annual basis, beginning on September 30, 2023, and to provide notices of the occurrence of certain enumerated events. LS-Tracy LLC is not an obligated person as defined under the Rule.

The obligations of LS-Tracy LLC under its Property Owner Continuing Disclosure Certificate will terminate when LS-Tracy LLC owns less than 62 residential lots (or property that will be subdivided into less than 62 residential lots) in Improvement Area No. 3.

LS-Tracy LLC represents that, to the actual knowledge of LS-Tracy LLC, neither LS-Tracy LLC nor its developer affiliates has failed in any material respect to comply with any previous undertaking by it to provide periodic continuing disclosure reports or notices of material events with respect to community facilities districts or assessment districts in California within the past five years.

NO RATING

The City has not obtained a credit rating on the 2023 Bonds. Nothing should be assumed from any credit rating that the City may obtain for other purposes. Prospective purchasers of the 2023 Bonds are required to make independent determinations as to the credit quality of the 2023 Bonds and their appropriateness as an investment.

UNDERWRITING

The 2023 Bonds are being purchased by Piper Sandler & Co. (the “**Underwriter**”), at a purchase price of \$_____ (which represents the aggregate principal amount of the 2023 Bonds (\$_____), plus an original issue premium/less an original issue discount of \$_____, less an Underwriter's discount of \$_____).

The purchase agreement relating to the 2023 Bonds provides that the Underwriter will purchase all of the 2023 Bonds, if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in such purchase agreement.

The Underwriter may offer and sell the 2023 Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriter.

MUNICIPAL ADVISOR

The City has retained CSG Advisors Incorporated, San Francisco, California, as Municipal Advisor for the sale of the 2023 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

CSG Advisors Incorporated, is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

PROFESSIONAL FEES

In connection with the issuance of the 2023 Bonds, fees or compensation payable to certain professionals are contingent upon the issuance and delivery of the 2023 Bonds. Those professionals include:

- the Underwriter;
- Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel;
- Stradling Yocca Carlson & Rauth, A Professional Corporation, as Underwriter's Counsel;
- A portion of the fees of CSG Advisors Incorporated, as municipal advisor;
- A portion of the fees of Goodwin Consulting Group, Inc., as special tax consultant; and
- U.S. Bank Trust Company, National Association, as Fiscal Agent.

EXECUTION

The execution and delivery of the Official Statement has been duly authorized by the City Council, acting as the legislative body of the District.

CITY OF TRACY

By: _____
Finance Director

APPENDIX A

GENERAL INFORMATION ABOUT THE CITY OF TRACY AND SAN JOAQUIN COUNTY

*The following information concerning the City of Tracy (the "**City**") and San Joaquin County (the "**County**") are included only for the purpose of supplying general information regarding the community. The 2023 Bonds are not a debt of the City, the County, the State of California (the "**State**") or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.*

Population

Population figures for the City, the County and the State for the last five years are shown in the following table.

CITY OF TRACY, SAN JOAQUIN COUNTY AND THE STATE OF CALIFORNIA Population Estimates Calendar Years 2018 through 2022 as of January 1

Calendar Year	City of Tracy	San Joaquin County	State of California
2018	92,395	752,958	39,519,535
2019	94,326	764,373	39,605,361
2020	95,861	773,505	39,648,938
2021	93,624	782,372	39,303,157
2022	94,538	784,298	39,185,605

Source: State Department of Finance estimates.

Employment and Industry

The City is included in the Stockton Metropolitan Statistical Area (“**MSA**”), which includes all of San Joaquin County. The unemployment rate in the County was 5.5% in November 2022, up from a revised 5.0% in October 2022, and below the year-ago estimate of 6.5%. This compares with an unadjusted unemployment rate of 4.0% for the State and 3.4% for the nation during the same period.

Set forth below is data from calendar years 2017 to 2021 reflecting the County’s civilian labor force, employment and unemployment. These figures are county-wide statistics and may not necessarily accurately reflect employment trends in the City.

STOCKTON-LODI MSA
(San Joaquin County)
Annual Average Labor Force and Employment by Industry
Calendar Years 2017 through 2021
(March 2021 Benchmark)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Civilian Labor Force ⁽¹⁾	323,000	324,100	327,100	334,300	334,300
Employment	300,200	304,200	307,500	295,600	305,300
Unemployment	22,700	19,900	19,600	38,700	29,000
Unemployment Rate	7.0%	6.1%	6.0%	11.6%	8.7%
<u>Wage and Salary Employment: ⁽²⁾</u>					
Agriculture	16,400	15,600	15,400	14,600	13,700
Mining and Logging	100	100	100	100	100
Construction	11,700	12,800	13,100	13,000	13,800
Manufacturing	20,300	20,600	20,600	20,200	20,900
Wholesale Trade	11,200	11,800	11,700	10,600	10,800
Retail Trade	26,800	26,700	26,200	24,600	26,100
Transportation, Warehousing and Utilities	26,200	28,400	31,300	38,800	41,700
Information	1,800	1,800	1,600	1,200	1,200
Finance and Insurance	4,900	4,800	4,700	4,600	4,600
Professional and Business Services	19,200	19,600	20,200	21,300	22,400
Educational and Health Services	38,200	38,800	39,100	37,300	38,400
Leisure and Hospitality	21,500	22,000	22,600	18,500	21,100
Other Services	7,600	7,600	7,800	6,800	7,100
Federal Government	3,100	3,100	3,200	3,300	3,100
State Government	6,600	6,700	6,800	6,800	6,000
Local Government	32,800	33,700	34,900	33,000	32,800
Total, All Industries ⁽³⁾	251,200	257,000	262,500	257,800	267,100

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

Largest Employers

The following table lists the major employers within the County, listed in alphabetical order without regard to the number of employees, as of January 2023.

SAN JOAQUIN COUNTY Major Employers As of January 2023

<u>Employer Name</u>	<u>Location</u>	<u>Industry</u>
A Sambado & Sons Inc	Linden	Nuts-Edible
Adventist Health Lodi Memorial	Lodi	Hospitals
Amazon Fulfillment Ctr	Stockton	Mail Order Fulfillment Service
Ashley Lane LP	Stockton	Real Estate
Blue Shield of California	Lodi	Insurance
Dameron Hospital	Stockton	Hospitals
Deuel Vocational Instn Fire	Tracy	Fire Departments
Foster Care Svc	Stockton	Government Offices-County
Leprino Foods Co	Tracy	Cheese Processors (mfrs)
Lodi Health Home Health Agency	Lodi	Home Health Service
NA Chaderjian Youth	Stockton	State Govt-Correctional Institutions
Pacific Coast Producers	Lodi	Canning (mfrs)
Prima Frutta Packing Inc	Linden	Fruit & Produce Packers
Safeway Distribution Ctr	Tracy	Distribution Centers (whls)
San Joaquin County CA Pubc	Stockton	Government Offices-County
San Joaquin County Human Svc	Stockton	Government Offices-County
San Joaquin County Sch	Stockton	School Districts
San Joaquin General Hospital	French Camp	Hospitals
San Joaquin Sheriff's Office	French Camp	Government Offices-County
Sjgov	Stockton	Government Offices-County
St Joseph's Regional Health	Stockton	Hospitals
Stockton Police Dept	Stockton	Police Departments
Stockton Unified School Dist	Stockton	School Districts
Walmart Supercenter	Stockton	Department Stores
Waste Management-Lodi Transfer	Lodi	Consultants-Business NEC

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2023 1st Edition.

The following table lists the twenty-five principal employers within the City, by number of employees, as of June 30, 2021.

**CITY OF TRACY
Principal Employers
As of June 30, 2021**

<u>Employer Name</u>	<u>Number of Employees</u>
Amazon.com Services LLC	7,325
FedEx Ground Package System, Inc	925
Taylor Farms Pacific Inc	795
Medline Industries Inc	651
Randstad Inhouse Services LLC	632
DHL Supply Chain	463
Walmart #2025	402
Leprino Foods	349
Costco Wholesale #658	240
Randstad Inhouse Services LP	234
Crate & Barrell	233
Pacific Medical Inc	214
The Home Depot #5641	211
The Home Depot #1020	211
Ingram Micro Inc.	200
Randstad Inhouse Service LP	194
International Paper	185
Macy's	179
Glassfab Tempering	177
Target Stores T738	173
Olive Garden #1582	165
Winco Foods #103	144
Zinus Inc.	137
The Permanente Medical	128
American Custom Meats	128

Source: City of Tracy Annual Comprehensive Financial Report for fiscal year ended June 30, 2021.

Commercial Activity

Summaries of historic taxable sales within the City and the County during the past five years in which data is available are shown in the following tables.

Total taxable sales during the first three quarters of calendar year 2022 in the City were \$4,455,852,282, a 4.31% increase over the total taxable sales of \$4,271,816,717 reported during the first three quarters of calendar year 2021.

CITY OF TRACY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2017	1,150	\$1,371,679	1,803	\$2,042,411
2018	1,192	1,489,764	1,921	2,319,543
2019	1,224	1,473,584	2,000	2,694,120
2020	1,395	1,479,810	2,284	2,854,012
2021	1,238	4,160,817	2,082	5,868,567

Source: State Department of Tax and Fee Administration.

Total taxable sales during the first three quarters of calendar year 2022 in the County were \$17,206,745,286, a 5.92% increase over the total taxable sales of \$16,245,046,367 reported during the first three quarters of calendar year 2021.

SAN JOAQUIN COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2017	9,506	\$7,994,473	14,758	\$12,153,268
2018	9,660	8,855,169	15,437	13,457,721
2019	9,978	9,073,238	16,144	14,383,854
2020	11,188	10,215,896	18,358	15,752,225
2021	10,642	15,153,915	17,665	22,306,576

Source: State Department of Tax and Fee Administration.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the median household effective buying income for the City, the County, the State and the United States for the period 2019 through 2023.

CITY OF TRACY AND SAN JOAQUIN COUNTY Median Household Effective Buying Income 2019 through 2023

	2019	2020	2021	2022	2023
City of Tracy	\$73,172	\$76,142	\$78,492	\$89,938	\$90,240
San Joaquin County	55,534	58,141	59,914	68,971	68,912
California	62,637	65,870	67,956	77,058	77,175
United States	52,841	55,303	56,790	64,448	65,326

Source: Claritas, LLC.

Building Activity

The tables below summarize building activity in the City and the County for the past five available years.

CITY OF TRACY
Building Permit Activity
For Calendar Years 2017 through 2021
(Dollars in Thousands)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Permit Valuation</u>					
New Single-family	\$98,767.2	\$214,928.9	\$223,795.2	\$239,658.3	\$244,205.8
New Multi-family	9,686.4	84,832.3	0.0	0.0	945.7
Res. Alterations/Additions	<u>2,982.3</u>	<u>6,058.5</u>	<u>9,178.8</u>	<u>4,504.7</u>	<u>4,558.9</u>
Total Residential	\$111,435.9	\$305,819.7	\$232,974.0	\$244,163.0	\$249,710.4
New Commercial	\$184,438.3	\$331,633.7	\$189,205.1	\$168,307.4	\$105,916.9
New Industrial	38,978.1	74,814.4	13,881.6	526,301.0	60.8
New Other	4,769.2	8,265.5	7,006.5	4,828.5	9,099.3
Com. Alterations/Additions	<u>93,059.7</u>	<u>60,479.7</u>	<u>60,676.8</u>	<u>62,904.6</u>	<u>80,618.6</u>
Total Nonresidential	\$321,245.3	\$475,193.3	\$270,770.0	\$762,341.5	\$195,695.6
<u>New Dwelling Units</u>					
Single Family	236	534	551	692	670
Multiple Family	<u>65</u>	<u>507</u>	<u>0</u>	<u>0</u>	<u>2</u>
TOTAL	301	1,041	551	692	672

Source: Construction Industry Research Board, Building Permit Summary.

SAN JOAQUIN COUNTY
Building Permit Activity
For Calendar Years 2017 through 2021
(Dollars in Thousands)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Permit Valuation</u>					
New Single-family	\$652,308.1	\$883,071.1	\$843,700.9	\$870,859.6	\$1,179,358.0
New Multi-family	62,635.8	99,601.4	57,271.1	38,411.8	69,775.2
Res. Alterations/Additions	<u>86,516.1</u>	<u>95,073.4</u>	<u>98,681.9</u>	<u>40,144.4</u>	<u>108,647.1</u>
Total Residential	\$801,460.0	\$1,077,745.9	\$999,654.0	\$949,415.8	\$1,357,780.3
New Commercial	\$357,856.9	\$498,359.0	\$380,383.3	\$255,761.2	\$272,617.0
New Industrial	179,728.4	240,073.7	120,003.8	534,199.5	43,401.3
New Other	27,794.7	31,904.4	61,991.7	33,112.3	58,264.9
Com. Alterations/Additions	<u>269,172.8</u>	<u>249,142.4</u>	<u>363,840.9</u>	<u>135,285.4</u>	<u>272,064.7</u>
Total Nonresidential	\$834,552.8	\$1,019,479.5	\$926,219.7	\$958,358.4	\$646,347.9
<u>New Dwelling Units</u>					
Single Family	2,078	2,765	2,564	2,843	3,665
Multiple Family	<u>516</u>	<u>293</u>	<u>461</u>	<u>245</u>	<u>178</u>
TOTAL	2,304	2,594	3,025	3,088	3,843

Source: Construction Industry Research Board, Building Permit Summary.

APPENDIX B

RATE AND METHOD OF APPORTIONMENT FOR IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT

APPENDIX D

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the 2023 Bonds (herein, the "Securities") to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Securities and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the Securities (the "Issuer") nor the trustee, fiscal agent or paying agent appointed with respect to the Securities (the "Agent") takes any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Securities, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Securities, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Securities, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the

DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

\$ _____
**IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023**

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Tracy (the “City”) in connection with the issuance of the bonds captioned above (the “2023 Bonds”). The 2023 Bonds are being issued pursuant to a Fiscal Agent Agreement dated as of April 1, 2023 (the “Fiscal Agent Agreement”), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the “Fiscal Agent”). The City hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the 2023 Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Annual Report Date*” means the date that is nine months after the end of the City's fiscal year (currently March 31 based on the City's fiscal year end of June 30).

“*Community Facilities District*” means Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD).

“*Dissemination Agent*” means Goodwin Consulting Group, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“*Official Statement*” means the final official statement dated _____, 2023, executed by the District in connection with the issuance of the 2023 Bonds.

“*Participating Underwriter*” means Piper Sandler & Co., the original underwriter of the 2023 Bonds required to comply with the Rule in connection with offering of the 2023 Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2024, with the report for the 2022-23 fiscal year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate; provided, however, that the audited financial statements of the City shall be filed by March 31 of each year, or such later date that the audited financial statements become available. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) If the City does not provide, or cause the Dissemination Agent to provide, an Annual Report by the Annual Report Date as required in subsection (a) above, the Dissemination Agent shall provide a notice to the MSRB, in a timely manner, in an electronic format as prescribed by the MSRB.

(c) The Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City and the Participating Underwriter certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following documents and information:

(a) The City's audited financial statements for the most recently completed fiscal year, prepared in accordance with Generally Accepted Accounting Principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, together with the following statement:

THE CITY'S ANNUAL FINANCIAL STATEMENT IS PROVIDED SOLELY TO COMPLY WITH THE SECURITIES EXCHANGE COMMISSION STAFF'S INTERPRETATION OF RULE 15c2-12. NO FUNDS OR ASSETS OF THE CITY, OTHER THAN SPECIAL TAX REVENUES, ARE REQUIRED TO BE USED TO PAY DEBT SERVICE ON THE 2023 BONDS, AND THE CITY IS NOT OBLIGATED TO ADVANCE AVAILABLE FUNDS TO COVER ANY DELINQUENCIES. INVESTORS SHOULD NOT RELY ON THE FINANCIAL CONDITION OF THE CITY IN EVALUATING WHETHER TO BUY, HOLD OR SELL THE 2023 BONDS.

If the City's audited financial statements are not available by the time the Annual Report is required to be filed, the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements, the following information:

(i) Total assessed value (per the San Joaquin County Assessor's records) of all parcels currently subject to the Special Tax within Improvement Area No. 3, showing the total secured assessed valuation for all property subject to the Special Tax.

(ii) Tables showing the owners of property in Improvement Area No. 3 and value-to-lien ratios based on the San Joaquin County Assessor's last equalized tax roll available to the City based on the most recent special tax levy, substantially in the form of the Table 3 in the Official Statement, excluding information regarding maximum special taxes at buildout and construction status.

(iii) The amount of prepayments of the Special Tax for the prior Fiscal Year.

(iv) A table showing a history of special tax collections and delinquencies within Improvement Area No. 3 for the prior Fiscal Year.

(v) Any change to the County's Teeter Plan affecting Improvement Area No. 3.

(vi) The principal amount of the 2023 Bonds outstanding and the balance in the 2023 Reserve Fund (along with a statement of the 2023 Reserve Requirement) as of the September 30 next preceding the Annual Report Date, including the issuance date and principal amount of any additional bonds or obligations issued under the Fiscal Agent Agreement on a parity with the 2023 Bonds.

(vii) Any changes to the Rate and Method of Apportionment of Special Tax for Improvement Area No. 3.

(c) In addition to any of the information expressly required to be provided under paragraph (b) above, the City shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Listed Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the 2023 Bonds:

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults, if material.

- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2023 Bonds, or other material events affecting the tax status of the 2023 Bonds.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the City.
- (13) The consummation of a merger, consolidation, or acquisition involving the City, or the sale of all or substantially all of the assets of the City (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional Fiscal Agent or the change of name of the Fiscal Agent, if material.
- (15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Upon the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 Business Days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsection (a)(8) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Fiscal Agent Agreement.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the 2023 Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Upon occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2023 Bonds. If such termination occurs prior to the final maturity of the 2023 Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent will be Goodwin Consulting Group, Inc.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the 2023 Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the

primary offering of the 2023 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the 2023 Bonds in the manner provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of holders, or (ii) does not, in the opinion of the Fiscal Agent or nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the 2023 Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the 2023 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Property Owner, the Fiscal Agent, the 2023 Bond owners or any other party. The obligations

of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2023 Bonds.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Fiscal Agent, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the 2023 Bonds, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: _____, 2023

CITY OF TRACY

By: _____
Sara Cowell,
Finance Director

AGREED AND ACCEPTED:
Goodwin Consulting Group, Inc.,
as Dissemination Agent

By: _____
Name: _____
Title: _____

APPENDIX F

FORM OF PROPERTY OWNER CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE (LS-Tracy LLC)

\$ _____
**IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023**

Dated: _____, 2023

This Continuing Disclosure Certificate (LS-Tracy LLC) (this "Disclosure Certificate") is executed and delivered by LS-Tracy LLC, a Delaware limited liability company (the "Property Owner"), in connection with the issuance by the City of Tracy (the "City") of the bonds captioned above (the "2023 Bonds"). The 2023 Bonds are being issued under a Fiscal Agent Agreement dated as of April 1, 2023 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). The Property Owner covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Property Owner for the benefit of the holders and beneficial owners of the 2023 Bonds.

Section 2. Definitions. In addition to the definitions set forth above and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Affiliate" means any Person presently directly (or indirectly through one or more intermediaries) under managerial control of the Property Owner, and about whom information could be material to potential investors in their investment decision regarding the 2023 Bonds (including without limitation information relevant to the proposed development of the Property or to the Property Owner's ability to pay the Special Taxes levied on the Property prior to delinquency).

"Assumption Agreement" means an undertaking of a Major Owner, for the benefit of the holders and beneficial owners of the 2023 Bonds, containing terms substantially similar to this Disclosure Certificate (as modified for such Major Owner's development and financing plans with respect to the District), whereby such Major Owner agrees to provide semi-annual reports and notices of significant events, setting forth the information described in sections 4 and 5 hereof, respectively, with respect to the portion of the property in Improvement Area No. 3 owned by such Major Owner and agrees to indemnify the Dissemination Agent (if any) pursuant to a provision substantially in the form of Section 12 hereof.

"Dissemination Agent" means the Property Owner, or any successor Dissemination Agent designated in writing by the Property Owner, with the written consent of the City, and which has filed with the Property Owner and the City a written acceptance of such designation, and which is experienced in providing dissemination agent services such as those required under this Disclosure Certificate.

“District” means the City of Tracy Community Facilities District No. 2016-2 (ECFD).

“Improvement Area No. 3” means Improvement Area No. 3 of the District.

“Landbank Owner” means LS-LCF CA, LLC, a Delaware limited liability company, the landbank for the Property Owner pursuant to the Option Agreement.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“Major Owner” means, as of any Report Date, a Person that, together with the Person’s Affiliates, owns 62 or more residential lots (or property intended to be subdivided into 62 or more residential lots) in Improvement Area No. 3.

“MSRB” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information.

“Official Statement” means the final Official Statement dated _____, 2023, executed by the City in connection with the issuance of the 2023 Bonds.

“Option Agreement” means the Option Agreement dated June 27, 2022 by and between the Landbank Owner and the Property Owner.

“Participating Underwriter” means Piper Sandler & Co., the original underwriter of the 2023 Bonds.

“Person” means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

“Property” means (i) the property owned by the Property Owner in Improvement Area No. 3 as of the Report Date, (ii) during the term of the Option Agreement, the property owned by the Landbank Owner in Improvement Area No. 3 as of the date for which information is provided in the Semi-Annual Report, and (iii) the property in Improvement Area No. 3 that the Property Owner sold to a Major Owner who has not assumed the undertakings of this Disclosure Certificate under Section 7(b) that is owned by such Major Owner.

“Report Date” means (a) September 30 of each year, and (b) March 31 of each year.

“Semi-Annual Report” means any Semi-Annual Report provided by the Property Owner pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Special Taxes” means the special taxes for facilities levied by the City on the Property.

Section 3. Provision of Semi-Annual Reports.

(a) So long as the Property Owner’s obligations under this Disclosure Certificate have not been terminated pursuant to Section 7 herein, the Property Owner shall, or upon written direction of the Property Owner the Dissemination Agent shall, not later than the Report Date, commencing September 30, 2023, provide to the MSRB, in an electronic format as prescribed by the MSRB, a Semi-Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate with a copy to the Participating Underwriter and the City. Not later than 15 calendar days prior to the Report Date, the Property Owner shall provide the Semi-Annual Report to the Dissemination Agent (if different from the

Property Owner). The Property Owner shall provide a written certification with (or included as a part of) each Semi-Annual Report furnished to the Dissemination Agent (if different from the Property Owner), Participating Underwriter and the City to the effect that such Semi-Annual Report constitutes the Semi-Annual Report required to be furnished by it under this Disclosure Certificate. The Dissemination Agent, the Participating Underwriter and the City may conclusively rely upon such certification of the Property Owner and shall have no duty or obligation to review the Semi-Annual Report. The Semi-Annual Report may be submitted as a single document or as separate documents comprising a package, and may incorporate by reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Dissemination Agent does not receive a Semi-Annual Report by 15 calendar days prior to the Report Date, the Dissemination Agent shall send a reminder notice to the Property Owner that the Semi-Annual Report has not been provided as required under Section 3(a) above. The reminder notice shall instruct the Property Owner to determine whether its obligations under this Disclosure Certificate have terminated (pursuant to Section 7 below) and, if so, to provide the Dissemination Agent with a notice of such termination in the same manner as for a Listed Event (pursuant to Section 5 below). If the Property Owner does not provide, or cause the Dissemination Agent to provide, a Semi-Annual Report to the MSRB by the Report Date as required in subsection (a) above, the Dissemination Agent shall provide a notice to the MSRB, in an electronic format as prescribed by the MSRB.

(c) The Dissemination Agent shall:

(i) determine prior to each Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of continuing disclosure reports; and;

(ii) to the extent the Semi-Annual Report has been furnished to it, file a report with the Property Owner (if the Dissemination Agent is other than the Property Owner), the City and the Participating Underwriter certifying that the Semi-Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Semi-Annual Reports. The Property Owner's Semi-Annual Report shall contain or incorporate by reference the information set forth in Exhibit A, any or all of which may be included by specific reference to other documents, including official statements of debt issues of the Property Owner or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The Property Owner shall clearly identify each such other document so included by reference.

In addition to any of the information expressly required to be provided in Exhibit A, each Semi-Annual Report shall include such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Significant Events.

(a) So long as the Property Owner's obligations under this Disclosure Certificate have not been terminated pursuant to Section 7 herein, the Property Owner shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to itself or the Property, if material:

(i) bankruptcy or insolvency proceedings commenced by or against the Property Owner and, if known, any bankruptcy or insolvency proceedings commenced by or against any Affiliate of the Property Owner;

(ii) failure to pay any taxes, special taxes (including the Special Taxes) or assessments due with respect to the Property prior to the delinquency date, to the extent such failure is not promptly cured by the Property Owner upon discovery thereof;

(iii) filing of a lawsuit against the Property Owner or, if known, an Affiliate of the Property Owner, seeking damages which, if successful, could have a material and adverse impact on the Property Owner's ability to pay Special Taxes prior to delinquency or to sell or develop the Property;

(iv) material damage to or destruction of any of the improvements on the Property;

(v) material default by the Property Owner under the Option Agreement to which the Property Owner has been provided a notice of default; and

(vi) any payment default or other material default by the Property Owner that continues to exist beyond any applicable notice and cure periods on any loan with respect to the construction of improvements on the Property.

(b) Whenever the Property Owner obtains knowledge of the occurrence of a Listed Event, the Property Owner shall as soon as possible determine if such event would be material under applicable Federal securities law.

(c) If the Property Owner determines that knowledge of the occurrence of a Listed Event would be material under applicable Federal securities law, the Property Owner shall, or shall cause the Dissemination Agent to, promptly file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, with a copy to the City and the Participating Underwriter.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Duration of Reporting Obligation.

(a) All of the Property Owner's obligations hereunder shall commence on the date hereof and shall terminate (except as provided in Section 12) on the earliest to occur of the following:

(i) upon the legal defeasance, prior redemption or payment in full of all the 2023 Bonds, or

(ii) when the Property owned by the Property Owner (or which the Property Owner has an option to purchase under the Option Agreement) is fewer than 62 residential lots (or property that will be subdivided into fewer than 62 residential lots), or

(iii) the date on which the Property Owner prepays in full all of the Special Taxes attributable to the Property.

The Property Owner shall give notice of the termination of its obligations under this Disclosure Certificate in the same manner as for a Listed Event under Section 5.

(b) If a portion of the Property is conveyed to a person or entity that, upon such conveyance, will be a Major Owner, the obligations of the Property Owner hereunder with respect to the property conveyed to such Major Owner may be assumed by such Major Owner and the Property Owner's obligations hereunder with respect to the property conveyed will be terminated. In order to effect such assumption, such Major Owner shall enter into an Assumption Agreement in form and substance equivalent to this Disclosure Certificate or as otherwise satisfactory to the City and the Participating Underwriter. However, a Major Owner shall not be required to enter into an Assumption Agreement if such Major Owner is already a party to a continuing disclosure certificate in form and substance similar to this Disclosure Certificate with respect to the 2023 Bonds, and under which the property conveyed to such Major Owner will become subject to future Semi-Annual Reports.

Section 8. Dissemination Agent. The Property Owner may, from time to time, with the written consent of the City, appoint or engage a Dissemination Agent to assist the Property Owner in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with the written consent of the City, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing 30 days' written notice to the City and the Property Owner.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Property Owner may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied (provided, however, that the Dissemination Agent shall not be obligated under any such amendment that modifies or increases its duties or obligations hereunder without its written consent thereto):

(a) if the amendment or waiver relates to the provisions of sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, or change in law;

(b) the proposed amendment or waiver either (i) is approved by holders of the 2023 Bonds in the manner provided in the Fiscal Agent Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the 2023 Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Property Owner from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Semi-Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Property Owner chooses to include any information in any Semi-Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Property Owner shall have no obligation under this Disclosure Certificate to update such information or include it in any future Semi-Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Property Owner to comply with any provision of this Disclosure Certificate, the Fiscal Agent shall (upon written direction and only to the extent indemnified to its satisfaction from any liability, cost or expense, including fees and expenses of its attorneys), and the Participating Underwriter and any holder or beneficial owner of the 2023 Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Property Owner to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole remedy under this Disclosure Certificate in the event of

any failure of the Property Owner to comply with this Disclosure Certificate shall be an action to compel performance. Neither the Property Owner nor the Dissemination Agent shall have any liability to any holder or beneficial owner of the 2023 Bonds or any other party for monetary damages or financial liability of any kind whatsoever arising from or relating to this Disclosure Certificate.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Property Owner agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding (i) losses, expenses and liabilities due to the Dissemination Agent's, and its officers, directors, employees, and agents' negligence or willful misconduct, or failure to perform its duties hereunder, and (ii) losses, expenses and liabilities due to the failure of the City to pay the fees and expenses of the Dissemination Agent. The Dissemination Agent shall be paid compensation for its services provided hereunder from the Administrative Expense Fund established under the Fiscal Agent Agreement in accordance with the Dissemination Agent's schedule of fees as amended from time to time, which schedule, as amended, shall be reasonably acceptable, and all reasonable expenses, reasonable legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Property Owner, the Fiscal Agent, the 2023 Bond owners, or any other party. The obligations of the Property Owner under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2023 Bonds, but shall be assumed by a Major Owner from and after the date of such assumption when property is sold to a Major Owner and such Major Owner enters into an assumption agreement.

Section 13. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given by electronic, overnight, or regular mail as follows:

To the Issuer:	City of Tracy 333 Civic Plaza Tracy, CA 95376 Email: financedept@cityoftracy.org
To the Participating Underwriter:	Piper Sandler & Co. 3626 Fair Oaks Boulevard Sacramento, California 95864 Email: Dennis.McGuire@psc.com
To the Property Owner:	LS-Tracy LLC _____, California _____ Attn: _____ Email: _____

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Property Owner (its successors and assigns), the Fiscal Agent, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the 2023 Bonds, and

shall create no rights in any other person or entity. All obligations of the Property Owner hereunder shall be assumed by any legal successor to the obligations of the Property Owner as a result of a sale, merger, consolidation or other reorganization.

Section 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

LS-TRACY LLC,
A Delaware limited liability company

By: Landsea Homes-WAB LLC, a Delaware
limited liability company
Its: Manager

By: _____

Name: _____

Title: _____

EXHIBIT A

SEMI-ANNUAL REPORT

[MARCH 31, ____ / SEPTEMBER 30, ____]

\$_____
IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023

This Semi-Annual Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (LS-Tracy LLC) (the "Disclosure Certificate") dated as of _____, 2023, executed by the undersigned (the "Property Owner") in connection with the issuance by the City of Tracy (the "City") of the bonds captioned above (the "2023 Bonds") for Improvement Area No. 3 ("Improvement Area No. 3") of the City of Tracy Community Facilities District No. 2016-2 (ECFD) (the "District").

Capitalized terms used in this Semi-Annual Report but not otherwise defined have the meanings given to them in the Disclosure Certificate.

I. Property Ownership and Development

The information in this section is provided as of _____ (this date must be not more than 60 days before the date of this Semi-Annual Report).

A. Description of the Property currently owned by the Property Owner, or for which the Property Owner has an option to purchase under the Option Agreement, in Improvement Area No. 3 of the District (the "Property"), in substance and form similar to such information in the Official Statement for the 2023 Bonds:

B. Updated information regarding land development and home construction activities with respect to the Property described in the Official Statement for the 2023 Bonds or the Semi-Annual Report last filed in accordance with the Disclosure Certificate:

C. Status of building permits and any material changes to the description of land use or development entitlements for the Property described in the Official Statement for the 2023 Bonds or the Semi-Annual Report last filed in accordance with the Disclosure Certificate:

D. Status of any land purchase contracts with regard to the Property, whether acquisition of land in Improvement Area No. 3 by the Property Owner under the Option Agreement or sales of land to other property owners (other than individual homeowners).

II. Legal and Financial Status of Property Owner

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any material change in the legal structure of the Property Owner or the financial condition and financing plan of the Property Owner that would materially and adversely interfere with its ability to complete the development plan with respect to the Property described in the Official Statement. To the extent that the ownership of the Property Owner has changed, describe all material terms of the new ownership structure.

III. Change in Development or Financing Plans

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any development plans or financing plans relating to the Property *that are materially different from* the proposed development and financing plan for the Property described in the Official Statement or in a previous Semi-Annual Report.

IV. Official Statement Updates

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any other significant changes in the information relating to the Property Owner or the Property contained in the Official Statement under the heading "OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3" that would materially and adversely interfere with the Property Owner's ability to develop and sell the Property as described in the Official Statement.

V. Status of Tax Payments

Describe status of payment of taxes, special taxes (including the Special Taxes) or assessments due with respect to the Property owned by the Property Owner and its Affiliates.

VI. Other Material Information

In addition to any of the information expressly required above, provide such further information, if any, with respect to the Property and the Property Owner as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Certification

On behalf of the Property Owner, the undersigned Authorized Representative, based on actual knowledge after reasonable inquiry of employees of Property Owner and its affiliates, hereby certifies that this Semi-Annual Report constitutes the Semi-Annual Report required to be furnished by the Property Owner under the Disclosure Certificate.

ANY OTHER STATEMENTS REGARDING THE PROPERTY OWNER, THE DEVELOPMENT OF THE PROPERTY, THE PROPERTY OWNER'S FINANCING PLAN OR FINANCIAL CONDITION, OR THE 2023 BONDS, OTHER THAN STATEMENTS MADE BY THE PROPERTY OWNER IN AN OFFICIAL RELEASE, OR FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD, ARE NOT AUTHORIZED BY THE PROPERTY OWNER. THE PROPERTY OWNER IS NOT RESPONSIBLE FOR THE ACCURACY, COMPLETENESS OR FAIRNESS OF ANY SUCH UNAUTHORIZED STATEMENTS.

THE PROPERTY OWNER HAS NO OBLIGATION TO UPDATE THIS SEMI-ANNUAL REPORT OTHER THAN AS EXPRESSLY PROVIDED IN THE DISCLOSURE CERTIFICATE.

Dated: _____

LS-TRACY LLC,
A Delaware limited liability company

By: Landsea Homes-WAB LLC, a Delaware limited liability
company
Its: Manager

By: _____

Name: _____

Title: _____

APPENDIX G

FORM OF OPINION OF BOND COUNSEL

April __, 2023

City Council
City of Tracy
333 Civic Center Plaza
Tracy, California 95376

OPINION: \$_____ Improvement Area No. 3 of the City of Tracy Community Facilities
District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023

Members of the Council:

We have acted as bond counsel to the City of Tracy (the "City") in connection with the issuance by the City of the special tax bonds captioned above, dated as of the date first written above (the "Bonds"). In such capacity, we have examined such law and such certified proceedings, opinions, certifications and other documents as we have deemed necessary to render this opinion.

The Bonds are issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being sections 53311 et seq. of the California Government Code (the "Act"), a resolution of the City Council adopted on [March 7], 2023 (the "Resolution"), and a Fiscal Agent Agreement dated as of April 1, 2023 (the "Fiscal Agent Agreement"), between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent").

Under the Fiscal Agent Agreement, the City has pledged certain revenues ("Special Tax Revenues") for the payment of principal, premium (if any) and interest on the Bonds when due.

Regarding questions of fact material to our opinion, we have relied on representations of the City contained in the Fiscal Agent Agreement, and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that, under existing law:

1. The City is a duly created and validly existing municipal corporation and general law city with the power to adopt the Resolution, enter into the Fiscal Agent Agreement and perform the agreements on its part contained therein, and issue the Bonds.
2. The Fiscal Agent Agreement has been duly authorized, executed and delivered by the City, and constitutes a valid and binding obligation of the City, enforceable against the City.
3. The Fiscal Agent Agreement creates a valid lien on the Special Tax Revenues and other funds pledged by the Fiscal Agent Agreement for the security of the Bonds, on a parity with other bonds (if any) issued or to be issued in accordance with the Fiscal Agent Agreement.

4. The Bonds have been duly authorized and executed by the City and are valid and binding limited obligations of the City, payable solely from the Special Tax Revenues and other funds provided therefor in the Fiscal Agent Agreement.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. It should be noted however that interest on the Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Fiscal Agent Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations, covenants and opinions referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

APPENDIX H
APPRAISAL REPORT

FISCAL AGENT AGREEMENT

by and between the

CITY OF TRACY

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
as Fiscal Agent**

Dated as of April 1, 2023

Relating to:

**\$ _____
Improvement Area No. 3 of the
City of Tracy
Community Facilities District No. 2016-2 (ECFD)
Special Tax Bonds, Series 2023**

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EXHIBIT D: OFFICER'S CERTIFICATE REQUESTING DISBURSEMENT FROM
ADMINISTRATIVE EXPENSE FUND

FISCAL AGENT AGREEMENT

THIS FISCAL AGENT AGREEMENT (the "Agreement") is made and entered into as of April 1, 2023, by and between the CITY OF TRACY, a municipal corporation and general law city organized and existing under the laws of the State of California (the "City") for and on behalf of the "City of Tracy Community Facilities District No. 2016-2 (ECFD)" (the "CFD") with respect to its "Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD)" ("Improvement Area No. 3"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America with a corporate trust office located in San Francisco, California, as fiscal agent (the "Fiscal Agent").

WITNESSETH:

WHEREAS, the City Council of the City has formed the CFD, including Improvement Area No. 3, under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (section 53311 *et seq.* of the California Government Code) (the "Act"); and

WHEREAS, the City Council, as the legislative body with respect to the CFD, is authorized under the Act to levy special taxes within Improvement Area No. 3 to pay for the costs of facilities and to authorize the issuance of bonds secured by said special taxes under the Act; and

WHEREAS, on _____, 2023, the City Council adopted Resolution No. 2023-____ (the "Resolution") authorizing the issuance of special tax bonds (the "2023 Bonds") on behalf of the CFD with respect to Improvement Area No. 3; and

WHEREAS, it is in the public interest and for the benefit of the City, the CFD, Improvement Area No. 3 and the persons responsible for the payment of special taxes that the City enter into this Agreement to provide for the issuance of the Bonds (as defined below) hereunder to finance the acquisition and construction of facilities for the City and to provide for the disbursement of proceeds of the Bonds, the disposition of the special taxes securing the Bonds and the administration and payment of the Bonds; and

WHEREAS, the City has determined that all things necessary to cause the 2023 Bonds, when authenticated by the Fiscal Agent and issued as provided in the Act, the Resolution and this Agreement, to be legal, valid, binding and limited obligations in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Agreement and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Agreement. This Agreement is entered into pursuant to the Act (as herein defined) and the Resolution.

Section 1.02. Agreement for Benefit of Owners of the Bonds. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the Owners of the Bonds. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Agreement.

Section 1.03. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.03 shall, for all purposes of this Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

"Acquisition Agreement" means that certain Amended and Restated Master Acquisition Agreement, dated as of September 1, 2021, by and between the City and the Developer.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being sections 53311 *et seq.* of the California Government Code.

"Administrative Expenses" means costs directly related to the administration of the CFD consisting of: the actual costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by a City employee or consultant or both) and the actual costs of collecting the Special Taxes (whether by the County or otherwise); the actual costs of remitting the Special Taxes to the Fiscal Agent; actual costs of the Fiscal Agent (including its legal counsel) in the discharge of its duties under this Agreement; the actual costs of the City or its designee of complying with the disclosure provisions of the Act and this Agreement, including those related to public inquiries regarding the Special Tax and disclosures to Owners of the Bonds and the Original Purchaser; costs of the dissemination agent, whether for the City or another party that has undertaken to provide continuing disclosure; the actual costs of the City or its designee related to an appeal of the Special Tax; any amounts required to be rebated to the federal government; an allocable share of the salaries of the City staff directly related to the foregoing and a proportionate amount of City general administrative overhead related thereto. Administrative Expenses shall also include amounts advanced by the City for any administrative purpose of the CFD, including costs related to prepayments of Special Taxes, recordings related to such prepayments and satisfaction of Special Taxes, amounts advanced to ensure maintenance of tax exemption, and the costs of prosecuting foreclosure of delinquent Special Taxes, which amounts advanced are subject to reimbursement from other sources, including proceeds of foreclosure.

"Administrative Expense Fund" means the fund designated the "Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Administrative Expense Fund" established and administered under Section 4.06.

"Agreement" means this Fiscal Agent Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement adopted pursuant to the provisions hereof.

"Annual Debt Service" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds due in such Bond Year (including any mandatory sinking payment due in such Bond Year).

"Auditor" means the auditor/controller of the County, or such other official at the County who is responsible for preparing property tax bills.

"Authorized Officer" means the Mayor, City Manager, Assistant City Manager, Finance Director, City Clerk or any other officer or employee authorized by the City Council of the City or by an Authorized Officer to undertake the action referenced in this Agreement as required to be undertaken by an Authorized Officer.

"Bond" or "Bonds" means the 2023 Bonds and, if the context requires, any Parity Bonds, at any time Outstanding under this Agreement or any Supplemental Agreement.

"Bond Counsel" means Jones Hall, A Professional Law Corporation or any other attorney or firm of attorneys acceptable to the City and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"Bond Fund" means the fund designated the "Improvement Area No. 3 of the City of Tracy, Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Bond Fund" established and administered under Section 4.04.

"Bond Proceeds Account" means the account of that name within the Improvement Fund to be established and administered by the Fiscal Agent under Section 4.07.

"Bond Year" means the one-year period beginning on September 2nd in each year and ending on September 1 in the following year, except that the first Bond Year shall begin on the Closing Date and shall end on September 1, 2023.

"Business Day" means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the state in which the Fiscal Agent has its principal corporate trust office are authorized or obligated by law or executive order to be closed.

"CDIAC" means the California Debt and Investment Advisory Commission of the Office of the State Treasurer, or any successor agency, board or commission.

"CFD" means the "City of Tracy Community Facilities District No. 2016-2 (ECFD)" formed under the Resolution of Formation.

"City" means the City of Tracy, and any successor thereto.

“City Attorney” means any attorney or firm of attorneys employed by the City in the capacity of general counsel.

“City Council” means the City Council of the City, in its capacity as the legislative body of the CFD.

“Closing Date” means the date upon which there is a physical delivery of the applicable series of Bonds in exchange for the amount representing the purchase price of such Bonds by the Original Purchaser.

“Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate executed by the City and dated the date of issuance and delivery of the 2023 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale, delivery and issuance of the Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, closing costs, appraisal costs, filing and recording fees, fees and expenses of counsel to the City, initial fees and charges of the Fiscal Agent including its first annual administration fees and its legal fees and charges, including the allocated costs of in-house attorneys, expenses incurred by the City in connection with the issuance of the Bonds, Bond (underwriter’s) discount, legal fees and charges, including bond counsel, and counsel to any financial consultant, financial consultant’s fees, charges for execution, authentication, transportation and safekeeping of the Bonds and other costs, charges and fees in connection with the foregoing.

“Costs of Issuance Fund” means the fund designated the “Improvement Area No. 3 of the City of Tracy, Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Costs of Issuance Fund” established and administered under Section 4.02.

“County” means the County of San Joaquin, California.

“Dated Date” means April __, 2023, the dated date of the 2023 Bonds, which is the Closing Date of the 2023 Bonds.

“Debt Service” means the scheduled amount of interest and amortization of principal payable on the 2023 Bonds under Sections 2.02 and 2.03 and the scheduled amount of interest and amortization of principal payable on any Parity Bonds during the period of computation, in each case excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository for book-entry under Section 2.10.

“Developer” means Surland Communities, LLC, a California limited liability company, and its successors and assigns.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Fair Market Value” means with respect to the Bonds the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction

(determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the City and related parties do not own more than a 10% beneficial interest if the return paid by such fund is without regard to the source of the investment.

"Federal Securities" means: (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), the payment of principal of and interest on which are unconditionally and fully guaranteed by the United States of America; and (b) any obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

"Finance Director" means the official of the City, or such official's designee, who acts in the capacity as the chief financial officer of the City, including the controller or other financial officer.

"Fiscal Agent" means U.S. Bank Trust Company, National Association, the Fiscal Agent appointed by the City and acting as an independent fiscal agent with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01.

"Fiscal Year" means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

"Improvement Area No. 3" means "Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD)" formed under the Act and in accordance with the Resolution of Formation.

"Improvement Fund" means the fund designated "Improvement Area No. 3 of the City of Tracy, Community Facilities District No. 2016-2 (ECFD), Special Tax Bonds, Improvement Fund," established under Section 4.07.

"Independent Financial Consultant" means any consultant or firm of such consultants appointed by the City or the Treasurer, and who, or each of whom:

(i) is judged by the Treasurer to have experience in matters relating to the issuance and/or administration of bonds under the Act;

(ii) is in fact independent and not under the domination of the City;

(iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in Improvement Area No. 3, or any real property in Improvement Area No. 3; and

(iv) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

“Interest Payment Date” means each September 1 and March 1 of every calendar year, commencing with September 1, 2023.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“Moody’s” means Moody’s Investors Service, Inc., and its successors.

“MSRB” means the Municipal Securities Rulemaking Board, through its EMMA system, and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such services providing information with respect to called bonds as the City may designate in an Officer’s Certificate delivered to the Fiscal Agent.

“Officer’s Certificate” means a written certificate of the City signed by an Authorized Officer of the City.

“Ordinance” means any ordinance of the City Council of the City levying the Special Taxes, including but not limited to Ordinance No. 1230 introduced by the City Council on February 7, 2017, and adopted by the City Council on February 21, 2017.

“Original Purchaser” means Piper Sandler & Co., the first purchaser of the 2023 Bonds from the City.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 8.04) all Bonds except (i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (ii) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the City under this Agreement or any Supplemental Agreement.

“Owner” or “Bondowner” means any person who shall be the registered owner of any Outstanding Bond.

“Parity Bonds” means additional bonds issued and payable on a parity with the Bonds under Section 3.06.

“Participating Underwriter” shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.

“Permitted Investments” means the following, but only to the extent that the same are acquired at Fair Market Value:

- (a) Federal Securities.

(b) any of the following direct or indirect obligations of the following agencies of the United States of America: (i) direct obligations of the Export-Import Bank; (ii) certificates of beneficial ownership issued by the Farmers Home Administration; (iii) participation certificates issued by the General Services Administration; (iv) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Federal Housing Administration; (v) project notes issued by the United States Department of Housing and Urban Development; and (vi) public housing notes and bonds guaranteed by the United States of America;

(c) interest-bearing demand or time deposits (including certificates of deposit), including those placed by a third party pursuant to a separate agreement between the City and the Fiscal Agent, banking deposit products, trust funds, trust accounts, overnight bank deposits, interest bearing deposits, interest bearing money market accounts or deposit accounts in federal or state chartered savings and loan associations or in federal or State of California banks (including the Fiscal Agent, its parent, if any, and affiliates), provided that (i) the unsecured short-term obligations of such commercial bank or savings and loan association shall be rated in the highest short-term rating category by any Rating Agency, or (ii) such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation;

(d) commercial paper rated at the time of purchase in the highest short-term rating category by any Rating Agency, issued by corporations which are organized and operating within the United States of America, and which matures not more than 180 days following the date of investment therein;

(e) bankers acceptances, consisting of bills of exchange or time drafts drawn on and accepted by a commercial bank, including its parent (if any), affiliates and subsidiaries, whose short-term obligations are rated in the highest short-term rating category by any Rating Agency, or whose long-term obligations are rated A or better by any Rating Agency, which mature not more than 270 days following the date of investment therein;

(f) obligations the interest on which is excludable from gross income pursuant to Section 103 of the Tax Code and which are either (a) rated A or better by any Rating Agency, or (b) fully secured as to the payment of principal and interest by Federal Securities;

(g) obligations issued by any corporation organized and operating within the United States of America having assets in excess of \$500,000,000, which obligations are rated A or better by any Rating Agency;

(h) money market mutual funds (including money market funds for which the Fiscal Agent, its affiliates or subsidiaries provide investment advisory, transfer agency, custodial or other management services for which it receives and retains a fee for such services to the fund) which invest in Federal Securities or which are rated in the highest short-term rating category by any Rating Agency including those funds for which the Fiscal Agent or an affiliate receives and retains a fee for

services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise; and

(i) any investment agreement representing general unsecured obligations of a financial institution rated A or better by any Rating Agency, by the terms of which the Fiscal Agent is permitted to withdraw all amounts invested therein in the event any such rating falls below A.

(j) the Local Agency Investment Fund established pursuant to Section 16429.1 of the Government Code of the State of California, *provided, however*, that the Fiscal Agent shall be permitted to make investments and withdrawals in its own name and the Fiscal Agent may restrict investments in the such fund if necessary to keep moneys available for the purposes of this Fiscal Agent Agreement.

(k) the California Asset Management Program.

"Principal Office" means such corporate trust office of the Fiscal Agent as may be designated from time to time by written notice from the Fiscal Agent to the City, initially being at the address set forth in Section 9.06, or such other office designated by the Fiscal Agent from time to time.

"Proceeds" when used with reference to the Bonds, means the face amount of the Bonds, plus any accrued interest and premium, less any original issue and/or underwriter's discount.

"Project" means those items described as the "Facilities" in the Resolution of Formation.

"Qualified Reserve Account Credit Instrument" means an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Fiscal Agent, provided that all of the following requirements are met at the time of acceptance thereof by the Fiscal Agent: (a) in the case of a commercial bank, the long-term credit rating of such bank at the time of delivery of the irrevocable standby or direct-pay letter of credit is at least "A" from S&P or "A" from Moody's and, in the case of an insurance company, the claims paying ability of such insurance company at the time of delivery of the insurance policy or surety bond is at least "A" from S&P, or "A" from Moody's or, if not rated by S&P or Moody's but is rated by A.M. Best & Company, is rated at the time of delivery in the highest rating category by A.M. Best & Company; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the 2023 Reserve Requirement with respect to which funds are proposed to be released; and (d) the Fiscal Agent is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Bond Fund for the purpose of making payments with respect to the 2023 Bonds and any Parity Bonds.

"Rate and Method" means the Rate and Method of Apportionment of the Special Taxes for Improvement Area No. 3.

"Record Date" means the fifteenth day of the calendar month next preceding the applicable Interest Payment Date, whether or not such day is a Business Day.

"Refunding Bonds" means bonds issued by the City for the CFD with respect to Improvement Area No. 3, the net proceeds of which are used to refund all or a portion of the then-Outstanding Bonds and for other lawful purposes; provided that the principal and interest on the Refunding Bonds to their final maturity date is less than the principal and interest on the Bonds being refunded to their final maturity date, and the final maturity of the Refunding Bonds is not later than the final maturity of the Bonds being refunded.

"Regulations" means temporary and permanent regulations promulgated under the Tax Code.

"Remainder Taxes" means the Special Taxes available for disbursement pursuant to Section 4.05(B)(iii).

"Remainder Taxes Account" means the account of that name within the Improvement Fund to be established and administered by the Fiscal Agent under Section 4.07.

"Remainder Taxes Period" means the period through and including the date that is the earlier of (i) the end of the 15th Fiscal Year during which Special Taxes have been levied on the property in Improvement Area No. 3 or (ii) the date the City has fully satisfied its reimbursement obligations under the Acquisition Agreement.

"Resolution" or "Resolution of Issuance" has the meaning given that term in the recitals hereof.

"Resolution of Formation" means (i) Resolution No. 2017-021, entitled "Resolution of Formation of Community Facilities District," adopted by the City Council on February 7, 2017, forming the CFD and (ii) to the extent applicable with respect to Improvement Area No. 3, Resolution No. 2019-244, entitled "Confirming Annexation of Property (Ellis Phase 3 Town and Country Neighborhood) Into Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) and Confirming, Ordering and Directing Other Related Matters," adopted by the City Council on December 17, 2019.

"S&P" means S&P Global, a division of McGraw-Hill, and its successors and assigns.

"Securities Depositories" means DTC and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the City may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Special Tax Fund" means the special fund designated "Improvement Area No. 3 of the City of Tracy, Community Facilities District No. 2016-2 (ECFD), Special Tax Fund" established and administered under Section 4.05.

"Special Tax Prepayments" means the proceeds of any Special Tax prepayments received by the City, as calculated pursuant to the Rate and Method, less any administrative fees or penalties collected as part of any such prepayment.

"Special Tax Prepayments Account" means the account by that name established within the Bond Fund under Section 4.04(A).

"Special Tax Revenues" means the proceeds of the Special Taxes received by the City, including any scheduled payments thereof and any Special Tax Prepayments, interest thereon

and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien and interest thereon, but shall not include any interest in excess of the interest due on the Bonds or any penalties collected in connection with any such foreclosure.

“Special Taxes” means the Facilities Special Tax levied by the City Council within Improvement Area No. 3 under the Act, the Rate and Method, the Ordinance and this Agreement.

“State” means the State of California.

“Supplemental Agreement” means an agreement the execution of which is authorized by a resolution which has been duly adopted by the City under the Act and which agreement is amendatory of or supplemental to this Agreement, but only if and to the extent that such agreement is specifically authorized hereunder.

“Tax Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Tax Code.

“Tax Consultant” means an independent financial or tax consultant retained by the City for the purpose of computing the Special Taxes.

“Term Bonds” means the (i) 2023 Bonds maturing on September 1, 20__, September 1, 20__, September 1, 20__, and September 1, 20__ and (ii) Parity Bonds identified as term bonds in a Supplemental Agreement.

“2023 Bonds” means the Bonds so designated and authorized to be issued under Section 2.01 hereof.

“2023 Reserve Fund” means the fund designated the “Improvement Area No. 3 of the City of Tracy, Community Facilities District No. 2016-2 (ECFD), Special Tax Bonds, Reserve Fund” established and administered under Section 4.03.

“2023 Reserve Requirement” means the amount as of any date of calculation equal to the least of (a) Maximum Annual Debt Service on the 2023 Bonds and Parity Bonds, if any, (b) 125% of average Annual Debt Service on the 2023 Bonds and Parity Bonds, if any and (c) 10% of the original principal of the 2023 Bonds and Parity Bonds, if any; provided, however:

(A) that with respect to the calculation of clause (c), the issue price of the 2023 Bonds or any Parity Bonds excluding accrued interest shall be used rather than the original principal amount, if (i) the net original issue discount or premium of the 2023 Bonds or any Parity Bonds was less than 98% or more than 102% of the original principal amount of the 2023 Bonds or any Parity Bonds and (ii) using the issue price would produce a lower result than using the original principal amount;

(B) that in no event shall the amount calculated hereunder exceed the amount on deposit in the 2023 Reserve Fund on the date of issuance of the 2023 Bonds (if they are the only Bonds covered by the 2023 Reserve Fund) or the most recently issued series of Parity Bonds except in connection with any increase associated with the issuance of Parity Bonds; and

(C) that in no event shall the amount required to be deposited into the 2023 Reserve Fund in connection with the issuance of a series of Parity Bonds exceed the maximum amount under the Tax Code that can be financed with tax-exempt bonds and invested at an unrestricted yield.

ARTICLE II

THE BONDS

Section 2.01. Principal Amount; Designation. Bonds in the aggregate principal amount of \$25,000,000 are hereby authorized to be issued by the City for the CFD with respect to Improvement Area No. 3 under and subject to the terms of the Act, the Resolution, this Agreement and other applicable laws of the State of California. For the avoidance of doubt, Refunding Bonds shall not count against the limit set forth in the previous sentence.

The 2023 Bonds shall be designated as the "Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023," and shall be in the initial principal amount of \$_____.

Section 2.02. Terms of the 2023 Bonds.

(A) Form; Denominations. The 2023 Bonds shall be issued as fully registered Bonds without coupons. The 2023 Bonds shall be lettered and numbered in a customary manner as determined by the City. The 2023 Bonds shall be issued in the denominations of \$5,000 or any integral multiple of \$5,000 in excess thereof.

(B) Date of 2023 Bonds. The 2023 Bonds shall be dated the Closing Date.

(C) CUSIP Identification Numbers. "CUSIP" identification numbers may, at the election of the Original Purchaser of the Bonds, be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Bonds. In addition, failure on the part of the City or the Fiscal Agent to use such CUSIP numbers in any notice to Owners shall not constitute an event of default or any violation of the City's contract with such Owners and shall not impair the effectiveness of any such notice.

(D) Maturities; Interest Rates. The 2023 Bonds shall mature and become payable on each September 1, and shall bear interest at the rates per annum indicated in the below table.

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
	\$	%

* Term Bond

(E) Interest. The 2023 Bonds shall bear interest at the rates set forth above payable on the Interest Payment Dates in each year. Interest on all Bonds shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless

(i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or

(ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or

(iii) it is authenticated on or before the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Dated Date;

provided, however, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(F) Method of Payment. Interest on the Bonds (including the final interest payment upon maturity or earlier redemption), is payable on the applicable Interest Payment Date by check of the Fiscal Agent mailed by first class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer to an account located in the United States made on such Interest Payment Date upon written instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds delivered to the Fiscal Agent prior to the applicable Record Date, which shall continue in effect until revoked in writing, or until such Bonds are transferred to a new Owner.

The principal of the Bonds and any premium on the Bonds are payable in lawful money of the United States of America upon surrender of the Bonds at the Principal Office of the Fiscal Agent. All Bonds paid by the Fiscal Agent pursuant to this Section shall be canceled by the Fiscal Agent. The Fiscal Agent shall destroy the canceled Bonds and, upon request of the City, issue a certificate of destruction of such Bonds to the City.

Section 2.03. Redemption.

(A) Redemption Provisions.

(i) **Optional Redemption.** The 2023 Bonds maturing on or after September 1, 20__, are subject to optional redemption as directed by the City, from sources of funds other than prepayments of Special Taxes, prior to their stated maturity on any date on or after September 1, 20__ as a whole or in part, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed), as set forth below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u> %
September 1, 20__ through August 31, 20__	
September 1, 20__ through August 31, 20__	
September 1, 20__ through August 31, 20__	
September 1, 20__ and any date thereafter	

(ii) **Mandatory Sinking Fund Redemption.** The Term Bond maturing on September 1, 20__, is subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

<u>Sinking Fund Redemption Date (September 1)</u>	<u>Sinking Fund Payments</u>
20__	\$
20__	
20__	
20__	
20__ (maturity)	

The Term Bond maturing on September 1, 20__, is subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (September 1)	Sinking Fund Payments
20__	\$
20__	
20__	
20__	
20__ (maturity)	

The Term Bond maturing on September 1, 20__, is subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (September 1)	Sinking Fund Payments
20__	\$
20__	
20__	
20__	
20__ (maturity)	

The Term Bond maturing on September 1, 20__, is subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (September 1)	Sinking Fund Payments
20__	\$
20__	
20__	
20__	
20__ (maturity)	

Provided, however, if some but not all of the Term Bonds of a given maturity have been redeemed under subsection (i) above or subsection (iii) below, the total amount of all future Sinking Fund Payments relating to such maturity shall be reduced by the

aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments on a pro rata basis in integral multiples of \$5,000 as determined by the City, notice of which shall be given by the City to the Fiscal Agent and the notice shall include a revised sinking fund schedule.

(iii) **Redemption from Special Tax Prepayments.** Special Tax Prepayments and any corresponding transfers from the 2023 Reserve Fund pursuant to Section 4.03(F) shall be used to redeem 2023 Bonds on the next Interest Payment Date for which notice of redemption can timely be given under Section 2.03(D), among series and maturities so as to maintain substantially the same debt service profile for the Bonds as in effect prior to such redemption and by lot within a maturity, at a redemption price (expressed as a percentage of the principal amount of the 2023 Bonds to be redeemed), as set forth below, together with accrued interest to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Any Interest Payment Date on or before March 1, 20__	%
September 1, 20__ and March 1, 20__	
September 1, 20__ and March 1, 20__	
September 1, 20__ and any Interest Payment Date thereafter	

(B) **Notice to Fiscal Agent.** The City shall give the Fiscal Agent written notice of its intention to redeem Bonds under subsection (A)(i) and (A)(iii) not less than 45 days prior to the applicable redemption date or such lesser number of days as shall be acceptable to the Fiscal Agent.

(C) **Purchase of Bonds in Lieu of Redemption.** In lieu of redemption under Section 2.03(A), moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 2023 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may 2023 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase and any premium which would otherwise be due if such 2023 Bonds were to be redeemed in accordance with this Agreement.

(D) Redemption Procedure by Fiscal Agent.

(i) **Notices.** The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, or posted, at least twenty (20) days but not more than sixty (60) days prior to the date fixed for redemption, to the Securities Depositories and to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books in the Principal Office of the Fiscal Agent; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Bonds. In addition, the Fiscal Agent shall file each notice of redemption with the MSRB through its EMMA system.

(ii) **Contents of Notices.** Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption shall state as to any Bond called in part the principal amount thereof to be redeemed, and shall require that such Bonds be then surrendered at the Principal Office

of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such Bonds will not accrue from and after the redemption date. The cost of mailing any such redemption notice and any expenses incurred by the Fiscal Agent in connection therewith shall be paid by the City.

Any redemption notice may be conditioned upon the receipt of moneys by the City sufficient to cause such redemption. The City has the right to rescind any notice of the optional redemption of Bonds by written notice to the Fiscal Agent on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute a default under this Agreement. The City and the Fiscal Agent have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Fiscal Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under this Section.

(iii) **Selection of Bonds for Redemption.** Whenever provision is made in this Agreement for the redemption of less than all of the Bonds of any maturity or any given portion thereof, the Fiscal Agent shall select the Bonds to be redeemed by lot in any manner which the Fiscal Agent in its sole discretion deems appropriate.

(iv) **New Bonds.** Upon surrender of Bonds redeemed in part only, the City shall execute and the Fiscal Agent shall authenticate and deliver to the registered Owner, at the expense of the City, a new Bond or Bonds, of the same series and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds of such registered Owner.

(E) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Bonds so called for redemption shall have been deposited in the Bond Fund, such Bonds so called shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in the notice of redemption. All Bonds redeemed and purchased by the Fiscal Agent under this Section 2.03 shall be canceled by the Fiscal Agent. The Fiscal Agent shall destroy the canceled Bonds in accordance with the Fiscal Agent's retention policy then in effect.

Section 2.04. Form of Bonds. The 2023 Bonds, the Fiscal Agent's certificate of authentication and the assignment, to appear thereon, shall be substantially in the forms, respectively, set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Agreement, the Resolution and the Act.

Section 2.05. Execution and Authentication of Bonds.

(A) Execution. The Bonds shall be executed on behalf of the City by the manual or facsimile signatures of its Mayor and its City Clerk who are in office on the date of execution of this Agreement or at any time thereafter. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Owner, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Owner. Any Bond may be signed and attested on behalf of the City by such persons as at the actual date of the execution of such Bond shall be the proper officers of the City although at the nominal date of such Bond any such person shall not have been such officer of the City.

(B) Authentication. Only such Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of authentication of the Fiscal Agent shall be conclusive evidence that the Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Agreement.

Section 2.06. Transfer or Exchange of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept under the provisions of Section 2.07 by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form acceptable to the Fiscal Agent. Bonds may be exchanged at the Principal Office of the Fiscal Agent solely for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer or exchange shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such transfer or exchange any tax or other governmental charge required to be paid with respect to such transfer or exchange. Whenever any Bond or Bonds shall be surrendered for transfer or exchange, the City shall execute and the Fiscal Agent shall authenticate and deliver a new Bond or Bonds, for a like aggregate principal amount. No transfers or exchanges of Bonds shall be required to be made (i) fifteen days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption; or (iii) between a Record Date and the succeeding Interest Payment Date.

Section 2.07. Bond Register. The Fiscal Agent will keep, or cause to be kept, at its Principal Office sufficient books for the registration and transfer of the Bonds which books shall show the series number, date, amount, rate of interest and last known owner of each Bond and shall at all times be open to inspection by the City during regular business hours upon reasonable notice; and, upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided. The City and the Fiscal Agent will treat the Owner of any Bond whose name appears on the Bond register as the absolute Owner of such Bond for any and all purposes, and the City and the Fiscal Agent shall not be affected by any notice to the contrary. The City and the Fiscal Agent may rely on the address of the Owner as it appears in the Bond register for any and all purposes.

Section 2.08. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such authorized denominations as may be determined by the City, and may contain such reference to any of the provisions of this Agreement as may be

appropriate. Every temporary Bond shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds, it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Fiscal Agent or at such other location as the Fiscal Agent shall designate, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Agreement as definitive Bonds authenticated and delivered hereunder.

Section 2.09. Bonds Mutilated, Lost, Destroyed or Stolen.

(A) Mutilated. If any Bond shall become mutilated, at the expense of the Owner of such Bond, the City shall execute and the Fiscal Agent shall authenticate and deliver a replacement Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal Agent shall be canceled by it and destroyed by the Fiscal Agent, in accordance with the Fiscal Agent's retention policy then in effect.

(B) Destroyed or Stolen. If any Bond shall be lost, destroyed or stolen, the City shall execute and the Fiscal Agent shall authenticate and deliver a replacement Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen, at the expense of the Owner, but only following provision by the Owner to the Fiscal Agent of indemnity for the City and the Fiscal Agent satisfactory to the Fiscal Agent and the City. The City may require payment of a sum not exceeding the actual cost of preparing each replacement Bond delivered under this Section and the City and the Fiscal Agent may require payment of the expenses which may be incurred by the City and the Fiscal Agent for the preparation, execution, authentication and delivery thereof. Any Bond delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other Bonds issued under this Agreement.

(C) Additional Stock. If the Fiscal Agent has an insufficient stock of unauthenticated printed Bonds for such purpose, it shall communicate with the Finance Director with respect to the printing of an additional stock of Bonds, in such quantities and as otherwise approved in writing by the Finance Director.

Section 2.10. Book-Entry Only System. DTC shall act as the initial Depository for the Bonds. One Bond for each maturity of the Bonds shall be initially executed, authenticated, and delivered as set forth herein with a separate fully registered certificate (in print or typewritten form). Upon initial execution, authentication, and delivery, the ownership of the Bonds shall be registered in the Bond register kept by the Fiscal Agent for the Bonds in the name of Cede & Co., as nominee of DTC or such nominee as DTC shall appoint in writing.

The Authorized Officers of the City and the Fiscal Agent are hereby authorized to take any and all actions as may be necessary and not inconsistent with this Agreement to qualify the Bonds for the Depository's book-entry system, including the execution of the Depository's required representation letter.

With respect to Bonds registered in the Bond register in the name of Cede & Co., as nominee of DTC, neither the City nor the Agent shall have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds Bonds as Depository from time to time (the "DTC Participants") or to any person for which a DTC Participant acquires an interest in the Bonds (the "Beneficial Owners"). Without limiting the immediately preceding sentence, neither the City nor the Fiscal Agent shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant, any Beneficial Owner, or any other person, other than DTC, of any notice with respect to the Bonds, including any Bonds to be redeemed in the event the City elects to redeem the Bonds, in part, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the City elects to redeem the Bonds in part, (iv) the payments to any DTC Participant, any Beneficial Owner, or any person, other than DTC, of any amount with respect to the principal of or interest or premium on the Bonds, or (v) any consent given or other action taken by the Depository as Owner of the Bonds.

Except as set forth above, the City and the Fiscal Agent may treat as and deem DTC to be the absolute Owner of each Bond, for which DTC is acting as Depository for the purpose of payment of the principal of and premium and interest on such Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bonds, for the purpose of registering transfers with respect to such Bonds, and for all purposes whatsoever. The Fiscal Agent on behalf of the City shall pay all principal of and premium and interest on the Bonds only to or upon the order of the Owners as shown on the Bond register, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to the principal of and premium and interest on the Bonds to the extent of the sums or sums so paid.

No person other than an Owner, as shown on the Bond register, shall receive a physical Bond. Upon delivery by DTC to the City and the Fiscal Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions in Section 2.06 hereof, references to "Cede & Co." in this Section 2.10 shall refer to such new nominee of DTC.

DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and to the Fiscal Agent during any time that the Bonds are Outstanding, and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of DTC with respect to the Bonds if it determines that DTC is unable to discharge its responsibilities with respect to the Bonds or that continuation of the system of book-entry transfer through DTC is not in the best interest of the Beneficial Owners, and the City shall mail notice of such termination to the Fiscal Agent.

Upon termination of the services of DTC as provided in the previous paragraph, and if no substitute Depository willing to undertake the functions hereunder can be found which is willing to undertake such functions upon reasonable or customary terms, or if the City determines that it is in the best interest of the Beneficial Owners of the Bonds that they be able to obtain certified Bonds, the Bonds shall no longer be restricted to being registered in the Bond register of the Fiscal Agent in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names the Owners shall designate at that time, in accordance with Section 2.06.

To the extent that the Beneficial Owners are designated as the transferee by the Owners, in accordance with Section 2.06, the Bonds will be delivered to such Beneficial Owners.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01. Issuance and Delivery of 2023 Bonds. At any time after the execution of this Agreement, the City may issue the 2023 Bonds for the CFD with respect to Improvement Area No. 3 in the aggregate principal amount set forth in Section 2.01 and deliver the 2023 Bonds to the Fiscal Agent for authentication and delivery to the Original Purchaser. The Authorized Officers of the City are hereby authorized and directed to execute and deliver any and all documents and instruments necessary to cause the issuance of the 2023 Bonds in accordance with the provisions of the Act, the Resolution and this Agreement, to authorize the payment of Costs of Issuance and costs of the Project by the Fiscal Agent from the proceeds of the 2023 Bonds and to do and cause to be done any and all acts and things necessary or convenient for the timely delivery of the 2023 Bonds to the Original Purchaser. The Fiscal Agent is hereby authorized and directed to authenticate the 2023 Bonds and deliver them to the Original Purchaser, upon receipt of the purchase price for the 2023 Bonds.

Section 3.02. Pledge of Special Tax Revenues. The Bonds shall be secured by a first pledge (which pledge shall be effected in the manner and to the extent herein provided) of all of the Special Tax Revenues and all moneys deposited in the Bond Fund (including the Special Tax Prepayments Account), and, until disbursed as provided herein, in the Special Tax Fund. The Special Tax Revenues and all moneys deposited into such funds (except as otherwise provided herein) are hereby dedicated to the payment of the principal of, and interest and any premium on, the Bonds as provided herein and in the Act until all of the Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose under Section 9.03.

The 2023 Bonds and all Parity Bonds shall be secured by a first pledge (which pledge shall be effected in the manner and to the extent herein provided) of all moneys deposited in the 2023 Reserve Fund. The moneys in the 2023 Reserve Fund (except as otherwise provided herein) are hereby dedicated to the payment of the principal of, and interest and any premium on, the 2023 Bonds and all Parity Bonds as provided herein and in the Act until all of the 2023 Bonds and all Parity Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose under Section 9.03.

Amounts in the Improvement Fund (and the accounts therein), the Administrative Expense Fund and the Costs of Issuance Fund are not pledged to the repayment of the Bonds. The Project is not pledged to the repayment of the Bonds, nor are the proceeds of any condemnation or insurance award received by the City with respect to the Project.

Section 3.03. Limited Obligation. All obligations of the City under this Agreement and the Bonds shall not be general obligations of the City, but shall be limited obligations, payable solely from the Special Tax Revenues and the funds pledged therefor hereunder. Neither the faith and credit nor the taxing power of the City (except to the limited extent set forth herein) or of the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Section 3.04. No Acceleration. The principal of the Bonds shall not be subject to acceleration hereunder. Nothing in this Section shall in any way prohibit the redemption of Bonds

under Section 2.03, or the defeasance of the Bonds and discharge of this Agreement under Section 9.03.

Section 3.05. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the acquisition of the Project or upon the performance by any person of his obligation with respect to the Project.

Section 3.06. Parity Bonds. In addition to the 2023 Bonds, the City may issue Refunding Bonds as Parity Bonds in such principal amount as shall be determined by the City, under a Supplemental Agreement entered into by the City and the Fiscal Agent. Any such Parity Bonds shall constitute Bonds hereunder and shall be secured by a lien on the Special Tax Revenues and funds pledged for the payment of the Bonds hereunder on a parity with all other Bonds Outstanding hereunder. The City may issue such Parity Bonds subject to the following specific conditions precedent:

(A) **Compliance.** Following issuance of the Parity Bonds, the City shall be in compliance with all covenants set forth in this Agreement and all Supplemental Agreements, and issuance of the Parity Bonds shall not cause the City to exceed the bonded indebtedness limit of Improvement Area No. 3.

(B) **Same Payment Dates.** The Supplemental Agreement providing for the issuance of such Parity Bonds shall provide that interest thereon shall be payable on the Interest Payment Dates, and principal thereof shall be payable on September 1 (provided that there shall be no requirement that any Parity Bonds pay interest on a current basis).

(C) **Debt Service Reserve Fund.** The Supplemental Agreement providing for issuance of the Parity Bonds shall provide for a deposit to the 2023 Reserve Fund in an amount necessary such that the amount deposited therein shall equal the 2023 Reserve Requirement following issuance of the Parity Bonds.

(D) **Certificates.** The City shall deliver to the Fiscal Agent an Officer's Certificate certifying that the conditions precedent to the issuance of such Parity Bonds set forth in subsections (A), (B), and (C) of this Section 3.06 have been satisfied.

Nothing in this Section 3.06 shall prohibit the City from issuing any other bonds or otherwise incurring debt secured by a pledge of the Special Tax Revenues subordinate to the pledge thereof under Section 3.02 of this Agreement.

ARTICLE IV

PROCEEDS, FUNDS AND ACCOUNTS

Section 4.01. Application of 2023 Bond Proceeds. The Proceeds of the 2023 Bonds received from the Original Purchaser in the amount of \$_____ (which is equal to the initial principal amount of the 2023 Bonds, *plus* an original issue premium of \$_____, *less* an underwriter's discount in the amount of \$_____) shall be paid to the Fiscal Agent, which shall deposit the Proceeds on the Closing Date as follows:

- (i) \$_____ into the Costs of Issuance Fund;
- (ii) \$_____ into the 2023 Reserve Fund equaling the initial 2023 Reserve Requirement; and
- (iii) \$_____ into the Bond Proceeds Account of the Improvement Fund.

The Fiscal Agent may, in its discretion, establish a temporary fund or account to facilitate the foregoing deposits.

Section 4.02. Costs of Issuance Fund.

(A) Establishment of Costs of Issuance Fund. The Costs of Issuance Fund is hereby established as a separate fund to be held by the Fiscal Agent, to the credit of which a deposit shall be made as required by Section 4.01. Moneys in the Costs of Issuance Fund shall be held by the Fiscal Agent for the benefit of the City and shall be disbursed as provided in subsection (B) of this Section for the payment or reimbursement of Costs of Issuance.

(B) Disbursement. Amounts in the Costs of Issuance Fund shall be disbursed from time to time to pay Costs of Issuance, as set forth in a requisition substantially in the form of Exhibit C hereto, executed by the Finance Director, containing respective amounts to be paid to the designated payees and delivered to the Fiscal Agent. Each such requisition shall be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent shall have no duty to confirm the accuracy of such facts.

(C) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited by the Fiscal Agent under Section 6.01. Interest earnings and profits resulting from such investment shall be retained by the Fiscal Agent in the Costs of Issuance Fund to be used for the purposes of such fund.

(D) Closing of Fund. The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of 90 days from the Closing Date and then the Fiscal Agent shall transfer any moneys remaining therein, including any investment earnings thereon, to the Bond Proceeds Account of the Improvement Fund and used for the purposes thereof.

Section 4.03. 2023 Reserve Fund.

(A) Establishment of Fund. The 2023 Reserve Fund is hereby established as a separate fund to be held by the Fiscal Agent to the credit of which a deposit shall be made as required by Section 4.01, which deposit, as of the Closing Date, is equal to the initial 2023 Reserve Requirement with respect to the 2023 Bonds, and deposits shall be made as provided in Sections 3.06(C) and 4.05(A) and (B). Moneys in the 2023 Reserve Fund shall be held by the Fiscal Agent for the benefit of the Owners of the 2023 Bonds and any Parity Bonds as a reserve for the payment of the principal of, and interest and any premium on, the 2023 Bonds and any Parity Bonds and shall be subject to a lien in favor of the Owners of the 2023 Bonds and any Parity Bonds.

(B) Use of Reserve Fund. Except as otherwise provided in this Section, all amounts deposited in the 2023 Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency at any time in the Bond Fund of the amount then required for payment of the principal of, and interest and any premium on, the 2023 Bonds and any Parity Bonds or, in accordance with the provisions of this Section, for the purpose of redeeming 2023 Bonds and any Parity Bonds from the Bond Fund. Whenever a transfer is made from the 2023 Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund for payment of the principal of, and interest and any premium on, the 2023 Bonds and any Parity Bonds, the Fiscal Agent shall provide written notice thereof to the Finance Director, specifying the amount withdrawn.

(C) Transfer of Excess of Reserve Requirement. Whenever, on or before any Interest Payment Date, or on any other date at the request of the Finance Director, the amount in the 2023 Reserve Fund exceeds the 2023 Reserve Requirement, the Fiscal Agent shall transfer an amount equal to the excess from the 2023 Reserve Fund to the Bond Fund, to be used to pay interest on the 2023 Bonds and any Parity Bonds on the next Interest Payment Date.

(D) Transfer for Rebate Purposes. Amounts in the 2023 Reserve Fund shall be withdrawn for purposes of making payment to the federal government to comply with Section 5.11, upon receipt by the Fiscal Agent of an Officer's Certificate specifying the amount to be withdrawn and to the effect that such amount is needed for rebate purposes; *provided, however*, that no amounts in the 2023 Reserve Fund shall be used for rebate unless the amount in the 2023 Reserve Fund following such withdrawal equals the 2023 Reserve Requirement.

(E) Transfer When Balance Exceeds Outstanding Bonds. Whenever the balance in the 2023 Reserve Fund exceeds the amount required to redeem or pay the Outstanding 2023 Bonds and all Outstanding Parity Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent shall, upon the written request of the Finance Director, transfer any cash or Permitted Investments in the 2023 Reserve Fund to the Bond Fund to be applied, on the redemption date to the payment and redemption, in accordance with Section 4.04 or 2.03 and the provisions of the Supplemental Agreement related to the Parity Bonds, as applicable, of all of the Outstanding 2023 Bonds and Outstanding Parity Bonds. In the event that the

amount so transferred from the 2023 Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the Outstanding 2023 Bonds and Outstanding Parity Bonds, the balance in the 2023 Reserve Fund shall be transferred to the Finance Director to be used by the City for any lawful purpose.

Notwithstanding the provisions of the first paragraph of this Section 4.03(E), no amounts shall be transferred from the 2023 Reserve Fund under this Section 4.03(E) until after: (i) the calculation of any amounts due to the federal government under Section 5.11 and withdrawal of any such amount under Section 4.03(D) for purposes of making such payment to the federal government; and (ii) payment of any fees and expenses due to the Fiscal Agent.

(F) Transfer Upon Special Tax Prepayment. Whenever Special Taxes are prepaid and 2023 Bonds or any Parity Bonds are to be redeemed with the proceeds of such prepayment pursuant to Section 2.03(A)(iii) or a Supplemental Agreement related to any Parity Bonds, any resulting reduction in the 2023 Reserve Requirement shall be transferred on the Business Day prior to the redemption date by the Fiscal Agent to the Bond Fund to be applied to the redemption of the 2023 Bonds pursuant to Section 2.03(A)(iii) or a Supplemental Agreement related to any Parity Bonds. The Finance Director shall deliver to the Fiscal Agent an Officer's Certificate specifying any amount to be so transferred, and the Fiscal Agent may rely on any such Officer's Certificate.

(G) Investment. Moneys in the 2023 Reserve Fund shall be invested by the Fiscal Agent under Section 6.01.

(H) Qualified Reserve Account Credit Instruments. The City shall have the right at any time to direct the Fiscal Agent to release funds from the 2023 Reserve Fund, in whole or in part, by tendering to the Fiscal Agent: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the 2023 Bonds or any Parity Bonds the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Fiscal Agent, and upon delivery by the City to the Fiscal Agent of a written calculation of the amount permitted to be released from the 2023 Reserve Fund (upon which calculation the Fiscal Agent may conclusively rely), the Fiscal Agent shall transfer such funds from the 2023 Reserve Fund to the Bond Proceeds Account of the Improvement Fund to be used for the purposes thereof. The Fiscal Agent shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section. Upon the scheduled expiration of any Qualified Reserve Account Credit Instrument, the City shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Fiscal Agent an amount of funds equal to the 2023 Reserve Requirement, to be derived from the first available Special Tax Revenues. If the 2023 Reserve Requirement is being maintained partially in cash and partially with a Qualified Reserve Account Credit

Instrument, the cash shall be first used to meet any deficiency which may exist from time to time in the Bond Fund with respect to the 2023 Bonds and any Parity Bonds. If the 2023 Reserve Requirement is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Bond Fund with respect to the 2023 Bonds and any Parity Bonds shall be pro-rata with respect to each such instrument.

In the event that a Qualified Reserve Account Credit Instrument is available to be drawn upon for only one or more particular series of Bonds, a separate subaccount in the 2023 Reserve Fund may be established for such series, and the calculation of the 2023 Reserve Requirement with respect to any Bonds shall exclude the debt service on such issue of Bonds.

The City will have no obligation to replace a Qualified Reserve Account Credit Instrument or to fund the 2023 Reserve Fund with cash if, at any time that the 2023 Bonds are Outstanding, the Qualified Reserve Account Credit Instrument (or its provider) is downgraded or the provider becomes insolvent, if there is an unscheduled termination of the Qualified Reserve Account or if for any reason insufficient amounts are available to be drawn upon under the Qualified Reserve Account Credit Instrument; provided, however, that the City shall reimburse the provider, in accordance with the terms of the Qualified Reserve Account Credit Instrument, for any draws made thereon.

The City and the Fiscal Agent shall comply with the terms of the Qualified Reserve Account Credit Instrument as shall be required to receive payments thereunder in the event and to the extent required under this Section.

Section 4.04. Bond Fund.

(A) Establishment of Bond Fund. The Bond Fund is hereby established as a separate fund to be held by the Fiscal Agent to the credit of which deposits shall be made as required by Section 4.07, Section 4.05 and Section 4.03 and as otherwise set forth in this Agreement. Moneys in the Bond Fund shall be held by the Fiscal Agent for the benefit of the City and the Owners of the Bonds, and shall be disbursed for the payment of the principal of, and interest and any premium on, the Bonds as provided below.

There is also hereby created in the Bond Fund a separate account to be held by the Fiscal Agent, designated the "Special Tax Prepayments Account," to the credit of which deposits shall be made as provided in clause (iii) of the second paragraph of Section 4.05(A).

(B) Disbursements. At least 10 Business Days before each Interest Payment Date, the Fiscal Agent shall notify the Finance Director in writing as to the principal and premium, if any, and interest due on the Bonds on the next Interest Payment Date (whether as a result of scheduled principal of and interest on the Bonds, optional redemption of the Bonds or a mandatory sinking fund redemption). On each Interest Payment Date, the Fiscal Agent shall withdraw from the Bond Fund and pay to the Owners of the Bonds the principal of, and interest and any premium, due and payable on such Interest Payment Date on the Bonds.

At least 5 Business Days prior to each Interest Payment Date, the Fiscal Agent shall determine if the amounts then on deposit in the Bond Fund are sufficient to pay the Debt Service due on the Bonds on the next Interest Payment Date. In the event that amounts in the Bond Fund are insufficient for such purpose, the Fiscal Agent promptly shall notify the Finance Director by telephone (and confirm in writing) of the amount of the insufficiency.

In the event that amounts in the Bond Fund are insufficient for the purpose set forth in the preceding paragraph with respect to any Interest Payment Date, the Fiscal Agent shall withdraw from the 2023 Reserve Fund, in accordance with the provisions of Section 4.03, to the extent of any funds or Permitted Investments therein, amounts to cover the amount of such Bond Fund insufficiency related to the 2023 Bonds and any Parity Bonds. Amounts so withdrawn from the 2023 Reserve Fund shall be deposited in the Bond Fund.

If, after the foregoing transfers, there are insufficient funds in the Bond Fund to make the payments provided for in the second sentence of the first paragraph of this Section 4.04(B), the Fiscal Agent shall apply the available funds first to the payment of interest on the Bonds, then to the payment of principal due on the Bonds other than by reason of sinking payments, if any, and then to payment of principal due on the Bonds by reason of sinking payments.

(C) Disbursements from the Special Tax Prepayments Account. Moneys in the Special Tax Prepayments Account shall be transferred by the Fiscal Agent to the Bond Fund on the next date for which notice of redemption of Bonds can timely be given under Section 2.03(A)(iii), and notice to the Fiscal Agent can timely be given under Section 2.03(B), and shall be used (together with any amounts transferred pursuant to Section 4.03(F)) to redeem Bonds on the redemption date selected in accordance with Section 2.03.

(D) Investment. Moneys in the Bond Fund and the Special Tax Prepayments Account shall be invested under Section 6.01. Interest earnings and profits resulting from such investment shall be retained in the Bond Fund.

(E) Deficiency. If at any time it appears to the Fiscal Agent that there is a danger of deficiency in the Bond Fund and that the Fiscal Agent may be unable to pay Debt Service on the Bonds in a timely manner, the Fiscal Agent shall report to the Finance Director such fact. The City covenants to increase the levy of the Special Taxes in the next Fiscal Year (subject to the maximum amount authorized by the Resolution of Formation) in accordance with the procedures set forth in the Act for the purpose of curing Bond Fund deficiencies.

(F) Excess. Any excess moneys remaining in the Bond Fund following the payment of Debt Service on the Bonds on any September 1, shall be transferred to the Special Tax Fund.

Section 4.05. Special Tax Fund.

(A) Establishment of Special Tax Fund. The Special Tax Fund is hereby established as a separate fund to be held by the Fiscal Agent, to the credit

of which the Fiscal Agent shall deposit amounts received from or on behalf of the City consisting of Special Tax Revenues and amounts transferred from the Administrative Expense Fund and the Bond Fund. The City shall promptly remit any Special Tax Revenues received by it to the Fiscal Agent for deposit by the Fiscal Agent to the Special Tax Fund.

Notwithstanding the foregoing,

(i) Special Tax Revenues in an amount not to exceed the amount included in the Special Tax levy for such Fiscal Year for Administrative Expenses shall be separately identified by the Finance Director and shall be deposited by the Fiscal Agent in the Administrative Expense Fund;

(ii) any Special Tax Revenues constituting the collection of delinquencies in payment of Special Taxes shall be separately identified by the Finance Director and shall be disposed of by the Fiscal Agent first, for transfer to the Bond Fund to pay any past due Debt Service on the Bonds; second, for transfer to the 2023 Reserve Fund to the extent needed to increase the amount then on deposit in the 2023 Reserve Fund up to the then 2023 Reserve Requirement; and third, to be held in the Special Tax Fund for use as described in Section 4.05(B) below; and

(iii) any proceeds of Special Tax Prepayments shall be separately identified by the Finance Director and shall be deposited by the Fiscal Agent as follows (as directed in writing by the Finance Director): (a) that portion of any Special Tax Prepayment constituting a prepayment of construction costs (which otherwise could have been included in the proceeds of Parity Bonds) shall be deposited by the Fiscal Agent to the Bond Proceeds Account of the Improvement Fund and (b) the remaining Special Tax Prepayment shall be deposited by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to Section 4.04(A).

(B) Disbursements. At least 7 Business Days prior to each Interest Payment Date, the Fiscal Agent shall withdraw from the Special Tax Fund and transfer the following amounts in the following order of priority:

(i) to the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund and any expected transfers from the Improvement Fund, the 2023 Reserve Fund and the Special Tax Prepayments Account to the Bond Fund such that the amount in the Bond Fund equals the principal (including any sinking payment), premium, if any, and interest due on the Bonds on such Interest Payment Date and any past due principal or interest on the Bonds not theretofore paid from a transfer described in subparagraph (ii) of the second paragraph of Section 4.05(A),

(ii) to the 2023 Reserve Fund an amount, taking into account amounts then on deposit in the 2023 Reserve Fund, such that the amount in the 2023 Reserve Fund is equal to the 2023 Reserve Requirement, and

(iii) (A) on each October 1, beginning on October 1, 2023 and continuing through the Remainder Taxes Period, all of the moneys remaining in the Special Tax Fund shall be transferred to the Remainder Taxes Account and (B) on each subsequent October 1 after the end of the Remainder Tax Period, all or a portion of the moneys remaining in the Special Tax Fund shall be transferred to the Remainder Taxes Account as directed by the Finance Director.

Within 15 days after the end of each Bond Year after the Remainder Taxes Account is closed pursuant to Section 4.07, and after the foregoing transfers have been made, the Fiscal Agent shall transfer all amounts remaining on deposit in the Special Tax Fund for any lawful purpose, as directed by the City in an Officer's Certificate.

(C) Investment. Moneys in the Special Tax Fund shall be invested and deposited by the Fiscal Agent under Section 6.01. Interest earnings and profits resulting from such investment and deposit shall be retained in the Special Tax Fund to be used for the purposes thereof.

Section 4.06. Administrative Expense Fund.

(A) Establishment of Administrative Expense Fund. The Administrative Expense Fund is hereby established as a separate fund to be held by the Fiscal Agent, to the credit of which deposits shall be made as required by Section 4.05(A). Moneys in the Administrative Expense Fund shall be held by the Fiscal Agent for the benefit of the City, and shall be disbursed as provided below.

(B) Disbursement. Amounts in the Administrative Expense Fund shall be withdrawn by the Fiscal Agent and paid to the City or its order upon receipt by the Fiscal Agent of an Officer's Certificate, in substantially the form of Exhibit D hereto, stating the amount to be withdrawn, that such amount is to be used to pay an Administrative Expense or a Cost of Issuance and the nature of such Administrative Expense or such Cost of Issuance.

Annually, on the last day of each Fiscal Year, the Fiscal Agent shall withdraw from the Administrative Expense Fund and transfer to the Special Tax Fund any amount in excess of that which is needed to pay any Administrative Expenses incurred but not yet paid, and which are not otherwise encumbered, as identified by the Finance Director in an Officer's Certificate.

(C) Investment. Moneys in the Administrative Expense Fund shall be invested by the Fiscal Agent under Section 6.01. Interest earnings and profits resulting from such investment shall be retained by the Fiscal Agent in the Administrative Expense Fund to be used for the purposes of such fund.

(D) Order of Expenditure. Proceeds of the 2023 Bonds deposited into the Administrative Expense Fund (if any) shall be spent before any other moneys in the Administrative Expense Fund.

Section 4.07. Improvement Fund.

(A) Establishment of Improvement Fund. The Improvement Fund is hereby established as a separate fund to be held by the Fiscal Agent and to the credit of which fund deposits shall be made as required by Sections 4.01, 4.02(D) and 4.05(A). The Remainder Taxes Account and the Bond Proceeds Account are hereby established as separate accounts within the Improvement Fund to be held by the Fiscal Agent.

Moneys in the Improvement Fund shall be disbursed, except as otherwise provided in subsections (B) and (D) of this Section, for the payment or reimbursement of costs of the Project.

(B) Procedure for Disbursement. Disbursements from the Improvement Fund shall be made by the Fiscal Agent upon receipt of an Officer's Certificate substantially in the form of Exhibit B attached hereto which shall:

(i) set forth the amount required to be disbursed, the purpose for which the disbursement is to be made (which shall be for payment of a Project cost or to reimburse expenditures of the City or any other party for Project costs previously paid), and the person to which the disbursement is to be paid; and

(ii) certify that no portion of the amount then being requested to be disbursed was set forth in any Officers Certificate previously filed requesting disbursement.

Each such requisition shall be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent shall have no duty to confirm the accuracy of such facts.

Disbursements for the payment or reimbursement of costs of the Project shall be made from the Bond Proceeds Account and the Remainder Taxes Account in the following order:

First: payments or reimbursements shall be made from the Bond Proceeds Account so long as there are moneys available therein and such costs can be paid from Bond proceeds without violating the covenants set forth in Sections 5.09-5.14 and

Second: payments or reimbursements shall be made from the Remainder Taxes Account (1) even if Bond proceeds remain in the Bond Proceeds Account, if such payment or reimbursement would violate the covenants set forth in Sections 5.09-5.14 and (2) when no Bond proceeds remain in the Bond Proceeds Account.

At the direction of the Finance Director, and so long as such amounts have not been previously approved for payment of a Project cost, the Fiscal Agent shall transfer amounts from the Remainder Taxes Account to the Bond Fund to pay Debt Service on the Bonds, Administrative Expense Fund to pay Administrative Expenses and 2023 Reserve Fund to increase the amount therein to the 2023 Reserve Requirement.

(C) Investment. Moneys in the Improvement Fund shall be invested in accordance with Section 6.01. Interest earnings and profits from such investment shall be retained in the Improvement Fund to be used for the purpose of such fund.

(D) Closing of Fund. When the City believes that the Project has been completed, it shall provide a written notice to the Developer that the City believes the Project has been completed and that the Improvement Fund, Bond Proceeds Account and Remainder Taxes Account should be closed. The Developer shall have 30 days after receipt of such notice to dispute the City's finding or to concur that the Project is complete. If the Developer concurs that the Project is complete, or fails to respond to the notice by the end of the 30-day period, the City may file an Officer's Certificate directing the Fiscal Agent to close the Improvement Fund, Bond Proceeds Account and Remainder Taxes Account.

Upon the filing of an Officer's Certificate stating that the Project has been completed and that all costs of the Project have been paid or are not required to be paid from the Improvement Fund, Bond Proceeds Account and Remainder Taxes Account, the Fiscal Agent shall transfer the amount, if any, remaining in the Improvement Fund, Bond Proceeds Account and Remainder Taxes Account to the Bond Fund for application to Debt Service payments due on the next succeeding Interest Payment Date and the Improvement Fund, Bond Proceeds Account and Remainder Taxes Account shall be closed. Moneys transferred from the Improvement Fund to the Bond Fund shall be used to pay Debt Service on the Bonds in the manner specified by the City in an Officer's Certificate.

ARTICLE V

COVENANTS

Section 5.01. Collection of Special Tax Revenues. The City shall comply with all requirements of the Act so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of delinquent Special Taxes.

(A) Processing. On or within five (5) Business Days of each June 1, the Fiscal Agent shall provide the Finance Director with a notice stating (i) the amount then on deposit in the Bond Fund and the 2023 Reserve Fund, and (ii) if the amount in the 2023 Reserve Fund is less than the 2023 Reserve Requirement, informing the City that replenishment of the 2023 Reserve Fund is necessary. The receipt of or failure to receive such notice by the Finance Director shall in no way affect the obligations of the Finance Director under the following two paragraphs and the Fiscal Agent shall not be liable for failure to provide such notices to the Finance Director. Upon receipt of such notice, the Finance Director shall communicate with the Auditor to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits or combinations during the preceding and then current year.

(B) Levy. The Finance Director shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Ordinance by each August 1 that the Bonds are outstanding, or otherwise such that the computation of the levy is complete before the final date on which Auditor will accept the transmission of the Special Tax amounts for the parcels within Improvement Area No. 3 for inclusion on the next real property tax roll. Upon the completion of the computation of the amounts of the levy, the Finance Director shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the next real property tax roll.

(C) Computation. The Finance Director shall fix and levy the amount of Special Taxes within Improvement Area No. 3 required to pay the following amounts, taking into account the balances in the applicable funds established under this Agreement: (i) the principal of and interest on any outstanding Bonds of the CFD with respect to Improvement Area No. 3 becoming due and payable during the ensuing calendar year, (ii) any necessary replenishment or expenditure of the 2023 Reserve Fund, to the extent such replenishment has not been included in the computation of the Special Taxes in a previous Fiscal Year, (iii) the Administrative Expenses, including amounts necessary to discharge any rebate obligation, during such year, (iv) an amount to cure delinquencies in the payment of principal or interest on Bonds that occurred in the previous Fiscal Year, and (v) any Project costs to be paid from Special Taxes to the extent that paying for such costs does not increase the Special Taxes levied on Undeveloped Property (as defined in the Rate and Method). During the Remainder Taxes Period, the Finance Director shall fix and levy the Special Taxes at the Maximum Special Tax rate on Developed Property before considering any Capitalized Interest (as those terms are defined in the Rate and Method). The Special Taxes so levied shall not exceed

the authorized amounts as provided in the proceedings under the Resolution of Formation.

(D) Collection. Except as set forth in the Ordinance, Special Taxes shall be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the ad valorem taxes on real property.

Section 5.02. Covenant to Foreclose. Under the Act, the City hereby covenants with and for the benefit of the Owners of the Bonds that it will order, and cause to be commenced as hereinafter provided, and thereafter diligently prosecute to judgment (unless such delinquency is theretofore brought current), an action in the superior court to foreclose the lien of any Special Tax or installment thereof not paid when due as provided in the following two paragraphs. The Finance Director shall notify the City Attorney of any such delinquency of which the Finance Director is aware, and the City Attorney shall commence, or cause to be commenced, such proceedings.

On or about June 30 of each Fiscal Year, the Finance Director shall compare the amount of Special Taxes theretofore levied in Improvement Area No. 3 to the amount of Special Tax Revenues theretofore received by the City, and:

(A) Individual Delinquencies. If the Finance Director determines that any single parcel subject to the Special Tax in Improvement Area No. 3 is delinquent in the payment of Special Taxes in the aggregate amount of \$5,000 or more, then the Finance Director shall send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) foreclosure proceedings shall be commenced by the City within 90 days of such determination. Notwithstanding the foregoing, the Finance Director may defer any such actions with respect to a delinquent parcel if (1) Improvement Area No. 3 is then participating in the Alternative Method of Distribution of Tax Levies and Collections described in Revenue & Taxation Code Section 4701 et seq., or an equivalent procedure and (2) the amount in the 2023 Reserve Fund is at least equal to the 2023 Reserve Requirement.

(B) Aggregate Delinquencies. If the Finance Director determines that (i) the total amount of delinquent Special Tax for the prior Fiscal Year for the entire Improvement Area No. 3 (including the total of delinquencies under subsection (A) above), exceeds 5% of the total Special Tax due and payable for the prior Fiscal Year, determined by reference to the latest available secured property tax roll of the County, the Finance Director shall notify or cause to be notified property owners who are then delinquent in the payment of Special Taxes (and demand immediate payment of the delinquency) within 45 days of such determination, and shall commence foreclosure proceedings within 90 days of such determination against each parcel of land in Improvement Area No. 3 with a Special Tax delinquency.

(C) Individual Owner Delinquencies. As to any owner of more than one parcel within Improvement Area No. 3, if the Finance Director determines that

the aggregate amount of delinquent Special Taxes for all preceding tax years on all parcels owned by such owner (whether such parcels are owned solely by such owner or jointly by such owner and one or more others) exceeds \$10,000, then the Finance Director shall send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) shall commence foreclosure proceedings within 90 days of such determination, regardless of when such delinquencies occurred.

The Finance Director and the City Attorney, as applicable, are hereby authorized to employ counsel to conduct any such foreclosure proceedings. The fees and expenses of any such counsel (including a charge for City staff time) in conducting foreclosure proceedings shall be an Administrative Expense hereunder.

Section 5.03. Punctual Payment. The City will punctually pay or cause to be paid the principal of, and interest and any premium on, the Bonds when and as due in strict conformity with the terms of this Agreement and any Supplemental Agreement, and it will faithfully observe and perform all of the conditions covenants and requirements of this Agreement and all Supplemental Agreements and of the Bonds.

Section 5.04. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the City, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.05. Against Encumbrances. The City will not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, or their Owners, except as permitted by this Agreement.

Section 5.06. Books and Records.

(A) City. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the Special Tax Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Fiscal Agent (who shall have no duty to inspect) and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

(B) Fiscal Agent. The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions made by it relating to the expenditure of amounts disbursed from the funds, and, if any, accounts in such funds held by the Fiscal Agent hereunder. Such books of record and accounts shall at all times during business hours be

subject to the inspection of the City and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing upon reasonable prior notice.

Section 5.07. Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

Section 5.08. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement, and for the better assuring and confirming unto the Owners of the rights and benefits provided in this Agreement.

Section 5.09. Private Activity Bond Limitations. The City shall assure that the proceeds of the 2023 Bonds are not so used as to cause the 2023 Bonds to satisfy the private business tests of section 141(b) of the Tax Code or the private loan financing test of section 141(c) of the Code.

Section 5.10. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the 2023 Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Tax Code.

Section 5.11. Rebate Requirement. The City shall take any and all actions necessary to assure compliance with section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2023 Bonds. The Finance Director shall take note of any investment of monies hereunder in excess of the yield on the 2023 Bonds, and shall take such actions as are necessary to ensure compliance with this Section 5.11, such as increasing the portion of the Special Tax levy for Administrative Expenses as appropriate to have funds available in the Administrative Expense Fund to satisfy any rebate liability under this Section. If necessary to satisfy its obligations under this Section 5.11, the City may use:

- (A) Amounts in the 2023 Reserve Fund if the amount on deposit in the 2023 Reserve Fund, following the proposed transfer, is at least equal to the 2023 Reserve Requirement;
- (B) Amounts on deposit in the Administrative Expense Fund; and
- (C) Any other funds available to the City, including amounts advanced by the City, in its sole discretion, to be repaid as soon as practicable from amounts described in the preceding clauses (A) and (B).

Section 5.12. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Fiscal Agent or otherwise, any action with respect to the proceeds of the 2023 Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2023 Bonds would have caused the 2023 Bonds to be “arbitrage bonds” within the meaning of section 148 of the Tax Code.

Section 5.13. Yield of the 2023 Bonds. In determining the yield of the 2023 Bonds to comply with Sections 5.11 and 5.12, the City will take into account redemption (including premium, if any) in advance of maturity based on the reasonable expectations of the City, as of the Closing Date, regarding prepayments of Special Taxes and use of prepayments for redemption of the 2023 Bonds, without regard to whether or not prepayments are received or 2023 Bonds redeemed.

Section 5.14. Maintenance of Tax-Exemption; Record Retention; Compliance with Tax Certificates. The City shall take all actions necessary to assure the exclusion of interest on the 2023 Bonds from the gross income of the Owners of the 2023 Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the date of issuance of the 2023 Bonds.

The City will retain its records of all accounting and monitoring it carries out with respect to the 2023 Bonds for at least 3 years after the 2023 Bonds mature or are redeemed (whichever is earlier); however, if the 2023 Bonds are redeemed and refunded, the City will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the 2023 Bonds.

The City will comply with the provisions of the Certificate as to Arbitrage and the Certificate Regarding Use of Proceeds with respect to the 2023 Bonds. The covenants of this paragraph will survive payment in full or defeasance of the 2023 Bonds.

Section 5.15. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an event of default for the purposes of this Agreement. However, any Owner or Beneficial Owner of the 2023 Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

One or more owners of the real property in Improvement Area No. 3 as of the Closing Date may also have executed a continuing disclosure agreement for the benefit of the Bondowners and Beneficial Owners of the 2023 Bonds. Any Participating Underwriter or Bondowner or Beneficial Owner may take such actions as may be necessary and appropriate directly against any such landowner to compel performance by it of its obligations thereunder, including seeking mandate or specific performance by court order; however the City shall have no obligation whatsoever to enforce any obligations under any such agreement.

Section 5.16. Limits on Special Tax Waivers and Bond Tenders. The City covenants not to exercise its rights under the Act to waive delinquency and redemption penalties related to the Special Taxes or to declare a Special Tax penalties amnesty program if to do so would materially and adversely affect the interests of the Owners of the Bonds and further covenants not to permit the tender of Bonds in payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the City having insufficient Special Tax Revenues to pay the principal of and interest on the Bonds and any Parity Bonds remaining Outstanding following such tender.

Section 5.17. City Bid at Foreclosure Sale. The City will not bid at a foreclosure sale of property in respect of delinquent Special Taxes, unless it expressly agrees to take the property

subject to the lien for Special Taxes imposed by the City and that the Special Taxes levied on the property are payable while the City owns the property.

Section 5.18. Amendment of Rate and Method.

(A) General. The City shall not initiate proceedings under the Act to modify the Rate and Method if such modification would adversely affect the security for the Bonds. If an initiative is adopted that purports to modify the Rate and Method in a manner that would adversely affect the security for the Bonds, the City shall, to the extent permitted by law, commence and pursue reasonable legal actions to prevent the modification of the Rate and Method in a manner that would adversely affect the security for the Bonds.

(B) Exception. Notwithstanding clause (A) of this section, the City may initiate proceedings to reduce the maximum Special Tax rates under the Rate and Method, if, in connection therewith: (i) the City receives a certificate from one or more Independent Financial Consultants which, when taken together, certify that, on the basis of the parcels of land and improvements existing in Improvement Area No. 3 as of the July 1 preceding the reduction, the maximum amount of the Special Tax which may be levied on then-existing Taxable Property (as such term is defined in the Rate and Method) in each Bond Year for any Bonds and Parity Bonds Outstanding will equal at least the sum of the estimated Administrative Expenses and 110% of the Debt Service in each Bond Year on all Bonds and Parity Bonds to remain Outstanding after the reduction is approved; (ii) the reduction does not adversely affect the financing of the Project and (iii) the City is not delinquent in the payment of the principal of or interest on the Bonds or any Parity Bonds. For purposes of estimating Administrative Expenses for the foregoing calculation, the Independent Financial Consultants will compute the Administrative Expenses for the current Fiscal Year and escalate such amounts by 2% in each subsequent Fiscal Year.

Section 5.19. Determination of Required Coverage. The City hereby determines that Required Coverage (as that term is defined in the Rate and Method) for each Fiscal Year is 110% of (A) the total Annual Debt Service of the then Outstanding Bonds for the Bond Year that commences in such Fiscal Year and (B) estimated Administrative Expenses for such Fiscal Year”?

ARTICLE VI

INVESTMENTS; LIABILITY OF THE CITY

Section 6.01. Deposit and Investment of Moneys in Funds.

(A) **General.** Moneys in any fund or account created or established by this Agreement and held by the Fiscal Agent shall be invested by the Fiscal Agent in Permitted Investments, which in any event by their terms mature prior to the date on which such moneys are required to be paid out hereunder, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two Business Days in advance of the making of such investments. In the absence of any such Officer's Certificate, the Fiscal Agent shall hold such funds uninvested. The Finance Director shall make note of any investment of funds hereunder in excess of the yield on the Bonds so that appropriate actions can be taken to assure compliance with Section 5.11. Interest earnings on moneys invested in each fund or account created or established by this Agreement shall be credited to such fund or account, unless otherwise required by this Agreement.

(B) **Moneys in Funds.** Moneys in any fund or account created or established by this Agreement and held by the Finance Director shall be invested by the Finance Director in any Permitted Investment or in any other lawful investment for City funds, which in any event by its terms matures prior to the date on which such moneys are required to be paid out hereunder. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account, subject, however, to the requirements of this Agreement for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts. Whenever in this Agreement any moneys are required to be transferred by the City to the Fiscal Agent, such transfer may be accomplished by transferring a like amount of Permitted Investments.

(C) **Actions of Officials.** The Fiscal Agent and its affiliates or the Finance Director may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. Neither the Fiscal Agent nor the Finance Director shall incur any liability for losses arising from any investments made pursuant to this Section. The Fiscal Agent shall not be required to determine the legality of any investments.

(D) **Valuation of Investments.** Except as otherwise provided in the next sentence, all investments of amounts deposited in any fund or account created by or pursuant to this Agreement, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Tax Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Agreement or the Tax Code) at Fair Market Value. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under the applicable provisions of the Tax Code and (unless valuation is undertaken at least annually) investments in the subaccounts within the 2023 Reserve Fund shall be valued at their present value (within the meaning of section 148 of the Tax Code). The Fiscal Agent shall not be liable for verification of the application of such sections of the Tax Code or for any determination of Fair Market Value or present value and may conclusively rely upon an Officer's Certificate as to such valuations.

(E) **Commingled Money.** Investments in any and all funds and accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent or the Finance

Director hereunder, provided that the Fiscal Agent or the Finance Director, as applicable, shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Agreement.

(F) Confirmations Waiver. The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent will furnish the City periodic cash transaction statements which include shall detail for all investment transactions made by the Fiscal Agent hereunder.

(G) Sale of Investments. The Fiscal Agent or the Finance Director, as applicable, shall sell at Fair Market Value, or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited and neither the Fiscal Agent nor the Finance Director shall be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

Section 6.02. Liability of City.

(A) General. The City shall not incur any responsibility or liability in respect of the Bonds or this Agreement other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements of the Fiscal Agent herein or of any of the documents executed by the Fiscal Agent in connection with the Bonds, or as to the existence of a default or event of default thereunder.

(B) Reliance. In the absence of bad faith, the City, including the Finance Director, may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City by the Fiscal Agent or an Independent Financial Consultant and conforming to the requirements of this Agreement. The City, including the Finance Director, shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts. The City may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel, who may be the City Attorney, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

(C) No General Liability. No provision of this Agreement shall require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Special Tax Revenues) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(D) Owner of Bonds. The City shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto satisfactorily established, if disputed.

Section 6.03. Employment of Agents by City. In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

ARTICLE VII

THE FISCAL AGENT

Section 7.01. The Fiscal Agent.

(A) **Appointment.** The Fiscal Agent is hereby appointed as the fiscal, authentication, paying and transfer agent hereunder for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Agreement, and no implied duties, covenants or obligations shall be read into this Agreement against the Fiscal Agent.

(B) **Merger.** Any company into which the Fiscal Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the following paragraph of this Section 7.01 shall be the successor to such Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. The Fiscal Agent shall give the Finance Director written notice of any such succession hereunder.

(C) **Removal.** Upon 30 days written notice, the City may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank, national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(D) **Resignation.** The Fiscal Agent may at any time resign by giving written notice to the City by certified mail return receipt requested, and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the City shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent.

(E) **No Successor.** If no appointment of a successor Fiscal Agent shall be made pursuant to the foregoing provisions of this Section 7.01 within 45 days after the Fiscal Agent shall have given to the City written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent, at the expense of the City, or any Owner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

(F) **Court Order.** If, by reason of the judgment of any court, the Fiscal Agent is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Fiscal Agent hereunder shall be assumed by and vest in the Finance Director of the City in trust for the benefit of the Owners. The City covenants for the direct benefit of the Owners that its

Finance Director in such case shall be vested with all of the rights and powers of the Fiscal Agent hereunder, and shall assume all of the responsibilities and perform all of the duties of the Fiscal Agent hereunder, in trust for the benefit of the Owners of the Bonds.

Section 7.02. Liability of Fiscal Agent.

(A) General. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the City, and the Fiscal Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Agreement or of the Bonds, nor shall the Fiscal Agent incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds. All indemnifications and releases from liability granted to the Fiscal Agent hereunder shall extend to the directors, officers and employees of the Fiscal Agent.

The Fiscal Agent shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Fiscal Agent.

(B) Reliance. The Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates, documents, written instructions or opinions furnished to the Fiscal Agent and conforming to the requirements of this Agreement; but in the case of any such certificates, documents, written instructions or opinions by which any provision hereof are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement. Except as provided above in this paragraph, the Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in accordance with the terms of this Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, facsimile transmission, electronic mail, or other paper or document which it shall reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of this Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

(C) No Duty to Inquire. The Fiscal Agent shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements of the City or the CFD herein or of any of the documents executed by the City or the CFD in connection with the Bonds, or as to the existence of a default or event of default thereunder.

(D) Errors in Judgment. The Fiscal Agent shall not be liable for any error of judgment made in good faith by a responsible officer of the Fiscal Agent unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

(E) No Expenditures. No provision of this Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(F) No Action. The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Owners under this Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity satisfactory to the Fiscal Agent against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(G) Owner of Bonds. The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

Section 7.03. Information; Books and Accounts. The Fiscal Agent shall provide to the City such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent hereunder as the City shall reasonably request, including but not limited to monthly statements reporting funds held and transactions by the Fiscal Agent, including the value of any investments held by the Fiscal Agent. The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Bond Fund, the Special Tax Fund, the 2023 Reserve Fund, the Improvement Fund and the Cost of Issuance Fund. Such books of record and accounts shall, upon reasonable notice, during business hours be subject to the inspection of the City and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 7.04. Notice to Fiscal Agent. The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, facsimile transmission, electronic mail, written instructions, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Fiscal Agent may consult with counsel, who may be the City Attorney, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in accordance therewith.

The Fiscal Agent shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under this Agreement the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by an Officer's Certificate of the City, and such certificate shall be full warrant to the Fiscal Agent for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its

discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Fiscal Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Fiscal Agent, or another method or system specified by the Fiscal Agent as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Fiscal Agent an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Fiscal Agent Instructions using Electronic Means and the Fiscal Agent in its discretion elects to act upon such Instructions, the Fiscal Agent's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Fiscal Agent cannot determine the identity of the actual sender of such Instructions and that the Fiscal Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Fiscal Agent have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Fiscal Agent and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Fiscal Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Fiscal Agent's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Fiscal Agent, including without limitation the risk of the Fiscal Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Fiscal Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Fiscal Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

The Fiscal Agent shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

The Fiscal Agent may execute any of the duties or powers hereof and perform the duties required of it hereunder either directly or by or through attorneys or agents, and shall be entitled to rely on advice of counsel concerning all matters of its duty hereunder.

The permissive right of the Fiscal Agent to do things enumerated in this Agreement shall not be construed as a duty and it shall not be answerable for such actions other than as a result of its negligence or willful misconduct.

Section 7.05. Compensation, Indemnification. The City shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under this Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements,

including those of its attorneys (including the allocated costs of in-house attorneys), agents and employees, incurred in and about the performance of their powers and duties under this Agreement, but the Fiscal Agent shall not have a lien therefor on any funds at any time held by it under this Agreement. The City further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents harmless against any liabilities, costs, claims or expenses, including fees and expenses of its attorneys, which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Fiscal Agent under this Agreement, and payment of the Bonds and discharge of this Agreement, but any monetary obligation of the City arising under this Section shall be limited solely to amounts on deposit in the Administrative Expense Fund.

ARTICLE VIII

MODIFICATION OR AMENDMENT

Section 8.01. Amendments Permitted.

(A) With Consent. This Agreement and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement pursuant to the affirmative vote at a meeting of Owners, or with the written consent without a meeting, of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.04. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Special Taxes superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or this Agreement), or reduce the percentage of Bonds required for the amendment hereof.

(B) Without Consent. This Agreement and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City herein, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Agreement, or in regard to questions arising under this Agreement, as the City and the Fiscal Agent may deem necessary or desirable and not inconsistent with this Agreement, and which shall not adversely affect the rights of the Owners of the Bonds;

(iv) to make such additions, deletions or modifications as may be necessary or desirable to assure exclusion from gross income for federal income tax purposes of interest on the Bonds;

(v) in connection with the issuance of any Parity Bonds under and pursuant to Section 3.06; and

(vi) to amend the provisions related to the use of Remainder Taxes.

(C) Fiscal Agent's Consent. Any amendment of this Agreement may not modify any of the rights or obligations of the Fiscal Agent without its written consent. The Fiscal Agent shall be furnished an opinion of counsel that any such Supplemental Agreement entered into by the

City and the Fiscal Agent complies with the provisions of this Section 8.01 and the Fiscal Agent may conclusively rely on such opinion and shall be absolutely protected in so relying.

Section 8.02. Owners' Meetings. The City may at any time call a meeting of the Owners. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of said meeting.

Section 8.03. Procedure for Amendment with Written Consent of Owners. The City and the Fiscal Agent may at any time adopt a Supplemental Agreement amending the provisions of the Bonds or of this Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by Section 8.01(A), to take effect when and as provided in this Section 8.03. A copy of such Supplemental Agreement, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Fiscal Agent, at the expense of the City, to each Owner of Bonds Outstanding, but failure to mail copies of such Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in this Section 8.03 provided.

Such Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.04) and a notice shall have been mailed as hereinafter in this Section 8.03 provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.04. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in this Section 8.03 provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section 8.03 for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section 8.03 (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by this Section 8.03 to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 8.04. Disqualified Bonds. Bonds owned or held for the account of the City, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Article VIII. Upon request of the Fiscal Agent, the City shall specify in a certificate to the

Fiscal Agent those Bonds disqualified pursuant to this Section and the Fiscal Agent may conclusively rely on such certificate.

Section 8.05. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective under this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under this Agreement of the City, the Fiscal Agent and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.06. Endorsement or Replacement of Bonds Issued After Amendments. The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and upon presentation of his Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.07. Amendatory Endorsement of Bonds. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties. Nothing in this Agreement, expressed or implied, is intended to give to any person other than the City, the Fiscal Agent and the Owners, any right, remedy, claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Fiscal Agent.

Section 9.02. Successor and Predecessor. Whenever in this Agreement or any Supplemental Agreement either the City or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the City or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Agreement. The City may pay and discharge the entire indebtedness on all or a portion of the Bonds Outstanding in any one or more of the following ways:

(A) by paying or causing to be paid the principal of, and interest and any premium on, all or a portion of such Bonds Outstanding, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent, in trust, at or before maturity, money which, together with the amounts then on deposit in the funds and accounts provided for in the Bond Fund and the 2023 Reserve Fund hereof, is fully sufficient to pay all or a portion of such Bonds Outstanding, including all principal, interest and redemption premiums; or

(B) by irrevocably depositing with the Fiscal Agent, in trust, cash and/or Federal Securities in such amount as the City shall determine, as confirmed by an independent certified public accountant, will, together with the interest to accrue thereon and moneys then on deposit in the fund and accounts provided for in the Bond Fund and the 2023 Reserve Fund (to the extent invested in Federal Securities), be fully sufficient to pay and discharge the indebtedness on such Bonds Outstanding (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If the City shall have taken any of the actions specified in (A), (B) or (C) above, and if such Bonds are to be redeemed prior to the maturity thereof and notice of such redemption shall have been given as in this Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any such Bonds shall not have been surrendered for payment, the pledge of the Special Taxes and other funds provided for in this Agreement and all other obligations of the City under this Agreement with respect to such Bonds Outstanding shall cease and terminate. Notice of such election shall be filed with the Fiscal Agent.

Notwithstanding the foregoing, the following obligations and pledges of the City shall continue in any event: (i) the obligation of the City to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon, (ii) the obligation of the City to pay amounts owing to the Fiscal Agent pursuant to Section 7.05, and (iii) the obligation of the City to assure that no action is taken or failed to be taken if such action or failure adversely affects the exclusion of interest on such Bonds from gross income for federal income tax purposes.

Upon compliance by the City with the foregoing with respect to all such Bonds Outstanding, any funds held by the Fiscal Agent after payment of all fees and expenses of the Fiscal Agent, which are not required for the purposes of the preceding paragraph, shall be paid over to the City and any Special Taxes thereafter received by the City shall not be remitted to the Fiscal Agent but shall be retained by the City to be used for any purpose permitted under the Act and the Resolution of Formation.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration, consent or other instrument which this Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration, consent or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registration books maintained by the Fiscal Agent under Section 2.07.

Any request, declaration, consent or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Fiscal Agent in good faith and in accordance therewith.

Section 9.05. Waiver of Personal Liability. No member, officer, agent or employee of the City shall be individually or personally liable for the payment of the principal of or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.06. Notices to and Demands on City and Fiscal Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Fiscal Agent to or on the City may be given or served by facsimile transmission receipt of which has been confirmed or by being deposited postage prepaid in a post office letter box addressed (until another address is filed by the City with the Fiscal Agent) as follows:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376
Fax: (209) 835-1113
Attention: Finance Director

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the City to or on the Fiscal Agent may be given or served by facsimile transmission receipt of which has been confirmed or by being deposited postage prepaid in a post office letter box addressed (until another address is filed by the Fiscal Agent with the City) as follows:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, CA 94111
Attn: Global Corporate Trust Services

Section 9.07. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held by a court of competent jurisdiction to be illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement.

Section 9.08. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the Bonds which remains unclaimed for two (2) years after the date when the payment of such principal, interest and premium have become payable, if such moneys were held by the Fiscal Agent at such date, shall be repaid by the Fiscal Agent to the City as its absolute property free from any trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Owners of such Bonds shall look only to the City for the payment of the principal of, and interest and any premium on, such Bonds. Any right of any Owner to look to the City for such payment shall survive only so long as required under applicable law.

Section 9.09. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State applicable to contracts made and performed in the State.

Section 9.10. Conflict with Act. In the event of a conflict between any provision of this Agreement with any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 9.11. Conclusive Evidence of Regularity. Bonds issued under this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Section 9.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds, or the date fixed for redemption of any Bonds, or the date any action is to be taken under this Agreement, is other than a Business Day, the payment of interest or principal (and premium, if any) or the action shall be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 9.13. State Reporting Requirements. In addition to Section 5.15, the following requirements shall apply to the Bonds:

(A) Annual Reporting. Not later than October 30 of each calendar year, beginning with the October 30 first succeeding the date of the 2023 Bonds, and in each calendar year thereafter until the October 30 following the final maturity of the Bonds, the Finance Director shall cause the information required by California Government Code Section 53359.5(b) to be supplied to CDIAC. The annual reporting shall be made using such form or forms as may be prescribed by CDIAC.

(B) Other Reporting. If at any time the Fiscal Agent fails to pay principal and interest due on any scheduled payment date for the Bonds due to insufficiency of funds on deposit in the Bond Fund, or if funds are withdrawn from the 2023 Reserve Fund to pay principal and interest on the Bonds so as to reduce the amount in the 2023 Reserve Fund to less than the 2023 Reserve Requirement, the Fiscal Agent shall notify the Finance Director of such failure or withdrawal in writing. The Finance Director shall notify CDIAC and the Original Purchasers of such failure or withdrawal within 10 days of such failure or withdrawal.

(C) Special Tax Reporting. The Finance Director shall file a report with the City no later than January 1, 2024, and at least once a year thereafter, which annual report shall contain: (i) the amount of Special Taxes collected and expended with respect to the CFD, (ii) the amount of Bond proceeds collected and expended with respect to the CFD, and (iii) the status of the Project. It is acknowledged that the Special Tax Fund and the Special Tax Prepayments Account are the accounts into which Special Taxes collected on the City will be deposited for purposes of Section 50075.1(c) of the California Government Code, and the funds and accounts listed in Section 4.01 are the funds and accounts into which Bond proceeds will be deposited for purposes of Section 53410(c) of the California Government Code, and the annual report described in the preceding sentence is intended to satisfy the requirements of Sections 50075.1(d), 50075.3(d) and 53411 of the California Government Code.

(D) Compliance with Section 53343.2. The City shall comply with the provisions of California Government Code Section 53343.2, which require the City, within seven months after the last day of each fiscal year of the CFD, to display prominently on its Internet Web site all of the following information:

(a) A copy of an annual report for that fiscal year if requested pursuant to Section 53343.1.

(b) A copy of the report provided to the California Debt and Investment Advisory Commission pursuant to Section 53359.5.

(c) A copy of the report provided to the Controller's office pursuant to Section 12463.2.

(E) Amendment. The reporting requirements of this Section 9.13 shall be amended from time to time, without action by the City or the Fiscal Agent (i) with respect to subparagraphs (A) and (B) above, to reflect any amendments to Section 53359.5(b) or Section 53359.5(c) of the Act, (ii) with respect to subparagraph (C) above, to reflect any amendments to Section 50075.1, 50075.3, 53410 or 53411 of the California Government Code and (iii) with respect to subparagraph (D) above, to reflect any amendments to Section 53343.2. Notwithstanding the foregoing, any such amendment shall not, in itself, affect the City's obligations under the Continuing Disclosure Certificate. The City shall notify the Fiscal Agent in writing of any such amendments which affect the reporting obligations of the Fiscal Agent under this Agreement.

(E) No Liability. None of the City and its officers, agents and employees, the Finance Director or the Fiscal Agent shall be liable for any inadvertent error in reporting the information required by this Section 9.13.

The Finance Director shall provide copies of any such reports to any Bondowner upon the written request of a Bondowner and payment by the person requesting the information of the cost of the City to photocopy and pay any postage or other delivery cost to provide the same, as determined by the Finance Director. The term "Bondowner" for purposes of this Section 9.13 shall include any Beneficial Owner of the Bonds as described in Section 2.10.

Section 9.14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

* * * * *

IN WITNESS WHEREOF, the City and the Fiscal Agent have caused this Agreement to be executed as of the date first written above.

CITY OF TRACY,
for and on behalf of
CITY OF TRACY COMMUNITY FACILITIES
DISTRICT NO. 2016-2 (ECFD)

By: _____
Finance Director

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Officer

EXHIBIT A
FORM OF 2023 BOND

No. ____

\$_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SAN JOAQUIN

IMPROVEMENT AREA NO. 3 OF THE
CITY OF TRACY
Community Facilities District No. 2016-2
(ECFD)
Special Tax Bond, Series 2023

INTEREST RATE

MATURITY DATE

DATED DATE

_____%

September 1, _____

_____, 2023

REGISTERED OWNER:

PRINCIPAL AMOUNT:

*****DOLLARS

The City of Tracy (the "City") for and on behalf of the "City of Tracy Community Facilities District No. 2016-2 (ECFD)" (the "CFD") with respect to its "Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD)" ("Improvement Area No. 3"), for value received, hereby promises to pay solely from the Special Tax Revenues (as defined in the Agreement, as hereinafter defined) to be collected in Improvement Area No. 3 or amounts in certain funds and accounts held under the Agreement (as hereinafter defined), to the registered owner named above, or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount set forth above, and to pay interest on such principal amount from the Dated Date set forth above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for (unless this Bond is authenticated on or before an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to August 15, 2023, in which event it shall bear interest from the Dated Date identified above, payable semiannually on each September 1 and March 1, commencing September 1, 2023 (each an "Interest Payment Date"), at the interest rate set forth above, until the principal amount hereof is paid or made available for payment provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment.

Principal of and interest on the Bonds (including the final interest payment upon maturity or earlier redemption), is payable on the applicable Interest Payment Date by check of the Fiscal Agent (defined below) mailed by first class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer

made on such Interest Payment Date upon written instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds delivered to the Fiscal Agent prior to the applicable Record Date. The principal of the Bonds and any premium on the Bonds are payable in lawful money of the United States of America upon surrender of the Bonds at the Principal Office of the Fiscal Agent or such other place as designated by the Fiscal Agent.

This Bond is one of a duly authorized issue of bonds in the aggregate principal amount of \$_____ approved by resolution of the City Council adopted on _____, 2023 (the "Resolution"), under the Mello-Roos Community Facilities Act of 1982, as amended, sections 53311, *et seq.*, of the California Government Code (the "Act") for the purpose of funding certain facilities for the City, and is one of the series of bonds designated "Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023" (the "Bonds"). The issuance of the Bonds and the terms and conditions thereof are provided for by a Fiscal Agent Agreement, dated as of April 1, 2023 (the "Agreement"), between the City and U.S. Bank Trust Company, National Association (the "Fiscal Agent") and this reference incorporates the Agreement herein, and by acceptance hereof the owner of this Bond assents to said terms and conditions. The Agreement is authorized under, this Bond is issued under and both are to be construed in accordance with, the laws of the State of California.

Pursuant to the Act, the Resolution and the Agreement, the principal of and interest on this Bond are payable solely from the annual special tax authorized under the Act to be collected within Improvement Area No. 3 (the "Special Tax") and certain funds held under the Agreement. Any tax for the payment hereof shall be limited to the Special Tax, except to the extent that provision for payment has been made by the City, as may be permitted by law. The Bonds do not constitute obligations of the City for which the City is obligated to levy or pledge, or has levied or pledged, general or special taxation other than described hereinabove. Neither the faith and credit nor the taxing power of the City (except to the limited extent set forth in the Agreement) or the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Optional Redemption. The Bonds maturing on or after September 1, 20__, are subject to optional redemption as directed by the City, from sources of funds other than prepayments of Special Taxes, prior to their stated maturity on any date on or after September 1, 20__, as a whole or in part, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed), as set forth below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, 20__ through August 31, 202__	%
September 1, 20__ through August 31, 20__	
September 1, 20__ through August 31, 20__	
September 1, 20__ and any date thereafter	

Mandatory Sinking Fund Redemption. The Term Bond maturing on September 1, 20__, is subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (September 1)	Sinking Fund Payments
20__	\$
20__	
20__	
20__	
20__ (maturity)	

The Term Bond maturing on September 1, 20__, is subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (September 1)	Sinking Fund Payments
20__	\$
20__	
20__	
20__	
20__ (maturity)	

The Term Bond maturing on September 1, 20__, is subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (September 1)	Sinking Fund Payments
20__	\$
20__	
20__	
20__	
20__ (maturity)	

The Term Bond maturing on September 1, 20__, is subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond

Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (September 1)	Sinking Fund Payments
20__	\$
20__	
20__	
20__	
20__ (maturity)	

Provided, however, if some but not all of the Term Bonds of a given maturity have been redeemed as a result of an optional redemption or a redemption from Special Tax Prepayments, the total amount of all future Sinking Fund Payments relating to such maturity shall be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments on a pro rata basis in integral multiples of \$5,000 as determined by the City, notice of which determination shall be given by the City to the Fiscal Agent.

Redemption From Special Tax Prepayments. Special Tax Prepayments and any corresponding transfers from the 2023 Reserve Fund shall be used to redeem Bonds on the next Interest Payment Date for which notice of redemption can timely be given under the Fiscal Agent Agreement, among maturities so as to maintain substantially the same Debt Service profile for the Bonds as in effect prior to such redemption and by lot within a maturity, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed), as set forth below, together with accrued interest to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u> %
Any Interest Payment Date on or before March 1, 20__	
September 1, 20__ and March 1, 20__	
September 1, 20__ and March 1, 20__	
September 1, 20__ and any Interest Payment Date thereafter	

Notice of redemption with respect to the Bonds to be redeemed shall be given to the registered owners thereof, in the manner, to the extent and subject to the provisions of the Agreement.

This Bond shall be registered in the name of the owner hereof, as to both principal and interest. Each registration and transfer of registration of this Bond shall be entered by the Fiscal Agent in books kept by it for this purpose and authenticated by its manual signature upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof, interest hereon and any redemption premium shall be

payable only to the registered owner or to such owner's order. The Fiscal Agent shall require the registered owner requesting transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange. No transfer or exchange hereof shall be required to be made (i) fifteen days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

The Agreement and the rights and obligations of the City thereunder may be modified or amended as set forth therein. The principal of the Bonds is not subject to acceleration upon a default under the Agreement or any other document.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Fiscal Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED by the City that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Fiscal Agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, City of Tracy has caused this Bond to be to be signed by the facsimile signature of its Mayor and countersigned by the facsimile signature of the City Clerk.

[S E A L]

City Clerk

Mayor

[FORM OF FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the Agreement which has been authenticated on _____, 2023

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____, attorney, to transfer the same on the registration books of the Fiscal Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor.

NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Fiscal Agent

EXHIBIT B

**IMPROVEMENT AREA NO. 3 OF THE
CITY OF TRACY
Community Facilities District No. 2016-2
(ECFD)
Special Tax Bonds, Series 2023**

**OFFICER'S CERTIFICATE REQUESTING DISBURSEMENT FROM IMPROVEMENT
FUND**

REQUISITION NO. _____

The undersigned hereby states and certifies that:

(i) I am the duly appointed, qualified and acting Finance Director of the City of Tracy, a general law city duly organized and existing under the laws of the State of California (the "City") and as such, am familiar with the facts herein certified and am authorized to certify the same;

(ii) I am an "Authorized Officer," as such term is defined in that certain Fiscal Agent Agreement, dated as of April 1, 2023 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent");

(iii) under Section 4.07(B) of the Fiscal Agent Agreement, the undersigned hereby requests and authorizes the Fiscal Agent to disburse from the Bond Proceeds Account established under the Fiscal Agent Agreement to each payee designated on Schedule A attached hereto and by this reference incorporated herein, the amount set forth opposite such payee, for payment or reimbursement of previous payment of a Project cost (as Project is defined in the Fiscal Agent Agreement) as described on attached Schedule A;

(iv) under Section 4.07(B) of the Fiscal Agent Agreement, the undersigned hereby requests and authorizes the Fiscal Agent to disburse from the Remainder Taxes Account established under the Fiscal Agent Agreement to each payee designated on Schedule A attached hereto and by this reference incorporated herein, the amount set forth opposite such payee, for payment or reimbursement of previous payment of a Project cost (as Project is defined in the Fiscal Agent Agreement) as described on attached Schedule A;

(v) under Section 4.07(B) of the Fiscal Agent Agreement, the undersigned hereby requests and authorizes the Fiscal Agent to transfer \$_____ from the Remainder Taxes Account established under the Fiscal Agent Agreement to [the Bond Fund] [the Administrative Expense Fund] [the 2023 Reserve Fund];

(vi) the disbursements described on the attached Schedule A are properly chargeable to the Improvement Fund; and

(vii) no portion of the amount herein requested to be disbursed was set forth in any Officers Certificate previously filed requesting disbursement.

Dated: _____

CITY OF TRACY

By: _____
Finance Director

SCHEDULE A

Payee Name and Address	Purpose of Obligation	Amount	Account from which Amounts should be paid

EXHIBIT C

**IMPROVEMENT AREA NO. 3 OF THE
CITY OF TRACY
Community Facilities District No. 2016-2 (ECFD)
Special Tax Bonds, Series 2023**

**OFFICER'S CERTIFICATE REQUESTING DISBURSEMENT
FROM COSTS OF ISSUANCE FUND**

REQUISITION NO. _____

The undersigned hereby states and certifies that:

(i) I am the duly appointed, qualified and acting Finance Director of the City of Tracy, a general law city duly organized and existing under the laws of the State of California (the "City") and as such, am familiar with the facts herein certified and am authorized to certify the same;

(ii) I am an "Authorized Officer," as such term is defined in that certain Fiscal Agent Agreement, dated as of April 1, 2023 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent");

(iii) under Section 4.02(B) of the Fiscal Agent Agreement, the undersigned hereby requests and authorizes the Fiscal Agent to disburse from the Costs of Issuance Fund established under the Fiscal Agent Agreement to each payee designated on Schedule A attached hereto and by this reference incorporated herein, the amount set forth opposite such payee, for payment or reimbursement of previous payment of Costs of Issuance (as that term is defined in the Fiscal Agent Agreement) as described on attached Schedule A; and

(iv) the disbursements described on the attached Schedule A constitute Costs of Issuance, and are properly chargeable to the Costs of Issuance Fund.

Dated: _____

CITY OF TRACY

By: _____
Finance Director

SCHEDULE A

Payee Name and Address

Purpose of Obligation

Amount

EXHIBIT D

**IMPROVEMENT AREA NO. 3 OF THE
CITY OF TRACY
Community Facilities District No. 2016-2 (ECFD)
Special Tax Bonds, Series 2023**

**OFFICER'S CERTIFICATE REQUESTING DISBURSEMENT
FROM ADMINISTRATIVE EXPENSE FUND**

REQUISITION NO. _____

The undersigned hereby states and certifies that:

(i) I am the duly appointed, qualified and acting Finance Director of the City of Tracy, a general law city duly organized and existing under the laws of the State of California (the "City") and as such, am familiar with the facts herein certified and am authorized to certify the same;

(ii) I am an "Authorized Officer," as such term is defined in that certain Fiscal Agent Agreement, dated as of April 1, 2023 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent");

(iii) under Section 4.06(B) of the Fiscal Agent Agreement, the undersigned hereby requests and authorizes the Fiscal Agent to disburse from the Administrative Expense Fund established under the Fiscal Agent Agreement to each payee designated on Schedule A attached hereto and by this reference incorporated herein, the amount set forth opposite such payee, for payment or reimbursement of previous payment of an Administrative Expense or Costs of Issuance (as those terms are defined in the Fiscal Agent Agreement) as described on attached Schedule A;

(iv) the disbursements described on the attached Schedule A constitute Administrative Expenses or Costs of Issuance, and are properly chargeable to the Administrative Expense Fund; and

(v) any proceeds of the 2023 Bonds in the Administrative Expense Fund shall be disbursed before any other moneys in the Administrative Expense Fund

Dated: _____

CITY OF TRACY

By: _____
Finance Director

SCHEDULE A

Payee Name and Address

Purpose of Obligation

Amount

\$ _____
**IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023**

BOND PURCHASE AGREEMENT

_____, 2023

City of Tracy
333 Civic Center Plaza
Tracy, California 95376

Ladies and Gentlemen:

Piper Sandler & Co., as underwriter (the “**Underwriter**”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (this “**Purchase Agreement**”) with the City of Tracy (the “**City**”), which upon acceptance will be binding upon the Underwriter and the City. This offer is made subject to the City’s acceptance by the execution of this Purchase Agreement and its delivery to the Underwriter at or before 8:00 P.M., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms used herein, which are not otherwise defined, shall have the meaning provided for such terms in the Fiscal Agent Agreement, dated as of _____ 1, 2023 (the “**Fiscal Agent Agreement**”), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the “**Fiscal Agent**”).

1. Purchase, Sale and Delivery of the Bonds.

A. Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the City and the City hereby agrees to sell to the Underwriter all (but not less than all) of the \$_____ aggregate principal amount of the Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023 (the “**Bonds**”), dated the Closing Date (as hereinafter defined), bearing interest at the rates and maturing on the dates and in the principal amounts set forth in Exhibit A hereto. The purchase price for the Bonds shall be \$_____ (being 100% of the aggregate principal amount thereof [plus/less] a [net] original issue [premium/discount] of \$_____ and less an Underwriter’s discount of \$_____).

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Special Tax Revenues, as provided in the Fiscal Agent Agreement, the Preliminary Official Statement (as hereinafter defined), and the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with Section 53311) of the Government Code of the State of California (the “**Act**”). The issuance of the Bonds has been duly authorized by the City pursuant to Resolution No. 2019-244, adopted on December 17, 2019 (the “**Annexation Resolution**”), and Resolution No. _____, adopted by the City on _____, 2023 (the “**Resolution of Issuance**”) and, together with the Annexation Resolution, the “**Approving Resolution**”).

The net proceeds of the Bonds will be used, as indicated in the Fiscal Agent Agreement, for the following purposes: (i) finance the acquisition and construction of certain public improvements and payment of impact fees to be used to finance public facilities, (ii) fund a debt service reserve fund for the Bonds, (iii) fund capitalized interest through September 1, 2023, and (iv) pay the costs of issuing the Bonds.

Prior to the acceptance of this Purchase Agreement by the City, the City shall have caused to be delivered to the Underwriter (i) a Letter of Representations duly executed by Surland Communities LLC, a California limited liability company ("**Surland**") in substantially the form set forth in Exhibit B hereto, with only such changes thereto as shall have been accepted by the Underwriter, and (ii) a Letter of Representations duly executed by LS-Tracy LLC, a Delaware limited liability company ("**LS-Tracy LLC**") in substantially the form set forth in Exhibit C hereto, with only such changes thereto as shall have been accepted by the Underwriter.

B. The City acknowledges that the Underwriter is entering into this Purchase Agreement in reliance on the representations and agreements made by the City herein, and the City shall take all action necessary to enforce its rights hereunder for the benefit of the Underwriter and shall immediately notify the Underwriter if it becomes aware that any representation or agreement made by the City herein is incorrect in any material respect.

The City acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the City and the Underwriter; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as principal and is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended); (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters); and (iv) the City has consulted its own legal, financial and other advisors to the extent that the City has deemed appropriate.

C. Pursuant to the authorization of the City, the Underwriter has distributed copies of the Preliminary Official Statement dated _____, 2023, relating to the Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the "**Preliminary Official Statement**." By its acceptance of this Purchase Agreement, the City hereby ratifies the use by the Underwriter of the Preliminary Official Statement and the preparation and distribution of the final Official Statement (together with any supplements thereto, the "**Official Statement**") consisting of the Preliminary Official Statement with such changes as are noted thereon and as may be made thereto, with the approval of Jones Hall, A Professional Law Corporation, the City's Bond Counsel ("**Bond Counsel**") and Disclosure Counsel ("**Disclosure Counsel**") and the Underwriter. The City agrees to execute the Official Statement and to provide a copy thereof to the Underwriter as set forth in Section 4.E.1 hereof. The City hereby authorizes and requires the Underwriter to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary Official Statement, the Official Statement and any supplement or amendment thereto. The City further authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Bonds, the Fiscal Agent Agreement, this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by or on behalf of the City to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

D. To assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**"), the City will undertake pursuant to the Continuing Disclosure Certificate, in

the form attached to the Official Statement as Appendix E (the “**Continuing Disclosure Certificate**”), to provide annual reports and notices of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

E. Except as the Underwriter and the City may otherwise agree, the City will deliver to the Underwriter, at the offices of Bond Counsel in San Francisco, California, or at such other location as may be mutually agreed upon by the Underwriter and the City, the documents hereinafter mentioned; and the City will deliver to the Underwriter through the facilities of The Depository Trust Company (“**DTC**”) in New York, New York, the Bonds, in definitive form (all Bonds bearing CUSIP numbers), duly executed by the City and authenticated by the Fiscal Agent in the manner provided for in the Fiscal Agent Agreement and the Act at 8:00 a.m. California time, on _____, 2023 (the “**Closing Date**”), and the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (A) of this Section by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the “**Closing**”). The Bonds shall be in fully registered book-entry form (which may be typewritten) and shall be registered in the name of Cede & Co., as nominee of DTC.

2. **Public Offering and Establishment of Issue Price.**

A. The Underwriter agrees to make a bona fide public offering of all of the Bonds initially at the public offering prices (or yields) set forth in Exhibit A attached hereto and incorporated herein by reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth in Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial offering prices

B. The Underwriter agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit F, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the City under this section to establish the issue price of the Bonds may be taken on behalf of the City by CSG Advisors Incorporated (the “**Municipal Advisor**”) and any notice or report to be provided to the City may be provided to the Municipal Advisor.

C. Except as otherwise set forth in Exhibit A, the City will treat the first price at which 10% of each maturity of the Bonds (the “**10% test**”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the City the price or prices at which it has sold to the public each maturity of the Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the City the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

D. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in Exhibit A, except as otherwise set forth therein. Exhibit A also sets forth, identified under the column “Hold the Offering Price Rule Used,” as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the

City and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “**hold-the-offering-price rule**”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

1. the close of the fifth (5th) business day after the sale date; or
2. the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the City when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

E. The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to: (1) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public; and (2) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The City acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on: (A) in the event that a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires; and (B) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

F. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

1. “**public**” means any person other than an underwriter or a related party;
2. “**underwriter**” means: (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public; and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);

3. a purchaser of any of the Bonds is a “**related party**” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to: (A) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another); (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another); or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

4. “**sale date**” means the date of execution of this Purchase Agreement by all parties.

3. **Representations and Covenants of the City.** The City represents and covenants to the Underwriter that:

A. The City is duly organized and validly existing as a municipal corporation under the Constitution and laws of the State of California, and has duly authorized the formation of the City of Tracy Community Facilities District No. 2016-2 (ECFD) (the “**Community Facilities District**”) and Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) (“**Improvement Area No. 3**”) pursuant to resolutions and an ordinance duly adopted by the City Council (collectively, the “**Community Facilities District Formation Resolution**” and, together with the Approving Resolution authorizing the issuance of the Bonds, the “**City Resolutions**”) and the Act. The City Council, as the legislative body of the City and the Community Facilities District, (i) has duly adopted the City Resolutions, (ii) has duly adopted Ordinance No. 1230 of the City on February 21, 2017, levying special taxes within the Community Facilities District and Improvement Area No. 3 (the “**Ordinance**”), and (iii) has caused to be recorded in the real property records of San Joaquin County a notice of special tax lien with respect to Improvement Area No. 3 (the “**Notice of Special Tax Lien**”) (the Community Facilities District Formation Resolution, the Ordinance, the rate and method of apportionment of special taxes for Improvement Area No. 3 approved by the City Council and the qualified electors in Improvement Area No. 3 (the “**Rate and Method**”) and the Notice of Special Tax Lien are collectively referred to herein as the “**Formation Documents**”). Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended, except to the extent set forth therein. The Community Facilities District is duly organized and validly existing as a Community Facilities District under the laws of the State of California. The City has, and at the Closing Date will have, as the case may be, full legal right, power and authority: (i) to execute, deliver and perform its obligations under the Fiscal Agent Agreement and this Purchase Agreement, and to carry out all transactions contemplated by each of such agreements; (ii) to issue, sell and deliver its Bonds to the Underwriter; (iii) to enter into the Continuing Disclosure Certificate; and (iv) to carry out, give effect to and consummate the transactions contemplated by the Formation Documents, the Fiscal Agent Agreement, the Continuing Disclosure Certificate, this Purchase Agreement, the Bonds and the Official Statement.

This Purchase Agreement, the Fiscal Agent Agreement, the Bonds and the Continuing Disclosure Certificate are collectively referred to herein as the “**City Documents**.”

B. The City has complied, and will at the Closing Date be in compliance in all material respects, with the Formation Documents and the City Documents, and any immaterial noncompliance by the City, if any, will not impair the ability of the City to carry out, give effect to or consummate the transactions contemplated by the foregoing. From and after the date of issuance of the Bonds, the City will continue to comply with the covenants of the City contained in the City Documents.

C. Except as described in the Preliminary Official Statement, the City is not, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, and the execution and delivery and the performance of its obligations under the City Documents and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed by the City pursuant to the City Documents, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, in any manner that would materially and adversely affect the performance by the City of its obligations under the City Documents or the performance of the conditions precedent to be performed by the City pursuant to the City Documents.

D. Except as may be required under the “blue sky” or other securities laws of any jurisdiction, all approvals, consents, authorizations, elections and orders of, or filings or registrations with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the City of its obligations under the City Documents, have been or will be obtained at the Closing Date and are or will be in full force and effect at the Closing Date.

E. The City Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement.

F. The Bonds are payable from the Special Tax Revenues generated by the levy of special taxes in Improvement Area No. 3 (the “**Special Taxes**”), as set forth in the Fiscal Agent Agreement. The levy of the Special Taxes has been duly and validly authorized pursuant to the Act and, subject to the maximum rate of Special Taxes in the Rate and Method and the application of the Special Tax Revenues as set forth in the Fiscal Agent Agreement, the levy of the Special Taxes within Improvement Area No. 3 will be fixed and levied in an amount which, together with other available funds, is required for the payment of the principal of, and interest on, the Bonds when due and payable, all as provided in the Fiscal Agent Agreement. The City has covenanted in the Fiscal Agent Agreement to cause the Special Taxes to be levied and collected at the same time and in the same manner as ordinary *ad valorem* property taxes.

G. The Fiscal Agent Agreement creates a valid pledge of, first lien upon and security interest in, the Special Tax Revenues, and in the moneys in the Special Tax Fund established pursuant to the Fiscal Agent Agreement, on the terms and conditions set forth in the Fiscal Agent Agreement.

H. Except as disclosed in the Preliminary Official Statement, or will be disclosed in the Official Statement, there are, to the best of the City’s knowledge, no entities with outstanding assessment liens against any of the properties within Improvement Area No. 3 or which are senior to or on a parity with the Special Taxes referred to in paragraph (G) hereof.

I. The information contained in the Preliminary Official Statement and in the Official Statement (other than statements therein pertaining to DTC and its book-entry system and under the caption “OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3,” as to which no view is expressed) does not and shall not contain any untrue or misleading statement of a material fact or omit to state

any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and, upon delivery and up to and including 25 days after the End of the Underwriting Period (as defined in paragraph (J) below), the Official Statement will be amended and supplemented so as to contain no misstatement of any material fact or omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

J. Up to and including 25 days after the End of the Underwriting Period, the City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. As used herein, the term “**End of the Underwriting Period**” means the later of such time as: (i) the Bonds are delivered to the Underwriter; or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be a written notice delivered to the City at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the “End of the Underwriting Period.”

K. At the time of acceptance hereof there is and as of the Closing there will be no action pending (notice of which has been served on the City) or to the best knowledge of the City threatened, in which any such action: (i) in any way questions the existence of the Community Facilities District or the titles of the officers of the City to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bonds or the payment or collection of Special Tax Revenues or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City contemplated thereby; (iii) contests the exemption of interest on the Bonds from federal or State income taxation or contests the powers of the City or the Community Facilities District which may result in any material adverse change relating to the financial condition of the Community Facilities District; or (iv) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and as of the time of acceptance hereof there is and, as of the Closing Date, there will be no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

L. Any certificate signed on behalf of the City by any officer or employee of the City authorized to do so shall be deemed a representation by the City to the Underwriter as to the statements made therein.

M. At or prior to the Closing, the City will have duly authorized, executed and delivered the Continuing Disclosure Certificate in substantially the form attached as Appendix E to the Official Statement. Except as disclosed in the Preliminary Official Statement, the City has not failed to comply in all respects with any previous undertakings with regard to the Rule to provide annual reports or notices of material events in the last five years.

N. The City will apply the proceeds of its Bonds in accordance with the Fiscal Agent Agreement.

O. Between the date of the Purchase Agreement and the date of Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money payable or secured by Special Taxes, except as previously disclosed to the Underwriter.

The execution and delivery of this Purchase Agreement by the City shall constitute a representation to the Underwriter that the representations contained in this Section 3 are true as of the date hereof.

4. **Conditions to the Obligations of the Underwriter.** The obligation of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations on the part of the City contained herein, to the accuracy in all material respects of the statements of the officers and other officials of the City made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the City of its obligations to be performed hereunder at or prior to the Closing Date and, to the following additional conditions:

A. At the Closing Date, the City Resolutions, the Formation Documents, and the City Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds, and with the transactions contemplated thereby, and by this Purchase Agreement, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate.

B. At the Closing Date, except as was described in the Official Statement, the City shall not be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, and the execution and delivery and the performance by the City of its obligations under the City Documents, the City Resolutions and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, in any manner that would materially and adversely affect the performance by the City of its obligations under the City Documents or the City Resolutions.

C. The information contained in the Official Statement is, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant hereto, true and correct in all material respects and does not, as of the Closing Date or as of the date of any supplement or amendment thereto, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

D. Between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth on the inside cover page of the Official Statement, of the Bonds shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the City terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds), by reason of any of the following:

1. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon such interest as would be received by any owners of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

2. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Fiscal Agent Agreement are not exempt from qualification under or other requirements of the Fiscal Agent Agreement Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;

3. A general suspension of trading in securities on the New York Stock Exchange, or a general banking moratorium declared by Federal, State of New York or State of California officials authorized to do so;

4. The introduction, proposal or enactment of any amendment to the Federal or California Constitutions or any action by any Federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of Special Taxes as contemplated by the Official Statement;

5. Any event occurring, or information becoming known which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or in the Official Statement, or has the effect that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

6. Any national securities exchange, the Comptroller of the Currency, or any other governmental authority, shall impose as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

7. There shall have occurred any material outbreak or escalation of hostilities or other calamity or crisis the effect of which on the financial markets of the United States is such as to make it impracticable, in the judgment of the Underwriter, following consultation with the City, to sell the Bonds;

8. The filing or threat of an Action described Section 3.K hereof; or

9. Any proceeding shall have been commenced or be threatened in writing by the Securities and Exchange Commission against the City.

E. At or prior to the Closing Date, the Underwriter shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Underwriter:

1. The Official Statement, executed on behalf of the City by its Finance Director or other authorized officer;

2. The City Documents, duly executed and delivered by all parties thereto;

3. The City Resolutions, together with a certificate dated as of the Closing Date of the City Clerk to the effect that the City Resolutions are true, correct and complete copies of the City Resolutions duly adopted by the City Council;

4. The Formation Documents, together with a certificate dated as of the Closing Date of the City Clerk to the effect that the Formation Documents are true, correct and complete copies of the Formation Documents duly adopted by the City Council;

5. An unqualified approving opinion for the Bonds, dated the Closing Date and addressed to the City, of Bond Counsel, in substantially the form included as Appendix G to the Official Statement;

6. A supplemental opinion or opinions, dated the Closing Date and addressed to the Underwriter, of Bond Counsel, in substantially the form attached hereto as Exhibit D;

7. A letter of Disclosure Counsel addressed to the Underwriter, to the effect that, no facts have come to attention of Disclosure Counsel that have caused such counsel to believe that the Preliminary Official Statement, as of its date, or the Official Statement, as of its date and as of the Closing Date (except for the following items, which are expressly excluded from the scope of this sentence: any financial, statistical and demographic data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, the appraisal and information regarding DTC and its book-entry only system, that is contained or incorporated by reference in the Official Statement and the appendices to the Official Statement) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

8. A certificate dated the Closing Date and signed by an authorized representative of the City or an authorized designee, on behalf of the City to the effect that: (i) the representations made by the City contained in this Purchase Agreement are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date, provided that any references as to the Preliminary Official Statement shall be deemed to be to the Official Statement; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (iii) the City has complied with all the agreements and satisfied all the conditions on its part to be satisfied under the City Documents prior to the Closing Date;

9. An opinion of the City Attorney of the City, dated the date of Closing and addressed to the Underwriter and the City, to the effect that:

a. The City is a municipal corporation, corporate and politic, duly organized and existing under the Constitution and laws of the State of California;

b. The City Resolutions and the Formation Documents have been duly adopted at a meeting of the City Council, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the City Resolutions and the Formation Documents are in full force and effect and have not been modified, amended, rescinded or repealed since the date of their adoption;

c. The City Documents and the Official Statement have been duly authorized, executed and delivered by the City and the City Documents constitute the legal, valid and binding obligations of the City enforceable against the City in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles where equitable remedies are sought and to the exercise of judicial discretion in appropriate cases;

d. To the best knowledge of such counsel, the execution and delivery of the City Documents and the Official Statement and compliance with the provisions thereof under the circumstances contemplated thereby: (a) do not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or by which it is bound; and (b) do not and will not in any material respect or constitute on the part of the City a violation, breach of or default under any court order or consent decree to which the City is subject;

e. Except as may be stated in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending (notice of which has been served on the City) or, to such counsel's knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the City or the Community Facilities District, or the titles of its members and officers to their respective offices; or (b) affect the validity of the City Documents, the City Resolutions or the Formation Documents, or restrain or enjoin the repayment of the Bonds or in any way contest or affect the validity of the City Documents, the City Resolutions or the Formation Documents, or contest the authority of the City to enter into or perform its obligations under any of the City Documents, the City Resolutions or the Formation Documents, or under which a determination adverse to the City would have a material adverse effect upon the financial condition or the revenues of the City or the Community Facilities District, questions the right of the City to use Special Tax Revenues for the repayment of the Bonds or affects in any manner the right or ability of the City to collect or pledge the Special Taxes levied within Improvement Area No. 3 for the repayment of the Bonds;

10. A transcript of all proceedings relating to the authorization, issuance, sale and delivery of the Bonds, including certified copies of the Fiscal Agent Agreement and all resolutions of the City relating thereto;

11. A certificate dated the Closing Date from Goodwin Consulting Group, Inc. addressed to the City and the Underwriter to the effect that: (i) the Special Taxes (after payment of estimated Administrative Expenses) if collected in the maximum amounts permitted pursuant to the Rate and Method as of the Closing Date would generate at least 110% of the annual debt service on the Bonds in each year, based on such assumptions and qualifications as shall be acceptable to the Underwriter; and (ii) the statements in the

Official Statement provided by Goodwin Consulting Group, Inc. concerning the Special Taxes and the Rate and Method and all information supplied by it for use in the Official Statement as of the date of the Official Statement and as of the Closing Date did not and do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading;

12. Certified copies of the general resolution of the Fiscal Agent authorizing the execution and delivery of certain documents by certain officers of the Fiscal Agent, which resolution authorizes the execution of the Fiscal Agent Agreement and the authentication of the Bonds;

13. A certificate of the Fiscal Agent, addressed to the Underwriter and the City dated the Closing Date, to the effect that: (i) the Fiscal Agent is authorized to carry out corporate trust powers, and have full power and authority to perform its duties under the Fiscal Agent Agreement; (ii) the Fiscal Agent is duly authorized to execute and deliver the Fiscal Agent Agreement, to accept the obligations created by the Fiscal Agent Agreement and to authenticate the Bonds pursuant to the terms of the Fiscal Agent Agreement; (iii) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Fiscal Agent that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Fiscal Agent of the other transactions contemplated to be performed by the Fiscal Agent in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Fiscal Agent Agreement; and (iv) to the best of its knowledge, compliance with the terms of the Fiscal Agent Agreement will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, trust agreement, bond, note, resolution or any other agreement or instrument to which the Fiscal Agent is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Fiscal Agent or any of its activities or properties;

14. An opinion of counsel to the Fiscal Agent, dated the Closing Date, addressed to the Underwriter and the City to the effect that the Fiscal Agent is a national banking association duly organized and validly existing under the laws of the United States having full power and being qualified to enter into, accept and agree to the provisions of the Fiscal Agent Agreement, and that the Fiscal Agent Agreement has been duly authorized, executed and delivered by the Fiscal Agent and, assuming due execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligation of the Fiscal Agent enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought;

15. A certificate of the City dated the Closing Date, in a form acceptable to Bond Counsel and the Underwriter, that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

16. An opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel to the Underwriter ("**Underwriter's Counsel**"), dated the date of Closing and addressed to the Underwriter in form and substance acceptable to the Underwriter;

17. A closing certificate of Surland dated the Closing Date, substantially in the form attached as Appendix I to Exhibit B attached hereto;

18. A closing certificate of LS-Tracy LLC dated the Closing Date, substantially in the form attached as Appendix I to Exhibit C attached hereto;

19. A Continuing Disclosure Certificate (LS-Tracy LLC) (the “**LS-Tracy LLC Continuing Disclosure Certificate**”) executed by LS-Tracy LLC in substantially the form set forth in Appendix F to the Preliminary Official Statement, with such additional changes as may be agreed to by the Underwriter;

20. A letter or letters from counsel to LS-Tracy LLC, in form and substance acceptable to the Underwriter, dated the Closing Date and addressed to the Underwriter, regarding: (i) negative assurance with respect to the Preliminary Official Statement and Official Statement; and (ii) the validity and enforceability of the LS-Tracy LLC Continuing Disclosure Certificate; and

21. An executed copy of the Amended and Restated Acquisition Agreement, dated as of September 1, 2021, by and between the City and Surland.

22. Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the material representations of the City contained herein, and of the statements and information contained in the Official Statement and the due performance or satisfaction by the City at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the City in connection with the transactions contemplated hereby and by the Fiscal Agent Agreement and the Official Statement.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the City nor the Underwriter shall be under any further obligation hereunder, except that the respective obligations of the Underwriter and the City set forth in Section 6 hereof shall continue in full force and effect.

5. **Conditions to the Obligations of the City.** The obligations of the City shall be subject to the satisfaction of the conditions contained in Section 4 of this Purchase Agreement.

6. **Expenses.** Whether or not the transactions contemplated by this Purchase Agreement are consummated, the Underwriter shall be under no obligation to pay, and the City shall pay only from the proceeds of the Bonds or any other legally available funds of the City or the Community Facilities District, but only as the City and such other party providing such services may agree, all expenses and costs of the City incident to the performance of its obligations in connection with the authorization, execution, sale and delivery of the Bonds to the Underwriter, including, without limitation, printing costs, initial fees of the Fiscal Agent, including fees and disbursements of their counsel, if any, fees and disbursements of Bond Counsel, Disclosure Counsel and other professional advisors employed by the City, costs of preparation, printing, signing, transportation, delivery and safekeeping of the Bonds and for expenses (included in the expense component of the spread) incurred by the Underwriter on behalf of the City’s employees which are incidental to implementing this Purchase Agreement, including, but not limited to, meals, transportation and lodging of those employees. The Underwriter shall pay all out-of-pocket expenses of the Underwriter, including, without limitation, advertising expenses, the California Debt and Investment Advisory Commission fee, CUSIP Services Bureau charges, regulatory fees imposed on new securities issuers and any and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds, including fees of its counsel.

7. **Notices.** Any notice of other communication to be given to the City under this Purchase Agreement may be given by delivering the same in writing to the City of Tracy, 333 Civic Center Plaza, Tracy,

California 95376, Attention: Finance Director; any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Piper Sandler & Co, 3626 Fair Oaks Blvd., Suite 100, Sacramento, California 9864, Attention: Dennis McGuire.

8. **Parties In Interest.** This Purchase Agreement is made solely for the benefit of the City and the Underwriter (including any successors or assignees of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

9. **Survival of Representations.** The representations of the City under this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and statements of the City and regardless of delivery of and payment for the Bonds.

10. **Execution in Counterparts.** This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

11. **Effective.** This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the City and shall be valid and enforceable as of the time of such acceptance.

12. **No Prior Agreements.** This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding among the parties hereto in relation to the sale of the Bonds by the City.

13. **Governing Law.** This Purchase Agreement shall be governed by the laws of the State of California.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

14. **Effective Date.** This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the City and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

PIPER SANDLER & CO.

By: _____
Its: Authorized Officer

Time of Execution: _____

CITY OF TRACY

By: _____
Karin Schnaider, Finance Director

EXHIBIT A

\$ _____

IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023

Schedule of Bond Maturities, Principal Amounts, Interest Rates, Yields
and Initial Offering Prices

<i>Maturity Date (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Initial Offering Price</i>	<i>10% Test Used</i>	<i>Hold the Price Offering Rule Used</i>

^C Priced to the optional redemption date of September 1, 20__ at __%.

^T Term Bond.

Optional Redemption. The Bonds maturing on or after September 1, 20__, are subject to optional redemption as directed by the City, from sources of funds other than prepayments of Special Taxes, prior to their stated maturity on any date on or after September 1, 20__, as a whole or in part, at the redemption prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u> %
September 1, 20__ through August 31, 20__	
September 1, 20__ through August 31, 20__	
September 1, 20__ through August 31, 20__	
September 1, 20__ and any date thereafter	

Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, 20__, are subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (<u>September 1</u>)	Sinking Fund <u>Payments</u>
	\$

(maturity)

The Bonds maturing on September 1, 20__, are subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (<u>September 1</u>)	Sinking Fund <u>Payments</u>
	\$

(maturity)

The Bonds maturing on September 1, 20__, are subject to mandatory redemption in part by lot, from sinking fund payments made by the City from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date (<u>September 1</u>)	Sinking Fund <u>Payments</u>
	\$

(maturity)

Redemption from Special Tax Prepayments. Special Tax Prepayments and any corresponding transfers from the Reserve Fund under the Fiscal Agent Agreement will be used to redeem Bonds on the next Interest Payment Date for which notice of redemption can timely be given under the Fiscal Agent Agreement, among maturities so as to maintain substantially the same debt service profile for the Bonds as in effect prior to such redemption and by lot within a maturity, at a redemption price (expressed as a percentage of the

principal amount of the Bonds to be redeemed), as set forth below, together with accrued interest to the date fixed for redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Any Interest Payment Date on or before March 1, 20__	%
September 1, 20__ and March 1, 20__	
September 1, 20__ and March 1, 20__	
September 1, 20__ and any Interest Payment Date thereafter	

EXHIBIT B

**IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023**

LETTER OF REPRESENTATIONS OF SURLAND COMMUNITIES LLC

_____, 2023

City of Tracy
333 Civic Center Plaza
Tracy, California 95376

Piper Sandler & Co.
3626 Fair Oaks Blvd., Suite 100
Sacramento, California 95864

Ladies and Gentlemen:

Reference is made to the Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023 (the “**Bonds**”) and to the Bond Purchase Agreement, (the “**Purchase Agreement**”) by and between the City of Tracy (the “**City**”) and Piper Sandler & Co. (the “**Underwriter**”), to be entered into in connection therewith. This Letter of Representations of Surland Communities LLC (the “**Letter of Representations**”) is delivered pursuant to the Purchase Agreement. Capitalized terms that are used herein and not otherwise defined have the meanings ascribed to them in the Purchase Agreement.

The undersigned certifies that the undersigned is familiar with the facts herein and is authorized and qualified to certify the same as an authorized officer or representative of Surland Communities LLC, a California limited liability company (the “**Surland**”), and the undersigned, on behalf of Surland, further certifies as follows:

1. Surland is duly organized and validly existing under the laws of the State of California, and has all requisite right, power and authority: (i) to execute and deliver this Letter of Representations; (ii) to perform its obligations under the Amended and Restated Master Acquisition Agreement, dated as of September 1, 2021 (the “**Acquisition Agreement**”), by and between Surland and the City; and (iii) to develop the master-planned community known as the “**Ellis Development**,” including the portion thereof located in the City of Tracy Community Facilities District No. 2016-2 (ECFD) (the “**Community Facilities District**”) as described in the Preliminary Official Statement.

2. Except as set forth in the Preliminary Official Statement, no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, regulatory agency, public board or body is pending against Surland (with proper service of process to Surland having been accomplished) or, to the Actual

Knowledge of the Undersigned,¹ is pending against any current Affiliate² (with proper service of process to such Affiliate having been accomplished) or to the Actual Knowledge of the Undersigned is overtly threatened in writing against Surland or any such Affiliate: (a) to restrain or enjoin the collection of Special Taxes or other sums pledged or to be pledged to pay the principal of and interest on the Bonds (e.g., the 2023 Reserve Fund established under the Fiscal Agent Agreement); (b) to restrain or enjoin the performance by Surland of its obligations under the Acquisition Agreement; (c) to restrain or enjoin the development of the property within Improvement Area No. 3 of the Community Facilities District as described in the Preliminary Official Statement; (d) in any way contesting or affecting the validity of the Special Taxes; or (e) which is reasonably likely to materially and adversely affect Surland's or its Affiliates' ability to develop the remainder of the Ellis Development as described in the Preliminary Official Statement.

3. As of the date of the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the information that is contained therein solely with respect to Surland, its Affiliates, and the remainder of the Ellis Development as set forth under the captions of the Preliminary Official Statement entitled "OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO 3 – The Ellis Project," "*–Improvement Area No. 1,*" "*–Improvement Area No. 2,*" "*–Future Annexation Area,*" "*–Surland Communities LLC,*" and "*–Development Plan of the Developer*" (excluding therefrom in all cases information regarding LS-Tracy LLC, its development, information regarding market value ratios and annual special tax ratios, and information which is identified as having been provided by a source other than Surland), is true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

4. If between the date hereof and the Closing Date any event relating to or affecting Surland, its Affiliates, and the remainder of the Ellis Development shall occur of which Surland has actual knowledge which would cause the information under the captions of the Preliminary Official Statement that are described in Paragraph 3 (and subject to the limitations and exclusions contained in Paragraph 3) hereof to contain an untrue statement of a material fact or to omit to state a material fact that is necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, Surland shall notify the City and the Underwriter. If in the reasonable opinion of counsel to the City or the Underwriter such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement,

¹ "**Actual Knowledge of the Undersigned**" means the knowledge that the individual signing on behalf of Surland currently has as of the date of this Letter of Representations or has obtained through: (i) interviews with such current officers and responsible employees of Surland and its Affiliates as the undersigned has determined are reasonably likely, in the ordinary course of their respective duties, to have knowledge of the matters that are set forth in this Letter of Representations; and/or (ii) review of documents that were reasonably available to the undersigned and which the undersigned has reasonably deemed necessary in order for the undersigned to obtain knowledge of the matters that are set forth in this Letter of Representations. The undersigned has not conducted any extraordinary inspection or inquiry other than such inspections or inquiries as are prudent and customary in connection with the ordinary course of Surland's current business and operations. Surland has not consulted with any former employees of Surland.

² "**Affiliate**" means, with respect to Surland, any other Person: (i) who directly, or indirectly through one or more intermediaries, is currently controlling, controlled by or under common control with Surland; and (ii) for whom information, including financial information or operating data, concerning such Person is material to potential investors in their evaluation of the Improvement Area and investment decision regarding the Bonds (i.e., information relevant to: (a) Surland, its Affiliates, and the remainder of the Ellis Development; or (b) such Person's assets or funds that would materially affect Surland, its Affiliates, and the remainder of the Ellis Development. "**Person**" means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof. For purposes hereof, the term "**control**" (including the terms "**controlling**," "**controlled by**" or "**under common control with**") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

Surland shall reasonably cooperate with the City in the preparation of an amendment or supplement to the Preliminary Official Statement in form and substance that is reasonably satisfactory to counsel to the City and to the Underwriter.

5. Surland agrees to deliver a Closing Certificate dated the date of issuance of the Bonds at the time of issuance of the Bonds in substantially the form attached hereto as Appendix 1.

The undersigned has executed this Letter of Representations solely in the undersigned's capacity as an officer or authorized representative of Surland and the undersigned will have no personal liability arising from or relating to this Letter of Representations.

SURLAND COMMUNITIES LLC,
a California limited liability company

By: _____

Name: _____

Title: _____

APPENDIX 1 to EXHIBIT B

\$ _____

**IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023**

CLOSING CERTIFICATE OF SURLAND COMMUNITIES LLC

_____, 2023

City of Tracy
333 Civic Center Plaza
Tracy, California 95376

Piper Sandler & Co.
3626 Fair Oaks Blvd., Suite 100
Sacramento, California 95864

Ladies and Gentlemen:

Reference is made to the Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023 (the “**Bonds**”) and to the Bond Purchase Agreement, dated _____, 2023 (the “**Purchase Agreement**”), by and between the City of Tracy and Piper Sandler & Co., entered into in connection therewith. This Closing Certificate of Surland Communities LLC (the “**Closing Certificate**”) is delivered by Surland Communities LLC, a California limited liability company (“**Surland**”), pursuant to the Purchase Agreement. Capitalized terms that are used herein and not otherwise defined have the meanings ascribed to them in the Letter of Representations of Surland Communities LLC dated _____, 2023 (the “**Letter of Representations**”), delivered by Surland.

The undersigned certifies that the undersigned is familiar with the facts herein certified and is authorized and qualified to certify the same as an authorized officer or representative of Surland. The undersigned, on behalf of Surland, further certifies as follows:

1. Surland has received the final Official Statement relating to the Bonds (the “**Final Official Statement**”). To the Actual Knowledge of the Undersigned, each statement, representation and warranty that was made in the Letter of Representations is true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except that all references therein to the Preliminary Official Statement shall be deemed to be references to the Final Official Statement.

2. To the Actual Knowledge of the Undersigned, no event has occurred since the date of the Preliminary Official Statement which affects the statements and information that are described in Paragraph 3 of the Letter of Representations (and subject to the limitations and exclusions contained in Paragraph 3 of the Letter of Representations) relating to Surland, its Affiliates, and the remainder of the Ellis Development which should be disclosed in the Final Official Statement for the purposes for which it is to be used in order to make such statements and information that are contained in the Final Official Statement not misleading in any material respect.

3. For the period through 25 days after the “**end of the underwriting period**” (as such term is defined in the Purchase Agreement to mean the date hereof), if any event that relates to or affects Surland, its Affiliates, or the remainder of the Ellis Development shall occur as a result of which it is necessary, in the opinion of the Underwriter or counsel to the City, to amend or supplement the Final Official Statement in order to make the information under the captions of the Final Official Statement that are described in Paragraph 3 of the Letter of Representations (and subject to the limitations and exclusions contained in Paragraph 3 of the Letter of Representations) not misleading, in the light of the circumstances under which they were made, Surland shall reasonably cooperate with the City and the Underwriter in the preparation of an amendment or supplement to the information described in the captions of the Final Official Statement that are described in Paragraph 3 of the Letter of Representations (and subject to the limitations and exclusions contained in Paragraph 3 of the Letter of Representations). Such amendment or supplement shall be in form and substance satisfactory to the Underwriter and counsel to the Community Facilities District and shall amend or supplement the Final Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact that is necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

4. The undersigned has executed this Closing Certificate solely in the undersigned’s capacity as an officer or authorized representative of Surland and the undersigned will have no personal liability arising from or relating to this Closing Certificate.

EXHIBIT C

IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD) SPECIAL TAX BONDS, SERIES 2023

LETTER OF REPRESENTATIONS OF LS-TRACY LLC

_____, 2023

City of Tracy
333 Civic Center Plaza
Tracy, California 95376

Piper Sandler & Co.
3626 Fair Oaks Blvd., Suite 100
Sacramento, California 95864

Ladies and Gentlemen:

Reference is made to the Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023 (the “**Bonds**”) and to the Bond Purchase Agreement (the “**Purchase Agreement**”), by and between the City of Tracy (the “**City**”) and Piper Sandler & Co. (the “**Underwriter**”), to be entered into in connection therewith. This Letter of Representations of LS-Tracy LLC (the “**Letter of Representations**”) is delivered pursuant to the Purchase Agreement. Capitalized terms that are used herein and not otherwise defined have the meanings ascribed to them in the Purchase Agreement.

The undersigned certifies that the undersigned is familiar with the facts herein and is authorized and qualified to certify the same as an authorized officer or representative of by LS-Tracy LLC, a Delaware limited liability company (“**LS-Tracy LLC**”), and the undersigned, on behalf of LS-Tracy LLC, further certifies as follows:

1. LS-Tracy LLC is duly organized and validly existing under the laws of the State of Delaware, and has all requisite right, power and authority: (i) to execute and deliver this Letter of Representations and (ii) to complete the development on its property in Improvement Area No. 3 (the “**Improvement Area**”) of City of Tracy Community Facilities District No. 2016-2 (ECFD) (the “**Community Facilities District**”) as described in the Preliminary Official Statement.

2. LS-Tracy LLC agrees to execute at Closing a Continuing Disclosure Certificate (LS-Tracy LLC) (the “**LS-Tracy LLC Continuing Disclosure Certificate**”) in substantially the form set forth in Appendix F to the Preliminary Official Statement, with such additional changes as may be agreed to by the Underwriter.

3. As set forth in the Preliminary Official Statement, title to a certain portion of the property within the Improvement Area is held in the name of LS-Tracy LLC or certain of its Affiliates¹ (the

¹ As used in this Letter of Representations, the term “**Affiliate**” means, with respect to LS-Tracy LLC, any other Person: (i) who directly, or indirectly through one or more intermediaries, is currently controlling, controlled by or under common control with LS-

“Property”). The undersigned, on behalf of LS-Tracy LLC, makes the representations herein with respect to all such Property. Except as otherwise described in the Preliminary Official Statement, LS-Tracy LLC is, and LS-Tracy LLC’s current expectations are that LS-Tracy LLC shall remain, the party responsible for the development of the Property. LS-Tracy LLC has not entered into an agreement for development or management of the Property by any other entity, except for such subcontracts, consultant agreements and similar agreements for land development activities associated with LS-Tracy LLC’s development plan as are entered into in the ordinary course of business.

4. Except as set forth in the Preliminary Official Statement, no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, regulatory agency, public board or body is pending against LS-Tracy LLC (with proper service of process to LS-Tracy LLC having been accomplished) or, to the Actual Knowledge of the Undersigned², is pending against any current Affiliate (with proper service of process to such Affiliate having been accomplished) or to the Actual Knowledge of the Undersigned is threatened in writing against LS-Tracy LLC or any such Affiliate: (a) to restrain or enjoin the collection of Special Taxes or other sums pledged or to be pledged to pay the principal of and interest on the Bonds (e.g., the Reserve Fund established under the Fiscal Agent Agreement); (b) to restrain or enjoin the development of the Property as described in the Preliminary Official Statement; (c) in any way contesting or affecting the validity of the Special Taxes; or (d) which is reasonably likely to materially and adversely affect LS-Tracy LLC’s ability to complete the development and sale of the Property as described in the Preliminary Official Statement or to pay the Special Taxes due with respect to the Property prior to delinquency.

5. As of the date of the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the information that is contained therein solely with respect to LS-Tracy LLC, its Affiliates, the proposed development of the Property, ownership of the Property, LS-Tracy LLC’s development plan, LS-Tracy LLC’s financing plan, LS-Tracy LLC’s lenders, if any, and contractual arrangements of LS-Tracy LLC or any Affiliates (including, if material to LS-Tracy LLC’s development plan or LS-Tracy LLC’s financing plan, other loans of such Affiliates) as set forth under the captions of the Preliminary Official Statement entitled **“OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA NO. 3”** and **“CONTINUING DISCLOSURE—LS-Tracy LLC Continuing Disclosure”** (excluding therefrom in all cases (i) information about Surland Communities LLC or its property ownership or development in the Community Facilities

Tracy LLC; and (ii) for whom information, including financial information or operating data, concerning such Person is material to potential investors in their evaluation of the Improvement Area and investment decision regarding the Bonds (i.e., information relevant to: (a) LS-Tracy LLC’s development plans with respect to the Property and ability to pay its Special Taxes on the Property prior to delinquency; or (b) such Person’s assets or funds that would materially affect LS-Tracy LLC’s ability to develop the Property as described in the Preliminary Official Statement or to pay its Special Taxes on the Property prior to delinquency). **“Person”** means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof. For purposes hereof, the term **“control”** (including the terms **“controlling,” “controlled by”** or **“under common control with”**) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

² As used in this Letter of Representations, the phrase **“Actual Knowledge of the Undersigned”** means the actual (as opposed to constructive) knowledge that the individual signing on behalf of LS-Tracy LLC currently has as of the date of this Letter of Representations or has obtained through: (i) interviews with such current officers and responsible employees of LS-Tracy LLC as the undersigned has determined are reasonably likely, in the ordinary course of their respective duties, to have knowledge of the matters that are set forth in this Letter of Representations; and/or (ii) review of documents that were reasonably available to the undersigned and which the undersigned has reasonably deemed necessary in order for the undersigned to obtain knowledge of the matters that are set forth in this Letter of Representations. The undersigned has not conducted any extraordinary inspection or inquiry other than such inspections or inquiries as are prudent and customary in connection with the ordinary course of LS-Tracy LLC’s current business and operations. The undersigned has not contacted any individuals who are no longer employed by, or associated with, LS-Tracy LLC.

District; (ii) information regarding market value and annual special tax rates and ratios; and (iii) information which is identified as having been provided by a source other than LS-Tracy LLC), is true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

6. If between the date hereof and the Closing Date any event relating to or affecting LS-Tracy LLC, its Affiliates, the proposed development of the Property, ownership of the Property, LS-Tracy LLC's development plan, LS-Tracy LLC's financing plan, LS-Tracy LLC's lenders, if any, and contractual arrangements of LS-Tracy LLC or any Affiliates (including, if material to LS-Tracy LLC's development plan or LS-Tracy LLC's financing plan, other loans of such Affiliates) shall occur of which LS-Tracy LLC has actual knowledge which would cause the information under the captions of the Preliminary Official Statement that are described in Paragraph 5 (and subject to the limitations and exclusions contained in Paragraph 5) hereof to contain an untrue statement of a material fact or to omit to state a material fact that is necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, LS-Tracy LLC shall notify the City and the Underwriter. If in the reasonable opinion of counsel to the City or the Underwriter such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement, LS-Tracy LLC shall reasonably cooperate with the City in the preparation of an amendment or supplement to the Preliminary Official Statement in form and substance that is reasonably satisfactory to counsel to the City and to the Underwriter.

7. LS-Tracy LLC agrees to deliver a Closing Certificate dated the date of issuance of the Bonds at the time of issuance of the Bonds in substantially the form attached as Appendix 1.

The undersigned has executed this Letter of Representations solely in the undersigned's capacity as an authorized officer or representative of LS-Tracy LLC and the undersigned will have no personal liability arising from or relating to this Letter of Representations.

LS-TRACY LLC,
a Delaware limited liability company

By:

Name:

Title:

APPENDIX 1 to EXHIBIT C

**IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023**

CLOSING CERTIFICATE OF LS-TRACY LLC

_____, 2023

City of Tracy
333 Civic Center Plaza
Tracy, California 95376

Piper Sandler & Co.
3626 Fair Oaks Blvd., Suite 100
Sacramento, California 95864

Ladies and Gentlemen:

Reference is made to the Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023 (the “**Bonds**”) and to the Bond Purchase Agreement, dated _____, 2023 (the “**Purchase Agreement**”), by and between the City of Tracy and Piper Sandler & Co., entered into in connection therewith. This Closing Certificate of LS-Tracy LLC (the “**Closing Certificate**”) is delivered by LS-Tracy LLC, a Delaware limited liability company (“**LS-Tracy LLC**”), pursuant to the Purchase Agreement. Capitalized terms that are used herein and not otherwise defined have the meanings ascribed to them in the Letter of Representations of LS-Tracy LLC dated _____, 2023 (the “**Letter of Representations**”), delivered by LS-Tracy LLC.

The undersigned certifies that the undersigned is familiar with the facts herein certified and is authorized and qualified to certify the same as an authorized officer or representative of LS-Tracy LLC. The undersigned, on behalf of LS-Tracy LLC, further certifies as follows:

1. LS-Tracy LLC has received the final Official Statement relating to the Bonds dated _____, 2023 (the “**Final Official Statement**”). To the Actual Knowledge of the Undersigned, each statement, representation and warranty that was made in the Letter of Representations is true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except that all references therein to the Preliminary Official Statement shall be deemed to be references to the Final Official Statement.

2. LS-Tracy LLC has duly authorized, executed and delivered LS-Tracy LLC Continuing Disclosure Certificate.

3. To the Actual Knowledge of the Undersigned, no event has occurred since the date of the Preliminary Official Statement which materially affects the statements and information that are described in Paragraph 5 of the Letter of Representations (and subject to all limitations and exclusions contained in Paragraph 5 of the Letter of Representations) relating to LS-Tracy LLC, its ownership of the Property, LS-Tracy LLC’s development plan, LS-Tracy LLC’s financing plan and contractual arrangements of LS-Tracy LLC which should be disclosed in the Final Official Statement for the purposes for which it is to be used in

order to make such statements and information that are contained in the Final Official Statement not misleading in any material respect.

4. For the period through 25 days after the “**end of the underwriting period**” (as such term is defined in the Purchase Agreement), if any event that relates to or affects LS-Tracy LLC, its ownership of the Property, LS-Tracy LLC’s development plan, LS-Tracy LLC’s financing plan and contractual arrangements of LS-Tracy LLC shall occur as a result of which it is necessary, in the opinion of the Underwriter or counsel to the City, to amend or supplement the Final Official Statement in order to make the information under the captions of the Final Official Statement that are described in Paragraph 5 of the Letter of Representations (and subject to all limitations and exclusions contained in Paragraph 5 of the Letter of Representations) not misleading, in the light of the circumstances under which they were made, LS-Tracy LLC shall reasonably cooperate with the City and the Underwriter in the preparation of an amendment or supplement to the information described in the captions of the Final Official Statement that are described in Paragraph 5 of the Letter of Representations (and subject to all limitations and exclusions contained in Paragraph 5 of the Letter of Representations). Such amendment or supplement shall be in form and substance reasonably satisfactory to the Underwriter and counsel to the Community Facilities District and shall amend or supplement the Final Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact that is necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The undersigned has executed this Closing Certificate solely in the undersigned’s capacity as an authorized officer or representative of LS-Tracy LLC and the undersigned will have no personal liability arising from or relating to this Closing Certificate.

LS-TRACY LLC,
a Delaware limited liability company

By:

Name:

Title:

EXHIBIT D

SUPPLEMENTAL OPINION OF BOND COUNSEL

_____, 2023

Piper Sandler & Co.
3626 Fair Oaks Blvd., Suite 100
Sacramento, California 95864

\$ _____

Improvement Area No. 3 of the City of Tracy
Community Facilities District No. 2016-2 (ECFD)
Special Tax Bonds, Series 2023

(Supplemental Opinion)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Tracy (the “**City**”) of the above-referenced bonds (the “**Bonds**”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being sections 53311 et seq. of the California Government Code (the “**Law**”), Resolution No. _____, adopted on _____, 2023 (the “**Resolution**”) and a Fiscal Agent Agreement (the “**Fiscal Agent Agreement**”), dated as of _____ 1, 2023, by and between the City, for and on behalf of the City of Tracy Community Facilities District No. 2016-2 (ECFD) (the “**District**”), and U.S. Bank Trust Company, National Association, as fiscal agent. Capitalized terms used herein but not defined have the meaning given them in the Bond Purchase Agreement, dated _____, 2023 (the “**Purchase Agreement**”), by and between Piper Sandler & Co., as underwriter (the “**Underwriter**”), and the City, acting for and on behalf of the District.

We have examined the Fiscal Agent Agreement, the Purchase Agreement, and the Continuing Disclosure Certificate, dated _____, 2023 (the “**Continuing Disclosure Certificate**”), executed and delivered by the City and agreed and accepted by Goodwin Consulting Group, Inc., as dissemination agent, (collectively, the “**City Documents**”), the Law and such certified proceedings and other papers as we deem necessary to render this opinion.

This letter is being delivered in our capacity as bond counsel to the City and not as counsel to the Underwriter.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Resolution, the Fiscal Agent Agreement and the certified proceedings and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

(i) the Purchase Agreement has been duly authorized, executed and delivered by the City, and, assuming the Purchase Agreement constitutes the valid and binding obligation of the Underwriter,

constitutes the legally valid and binding obligation of the City enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditors' rights or remedies and general principles of equity (regardless of whether such enforceability is considered in equity or at law);

(ii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended; and

(iii) the information contained in the Official Statement on the cover and under the captions "INTRODUCTION," "THE 2023 BONDS," "SECURITY FOR THE 2023 BONDS," "LEGAL MATTERS" and Appendices C and G thereof (except that no opinion or belief is expressed as to any financial or statistical data contained therein), insofar as it purports to summarize certain provisions of the Act, the Bonds, the Fiscal Agent Agreement and the exclusion from gross income for federal income tax purposes and exemption from State personal income taxes of interest on the Bonds, presents a fair and accurate summary of such provisions.

The preceding paragraph is not an opinion but constitutes negative observations based on certain limited activities performed by specific lawyers in our firm in our role as special disclosure counsel to the City. The scope of the activities we performed for purposes of delivering this letter was inherently limited and does not purport to encompass all activities necessary for compliance with applicable securities laws. In addition, in performing those activities, we relied on third party representations, warranties, certifications and opinions, including and primarily, representations, warranties and certifications made by the City. The preceding paragraph is otherwise subject to the conditions set forth herein.

This opinion letter is solely for your benefit in connection with the transaction covered by the first paragraph of this letter and may not be relied upon, used, circulated, quoted or referred to, nor any copies hereof be delivered to, any other person without our prior written approval.

Very truly yours,

JONES HALL, a Professional Law Corporation

EXHIBIT E

\$ _____

**IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY
COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)
SPECIAL TAX BONDS, SERIES 2023**

CERTIFICATE OF APPRAISER

_____, 2023

City of Tracy
333 Civic Center Plaza
Tracy, California 95376

Piper Sandler & Co.
3626 Fair Oaks Blvd., Suite 100
Sacramento, California 95864

The undersigned hereby states and certifies:

1. That he is an authorized principal of Integra Realty Resources (the “**Appraiser**”) and as such is familiar with the facts herein certified and is authorized and qualified to certify the same.

2. That the Appraiser has prepared an appraisal report, dated [December 12, 2022] (the “**Appraisal Report**”), on behalf of the City of Tracy (the “**City**”) in connection with the Preliminary Official Statement, dated _____, 2023 (the “**Preliminary Official Statement**”) and the Official Statement dated _____, 2023 (“**Official Statement**”), for the Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023 (the “**Bonds**”).

3. That the Appraiser hereby consents to the reproduction and use of the Appraisal Report appended to the Preliminary Official Statement and the Official Statement. The Appraiser also consents to the references to the Appraiser and the Appraisal Report made in the Preliminary Official Statement and the Official Statement.

4. In the opinion of the Appraiser the assumptions made in the Appraisal Report are reasonable. Since the date of value of the Appraisal Report, the Appraiser is not aware of any facts that would cause its opinion of value of the taxable property in the Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) (the “**Improvement Area**”) to be lower than the value in the Appraisal.

5. Each of the parcels appraised by the Appraiser is encompassed within the Improvement Area as set forth in the boundary map of the Improvement Area.

6. That, as of the date of the Official Statement and as of the date hereof, the Appraisal Report appended to the Official Statement, to the best of my knowledge and belief, and subject to all

of the Assumptions and Limiting Conditions set forth in the Appraisal Report, does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and no events or occurrences have been ascertained by us or have come to our attention that would substantially change the estimated values stated in the Appraisal Report. However, we have not performed any procedures since the date of the Appraisal Report to obtain knowledge of such events or occurrences nor are we obligated to do so in the future.

7. The City and the Underwriter, Piper Sandler & Co., are entitled to rely on this Certificate.

INTEGRA REALTY RESOURCES

By: _____
Authorized Representative

EXHIBIT F

\$ _____

IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD) SPECIAL TAX BONDS, SERIES 2023

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Piper Sandler & Co. (the “PSC”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) PJC offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “**Initial Offering Prices**”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, dated _____, 2023, by and between PJC and the Issuer, PJC has agreed in writing that: (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “**hold-the-offering-price rule**”); and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Reserve Fund.***

The establishment of the Reserve Fund in the amount of the Reserve Requirement (as such terms are defined in the Fiscal Agent Agreement dated as of _____ 1, 2023, by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent, pursuant to which the Bonds are being issued) was vital to the marketing of the Bonds and reasonably required to assure payment of debt service on the Bonds.

4. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “**General Rule Maturities.**”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “**Hold-the-Offering-Price Maturities.**”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the _____, 2023 (the Sale Date), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the City of Tracy.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “**related party**” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2023.

(h) *Underwriter* means: (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public; and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents PSC’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall, a Professional Law Corporation, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

PIPER SANDLER & CO.

By: _____
Name: _____

Dated: _____, 2023

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES
(Attached)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. ____

AUTHORIZING 1) THE ISSUANCE AND SALE OF SPECIAL TAX BONDS FOR THE PURPOSE OF FINANCING AUTHORIZED FACILITIES, AND 2) APPROVING AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS FOR IMPROVEMENT AREA NO. 3 OF THE CITY OF TRACY COMMUNITY FACILITIES DISTRICT NO. 2016-2 (ECFD)

WHEREAS, the City Council previously conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with Section 53311) of the California Government Code (the "Act"), to establish (i) "City of Tracy Community Facilities District No. 2016-2 (ECFD)" (the "CFD"), (ii) an initial improvement area in the CFD designated "Improvement Area No. 1 of the City of Tracy Community Facilities District No. 2016-2 (ECFD)" ("Improvement Area No. 1"), and (iii) a future annexation area for the CFD (the "Future Annexation Area"); and

WHEREAS, pursuant to Resolution No. 2017-21, adopted by the City Council on February 7, 2017 (the "Resolution of Formation"), the City Council provided for, among other things, (i) the financing of certain public facilities (the "Facilities") by the CFD, (ii) the annexation of parcels in the Future Annexation Area to the CFD pursuant to a unanimous approval (a "Unanimous Approval") of the owner or owners of such parcels and (iii) in any such Unanimous Approval, the designation as a new improvement area (each, a "Future Improvement Area") of any territory annexing to the CFD and the identification and approval of the maximum amount of bonded indebtedness and other debt and the rate and method of apportionment of special tax for such Future Improvement Area; and

WHEREAS, pursuant to Resolution No. 2017-22, adopted by the City Council on February 7, 2017, the City Council declared the necessity to issue and sells bonds and incur other debt to finance the Facilities, including an amount not to exceed \$53,000,000 in those portions of the CFD that are not in Improvement Area No. 1, with such amount to be allocated to Future Improvement Areas as described in the Resolution of Formation; and

WHEREAS, pursuant to Resolution No. 2019-244, adopted by the City Council on December 17, 2019 (the "Annexation Resolution"), the City Council acknowledged receipt of a Unanimous Approval executed by the owner (the "Property Owner") of Assessor's Parcel Numbers 240-140-50, 240-140-51, 240-140-52 and 240-140-53 (the "Annexation Property"), which Unanimous Approval (i) identified, specified and approved the annexation of the Annexation

Property to the CFD as a separate improvement area and other related matters and (ii) confirmed that the Unanimous Approval constituted the approval and unanimous vote of the Property Owner with respect to the matters addressed in the Unanimous Approval under the Act and Article XIII A of the California Constitution; and

WHEREAS, pursuant to the Annexation Resolution, the City Council also, among other things, (i) confirmed that the Annexation Property had been added to the CFD as "Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD)" ("Improvement Area No. 3"), (ii) ratified and confirmed its direction to the City Clerk in the Resolution of Formation to record notice of the annexation pursuant to Section 3114.5 of the California Streets and Highways Code, (iii) ratified and confirmed its direction to the City Clerk to record a consolidated boundary map of the CFD to reflect the annexation of the Annexation Property to the CFD, (iv) confirmed that the maximum aggregate principal amount of bonds and other debt for Improvement Area No. 3, as specified in the Unanimous Approval, is \$25,000,000 and (v) confirmed that the rate and method of apportionment of the special tax among the parcels of real property within Improvement Area No. 3, as specified in the Unanimous Approval (the "Improvement Area No. 3 Rate and Method"), was attached as Exhibit A to the Annexation Resolution; and

WHEREAS, the consolidated boundary map for the CFD was recorded in the real property records of San Joaquin County on June 25, 2020, in Book 7 of Maps of Assessment and Community Facilities Districts at page 016, as document number 2020-074938; and

WHEREAS, the Notice of Special Tax Lien for Improvement Area No. 3 was recorded in the real property records of San Joaquin County on June 25, 2020, as document number 2020-074939; and

WHEREAS, the City Council now wishes to provide for an initial series of bonds to be issued by the City, for and on behalf of the CFD with respect to Improvement Area No. 3, to be designated "Improvement Area No. 3 of the City of Tracy Community Facilities District No. 2016-2 (ECFD) Special Tax Bonds, Series 2023 (the "Bonds"), pursuant to a Fiscal Agent Agreement (the "Fiscal Agent Agreement") by and between the City, for and on behalf of the CFD, and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"); and

WHEREAS, there have been submitted to the City Council certain documents described below providing for the issuance of the Bonds for the CFD with respect to Improvement Area No. 3 and the use of the proceeds of those Bonds, and the City Council, with the aid of its staff, has reviewed the documents and found them to be in proper order; and

WHEREAS, there has also been submitted to the City Council a form of preliminary Official Statement in connection with the marketing of the Bonds, and the City Council, with the aid of its staff, has reviewed the preliminary Official Statement; and

WHEREAS, in accordance with Government Code Section 5852.1, the City Council has obtained and disclosed the information set forth in Appendix A hereto; and

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds and the levy of the special taxes as contemplated by this resolution and the documents referred to herein exist, have

happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act; now therefore be it

RESOLVED: That the City Council of the City of Tracy hereby finds that the foregoing recitals are all true and correct; and be it further

RESOLVED: Pursuant to the Act, this Resolution and the Fiscal Agent Agreement, the City Council hereby authorizes the Bonds to be issued in the principal amount not to exceed \$20,000,000; and be it further

RESOLVED: The Bonds may be issued in one or more series, and the Bonds may be issued as federally taxable bonds or federally tax-exempt bonds, as determined by an Authorized Officer (as defined below); and be it further

RESOLVED: The Bonds shall be dated, bear interest at the rates, mature on the dates, be issued in the form, be subject to redemption, and otherwise be issued on the terms and conditions, all as set forth in the Fiscal Agent Agreement and in accordance with this Resolution; provided, however, that the true interest cost shall not exceed 7.00%; and be it further

RESOLVED: The Fiscal Agent, an Authorized Officer (as defined below) and other responsible officers of the City are hereby authorized and directed to take such actions as are required to cause the delivery of the Bonds upon receipt of the purchase price thereof; and be it further

RESOLVED: The City Council hereby finds that the issuance of the Bonds is in compliance with the Act, the Fiscal Agent Agreement and the City's "Amended Local Goals and Policies for Community Facilities Districts (CFDs)" adopted by the City Council on February 4, 2014, by Resolution No. 2014-019 ("Goals and Policies"), except that the provision requiring property owners to provide continuing disclosure as long as they own property that is responsible for at least 10% of the special taxes in Improvement Area No. 3 is hereby waived so that the threshold can be established for the Bonds at a level acceptable to the Underwriter (as defined below) ; and be it further

RESOLVED: The City Council hereby finds that the appraisal described in the Preliminary Official Statement (the "Appraisal") has been prepared consistent with the Goals and Policies and meets the requirements of Section 53345.8 of the Act; and be it further

RESOLVED: In furtherance of the issuance of the Bonds and pursuant to Section 53345.8 of the Act, the City Council hereby finds and determines that the value of the real property in Improvement Area No. 3 subject to the special taxes levied pursuant to the Act to pay debt service on the Bonds is at least three times the aggregate principal amount of the Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act on property within Improvement Area No. 3 or a special assessment levied on property within the Improvement Area No. 3. In making this finding, the City Council has relied upon the value reported in the Appraisal (\$191,793,000); and be it further

RESOLVED: To the extent permitted by law, the Mayor and the City Manager or such other official of the City as may be designated by the City Manager (each, an "Authorized

Officer”), acting alone, is hereby authorized and directed to execute and deliver the documents approved herein in substantially the form on file with the City Clerk, together with such additions, deletions or changes as are approved by such Authorized Officer, including such additions, deletions or changes as are necessary or advisable to permit the timely issuance, sale and delivery of the Bonds, and the City Clerk is hereby authorized and directed to attest thereto. The approval of such additions, deletions or changes shall be conclusively evidenced by the execution and delivery by an Authorized Officer of the documents herein specified; and be it further

RESOLVED: The City Council hereby approves the Fiscal Agent Agreement, in substantially the form on file with the City Clerk. The terms and provisions of the Fiscal Agent Agreement, as executed, are incorporated herein by this reference as if fully set forth herein; and be it further

RESOLVED: The City Council hereby approves the Preliminary Official Statement prepared in connection with the Bonds in substantially the form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by an Authorized Officer; and be it further

RESOLVED: The City Council hereby approves and authorizes the distribution by the underwriter of the Bonds of the Preliminary Official Statement to prospective purchasers of the Bonds, and authorizes and directs an Authorized Officer on behalf of the City to deem the Preliminary Official Statement “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) prior to its distribution to prospective purchasers of the Bonds; and be it further

RESOLVED: The execution of the final Official Statement, which shall include Bond pricing information, such other changes and additions thereto deemed advisable by an Authorized Officer, and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Official Statement by the City; and be it further

RESOLVED: The City Council hereby approves the form of the Continuing Disclosure Certificate with respect to the Bonds in substantially the form thereof attached to the Official Statement on file with the City Clerk; and be it further

RESOLVED: The City Council hereby approves the Bond Purchase Agreement, between the City, for and on behalf of the CFD with respect to Improvement Area No. 3, and Piper Sandler & Co. (the “Underwriter”), in substantially the form on file with the City Clerk and made a part hereof as though set forth in full herein; and be it further

RESOLVED: An Authorized Officer is hereby authorized and directed to execute and deliver the Bond Purchase Agreement, subject to the requirement that the Underwriter’s discount on the purchase of the Bonds may not exceed 2.00% of the par amount of the Bonds and the interest rate may not exceed the rate specified above; and be it further

RESOLVED: In addition, and pursuant to Section 53345.8 of the Act, the City Council hereby finds and determines that an Authorized Officer may not execute and deliver the Bond Purchase Agreement unless the Appraisal concludes that the taxable property in Improvement Area No. 3 has a market value (subject to the various assumptions and conditions set forth in the

Appraisal) at least three times the principal amount of the Bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act on property within Improvement Area No. 3 or a special assessment levied on property within the Improvement Area No. 3; and be it further

RESOLVED: The City Council hereby approves the negotiated sale of the Bonds to the Underwriter pursuant to the Bond Purchase Agreement; and be it further

RESOLVED: The City Council hereby finds that sale of the Bonds to the Underwriter at a negotiated sale pursuant to the Bond Purchase Agreement will result in a lower overall cost than would be achieved by selling the Bonds at a public sale utilizing competitive bidding; and be it further

RESOLVED: The City Council hereby approves, confirms and ratifies all actions heretofore taken by the officers and agents of the City with respect to the establishment of the CFD, the annexation of the Annexation Property to the CFD as Improvement Area No. 3, the approval of the Improvement Area No. 3 Rate and Method, the approval of bonded indebtedness and other debt for the CFD with respect to Improvement Area No. 3, and the sale and issuance of the Bonds; and be it further

RESOLVED: The City Council hereby authorizes and directs the appropriate officers of the City to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this resolution, including but not limited to any actions required in connection with issuance of ratings or a municipal bond insurance policy with respect to the Bonds, and any certificate, agreement, and other document described in the documents herein approved; and be it further

RESOLVED: The City Council hereby authorizes a designee of an Authorized Officer to take any actions authorized by the City Council to be taken by an Authorized Officer, and such action by the designee of an Authorized Officer shall have the same force and effect as if taken by the Authorized Officer; and be it further

RESOLVED: This resolution shall take effect from and after its adoption. The provisions of any previous resolutions in any way inconsistent with the provisions hereof in and for the issuance of the Bonds as herein described are hereby repealed.

* * * * *

The foregoing Resolution 2023-__ was adopted by the Tracy City Council on March 7, 2023, 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

APPENDIX A

Government Code Section 5852.1 Disclosure

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by CSG Advisors Incorporated, the City's Municipal Advisor in consultation with Piper Sandler & Co., Underwriter of the Bonds.

Principal Amount. The Municipal Advisor has informed the City that, based on the CFD financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is **\$16,330,000** (the "Estimated Principal Amount"), which excludes approximately **\$122,000** of net original issue discount estimated to be generated from current market pricing. Net original issue discount is generated when, on a net aggregate basis for a single issuance, the prices paid for the bonds are lower than the face values of such bonds.

True Interest Cost of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold as a single series of tax-exempt bonds, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is **5.39%**.

Finance Charge of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is **\$454,000**. Such fees and charges include fees for bond and disclosure counsel, municipal advisor, appraiser, market absorption consultant, special tax consultant, fiscal agent, city attorney and staff time related to bond issuance, printing, and underwriting.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold less original issue discount, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received on behalf of the CFD and Improvement Area No. 3 for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is **\$14,289,000**.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments that the Improvement Area No. 3 property owners will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds (including the Bond proceeds deposited into a debt service reserve fund), calculated to the final maturity of the Bonds, is **\$34,457,000**.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the CFD financing plan, delays in the financing, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

Agenda Item 3.E

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving 1) the updated Emergency Operations Plan to provide community support during an emergency, in compliance with State and Federal laws, and 2) a Business Continuity Plan addressing the needs of the City following an emergency.

EXECUTIVE SUMMARY

As a response to potential health or safety emergencies that the City of Tracy may face, staff is proposing updating City of Tracy's Emergency Operations Plan (EOP), based on state and federal guidelines. In addition, staff is recommending adopting a Business Continuity Plan to help support the delivery of essential functions following a disaster or emergency. The Emergency Operations Plan is structured to assist the City during an emergency, while the Business Continuity Plan is an internal policy for post emergency functionality.

BACKGROUND AND LEGISLATIVE HISTORY

The proposed emergency plan will replace the City's existing plan and bring into compliance with current state and federal guidance and best emergency management practices. In December 2020, the City contracted, through South San Joaquin County Fire Authority, with Tetra Tech, Inc. to update the City's outdated emergency plan. South San Joaquin County Fire Authority's (SSJCFA) senior staff supported the update process and acted as the City's project lead. During the update process, Tetra Tech provided various draft versions for feedback, recommendations, and suggestions. The final draft version was circulated among City Department head for final comments before finalizing the document.

In December 2019, the City contracted with Mike Dever, Emergency Management Consultant for the Central San Joaquin Valley Risk Management Authority to prepare a Business Continuity Plan to serve as a structure for the delivery of essential functions following a disaster or emergency. The Business Continuity Plan defines the process through which essential functions are identified, how business continuity team members are designated, identification of continuity event communications, considerations for alternative locations, and procedures to return to normal operations once the disaster or emergency no longer requires continuity activation. As part of the 2022 San Joaquin County Grand Jury Report, the City was asked to update our Business Continuity Plan also, which was already in progress since December of 2019.

ANALYSIS

The Governor's Office of Emergency Services (Cal OES) and the Federal Emergency Management Agency (FEMA) provide guidance for information to be included in an EOP. The updated plan also includes emergency management industry best practices such as operating a remote Emergency Operations Center (EOC).

The updated EOP contains functional annexes that assist staff when the EOC has been activated during an emergency or disaster. These functional annexes are consistent with the severe hazards identified in the recent Hazard Mitigation Plan update in 2019. The EOP is a "living" plan which means it can be modified as warranted. While there is no current requirement when to update an EOP, industry best practices suggest at least every 3 - 5 years or when a significant incident has occurred in the jurisdiction. The updated EOP has been updated to reflect current Cal OES guidance for local jurisdictions.

In light of the recent COVID public health emergency and consistent with the City's focus on improving emergency management service, the updated EOP has incorporated recent changes and practices.

The City and South San Joaquin County Fire Authority will partner with Tetra Tech to further assist with delivery of EOP training and exercises, EOC assessment, and transition to a robust Continuity of Operations Plan.

Development of the Business Continuity Plan includes four steps: 1) business Impact Analysis to identify time-sensitive or critical business functions and processes and the resources that support them, 2) identify, document, and implementation process to recover critical essential functions and processes, 3) organize a business continuity team and compile a business continuity plan to manage a business disruption, and 4) conduct training for the business continuity team and testing and exercises to evaluate recovery strategies and the plan. Details of the department Business Process Analysis, Impact Analysis & Mitigation and Essential Function Summary are contained in the functional Annexes to the Plan and will be updated routinely to reflect change or evolution in organizational structure, essential functions and plans to address potential threats or disasters.

FISCAL IMPACT

Funding for the updated Emergency Operations Plan was previously approved within the FY2023-24 operating budget. No additional funding is required for adoption.

COORDINATION

This plan update was conducted in conjunction with South San Joaquin County Fire Authority.

STRATEGIC PLAN

This agenda item supports the City's Public Safety Priority to strengthen Citywide Emergency Operations Preparedness by developing a Citywide Emergency Operations Plan, including Council and staff training and a local pandemic response plan.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt, by resolution, 1) the updated Emergency Operations Plan to provide community support during an emergency, in compliance with State and Federal laws, and 2) a Business Continuity Plan addressing the needs of the City following an emergency.

Prepared by: Division Chief Chris Martin, South San Joaquin County Fire Authority
Kimberly Murdaugh, Director of Human Resources

Reviewed by: Fire Chief Randall Bradley, South San Joaquin County Fire Authority
Sara Cowell, Director of Finance
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, Acting City Manager

Attachments:

A - Emergency Operation Plan
B – Business Continuity Plan



CITY OF TRACY EMERGENCY OPERATIONS PLAN





City of Tracy

333 Civic Center Plaza
Tracy, CA 95376
(209) 831-6000
www.cityoftracy.org

Emergency Management Services Provided By:



South San Joaquin County Fire Authority

Prepared for:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376
(209) 831-6000
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Prepared by:

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LETTER OF PROMULGATION



PREFACE

The Emergency Operations Plan (EOP) outlines how the government, stakeholder agencies, community groups, business community, and residents of the City of Tracy (City/Tracy) coordinate their response to major emergencies and disasters. This plan is regularly reviewed and updated by staff and approved by the City Council.

The EOP identifies operational strategies and plans for managing inherently complex and potentially catastrophic events. City assets, resources, and departments are potentially vulnerable and may become overwhelmed. With this in mind, a primary goal of the EOP is to promote flexibility whenever possible. The EOP is not intended to limit the use of good judgement and common sense. It is intended to facilitate emergency response and short-term recovery functions for emergencies and disasters that are outside of the scope of normal City operations.

With the adoption of this updated EOP, the City of Tracy officially adopts and affirms the use and integration of the following emergency management, response, and coordination systems:

- Incident Command System (ICS)
- Standardized Emergency Management System (SEMS)
- National Incident Management System (NIMS)
- National Response Framework (NRF)

This EOP addresses these phases of emergency management:

- Preparedness
- Response
- Recovery
- Mitigation

By incorporating the Federal Emergency Management Agency's (FEMA) "Whole Community" approach, the City affirms its collaborative efforts in working with all City segments to embrace the concept that preparedness is a shared responsibility.

The City's Emergency Operations Center (EOC) provides a centralized location where emergency management coordination and decision making can be supported during a critical incident, major emergency, or disaster. When activated, the EOC provides support for a number of critical tasks related to communications, coordination, resource management, and executive leadership.

If the City of Tracy determines that the effects of an emergency are, or may become, beyond the capability of local resources, a local emergency can be proclaimed. A local proclamation of emergency allows the City Manager, as the Director of Emergency Services, to take measures necessary to protect and preserve public health and safety and supports requests for state and federal assistance. A proclamation also provides City staff with additional powers and authorities to increase the speed and effectiveness of City response activities.

Attachments to this EOP include a summary of authorities and references, a summary of the hazards facing the City, and a list of abbreviations used.

The EOP is organized and defined as follows:



- Basic Plan includes the planning assumptions, policies, and concepts of operations that guide the responsibilities for emergency preparedness, response, recovery, and mitigation for the City of Tracy.
- Annexes include informational, functional, hazard specific, and operational guidance

There are a number of City plans, procedures, and other documents that support or relate to this Basic Plan and Annexes.

AUTHORITY, APPROVAL, AND DISTRIBUTION

This Emergency Operations Plan is sanctioned under the authority of the Tracy Municipal Code (City of Tracy, 2002) and promulgated under the authority of the city manager as director of emergency services. State Authority can be found, in part, in the California Emergency Services Act (State of California, 2015) and various other codes and regulations. Federal Authority is found in the Robert T. Stafford Act (FEMA - U.S. Government, 2019) and in Homeland Security Presidential Directives 5 and 8 (FEMA - U.S. Government, 2003); (DHS - U.S. Government, 2011). The systems used nationally are the National Incident Management System (NIMS) and the National Response Framework (NRF).

This document shall be the official Emergency Operation Plan for the City of Tracy and shall supersede all previous plans for this purpose. Nothing in this plan shall be construed in a manner that limits good judgment and common sense in matters not foreseen or covered by the elements of the plan or any appendices hereto.

This plan is approved by the Tracy City Manager and ratified by the City Council. Copies of the plan will be distributed to each City Department, the EOC, and EOC section coordinators.

City of Tracy

City Manager

Date



PLAN CHANGES / UPDATES			
Change	Date	Editor	Department

DISTRIBUTION LIST	
Name	Department

The EOP will be distributed electronically. Hard copies will reside with the City's Emergency Manager and in the EOC.



BASIC PLAN



1.0 INTRODUCTION

This Emergency Operations Plan (EOP) serves as a significant document for the City of Tracy's emergency management activities. To ensure adequate preparedness, City departments should actively participate in preparedness and planning activities, including the development of departmental plans, policies, and procedures as necessary to fulfill assigned roles and obligations.

The EOP embraces the Federal Emergency Management Agency's (FEMA) "whole community" approach to emergency management. In addition to City resources, it recognizes the role of non-governmental organizations, community-based organizations, faith-based organizations, private-sector businesses, educational institutions, and other stakeholders. The EOP is intended to reflect the wide variety of support that may be required by residents, visitors, and businesses, including people with disabilities and others with access or functional needs. Consideration for people with disabilities, access or functional needs will be given in emergency planning.

Certain groups and organizations will need to interface with the City's Emergency Operations Center (EOC) and with each other, including in circumstances where normal telecommunications may be impaired. By understanding the elements of this plan, the City and such organizations can facilitate that process.

Members of the community should be aware of the potential risks and hazards the City faces and the responsibility to prepare personally, at a family level, and in one's organization.

1.1 Purpose

The purpose of this EOP is to outline the framework, concepts, and policies of Tracy's emergency procures and operations to ensure effective management and coordination of the City's response to significant emergencies and disasters. It identifies roles and responsibilities for various individuals and departments as they pertain to preparedness, response, recovery, and mitigation activities. This plan serves as a foundational document for other City plans, as well as a reference document for other government and non-government organizations and entities. This plan complies with current federal, state, and local laws and regulations as well as best practices.

1.2 Goals and Objectives

The overall objective of emergency management is to ensure the effective coordination of resources in preparing for and responding to situations associated with natural disasters, technological incidents and national security emergencies. To carry out its responsibilities, the emergency management organization will accomplish the following goals and objectives during an emergency/disaster:

- Goal 1: Save Lives
 - o Objective 1.1: Prepare and disseminate emergency public information to alert, warn, and inform the public
 - o Objective 1.2: Provide effective life safety measures.
- Goal 2: Incident Stabilization and Restoration of Essential Services

- o Objective 2.1: Maintain overall coordination/support of emergency response and recovery operations.
 - o Objective 2.2: Coordinate and liaise with appropriate federal, state and other local government agencies, as well as applicable segments of private sector entities and volunteer agencies
 - o Objective 2.3: Establish priorities and resolve conflicting demands for support.
 - o Objective 2.4: Provide accurate documentation and records required for cost recovery efforts.
 - o Objective 2.5: Provide for the rapid resumption of impacted businesses and community services.
- Goal 3: Protection of Property and the Environment
 - o Objective 3.1: Provide effective response efforts to reduce property loss and damage to the environment.

1.3 Scope

The EOP serves as the foundational document for the City's emergency management activities. The EOP applies to any significant emergency associated with any hazard or threat, natural, technical, or human-caused, which may affect the City and result in a planned, coordinated response effort by City agencies. While all City resources may be called upon as needed, specific departmental responsibilities are outlined in the EOP Basic Plan and associated annexes. To ensure the City is adequately prepared, all City departments are required to actively participate in preparedness and planning activities to include the development and review of departmental plans, policies, procedures, resource information and contact information as necessary to fulfill their assigned roles and obligations.

1.4 Limitations

While many of the elements outlined in the EOP are designed for flexibility and can be utilized as needed to address a number of emergency and non-emergency events, some activities require special activation or a formal disaster declaration by the City Council. Similarly, the EOP is not meant to outline procedures for routine incidents or minor emergencies which are adequately addressed through existing processes.

The EOP identifies operational strategies and plans for managing inherently complex and potentially catastrophic events. Assets, resources, and departments are potentially vulnerable and may become overwhelmed. Deviations from the organizational and response structures outlined in the EOP may be required, based upon evolving needs and available resources.

With this in mind, the EOP is designed to promote flexibility whenever possible and is not intended to limit the use of good judgment and common sense in matters not foreseen or adequately addressed by elements of the EOP and its associated annexes, appendices, or plans.

1.5 Situation / Hazard Assessment

Emergency management is based on an understanding of a jurisdiction's risk. The City has undergone multiple hazard analysis processes per FEMA's "Comprehensive Preparedness Guide



101" (CPG 101). The City has a population of 95,387 (US Census 2021 estimate) and covers a geographic area of 26 square miles.

Tracy will provide a response which is commensurate with the available staffing and resources at its disposal. Tracy does not have the capability and resources to provide adequate response for all emergencies and incidents during disasters. As warranted, the City can request additional assistance through the San Joaquin County Operational Area.

This current best practice places risk into three categories: natural, technological (accidental), and human-caused (deliberate).

The current Hazard Mitigation Plan (City of Tracy, 2019) identifies the following as the top hazards for the City:

Natural Hazard Type	Category
Earthquake	Medium
Wildfire	Medium
Severe Weather	Medium
Flooding	Medium
Drought	Medium

1.6 Planning Assumptions

The following assumptions may be viable during emergency and/or disaster operations:

- Tracy is susceptible to a number of hazards and risks that may result in critical incidents which may include natural, technological, or human caused.
- Emergencies may occur at any time with little or no warning and may exceed the capabilities of local, state, and federal governments, and the private sector in the affected areas.
- All City departments will participate in planning and preparedness activities as required.
- City personnel will be adequately trained to perform the emergency roles to which they are assigned.
- The City's EOC may be partially or fully activated to support operations during critical incidents and/or significant events.
- The City of Tracy is primarily responsible for emergency action within their municipality and will commit all available resources to save lives, minimize injuries to persons, and minimize damage to property and the environment.
- City departments will participate during a significant emergency or disaster; however, personnel may be unavailable or unable to report to work.
- Tracy will use the Incident Command System (ICS), Standardized Emergency Management System (SEMS), and National Incident Management System (NIMS) in emergency response and management of operations.
- The City will commit its resources to a reasonable degree before requesting mutual aid assistance.



- Non-essential City operations may be reduced or cancelled in order to prioritize resources.
- Following a major disaster or catastrophic incident, Tracy may have to rely on their own resources to be self-sustaining until mutual aid is available.
- Transportation infrastructure may be disrupted and access to critical facilities may be blocked.
- Critical infrastructure and utilities (natural gas, water, electricity, sanitary sewer, garbage, recycling, communications, etc.) may be severely impacted.
- Residents, businesses, and other entities may need to be self-sufficient for one week or more.
- Reasonable accommodations will be made for people with disabilities and/or access and functional needs, but additional planning, resources, and support may be required during emergencies.

2.0 CONCEPT OF OPERATIONS

In accordance with state and federal laws and guidance, the City of Tracy has officially adopted and integrated the following emergency management, response, and coordination systems into the current emergency management operations:

- Incident Command System (ICS)
- Standardized Emergency Management System (SEMS) (State of California, 2015)
- National Incident Management System (NIMS) (FEMA - U.S. Government, 2019)

Collectively, the congruent operational systems outline how critical incidents, emergency, and disasters will be coordinated in the field, and all levels of government – local, county, regional, state and federal.

2.1 Field-Level Coordination

As mandated by both SEMS and NIMS, Tracy utilizes the Incident Command System (ICS) to manage response activities in the field. ICS provides for common terminology, processes, and position titles, while allowing the delegation of functions (or tasks) to subordinate positions in order to promote proper span of control and unity of command. ICS is applicable to any size incident and is designed to be scalable as the needs of an incident expand or contract. When utilized, the standardization of ICS principles and nomenclature is capable of integrating large numbers of personnel from disparate organizations.

Multi-Agency Coordination System (MACS)

The Multi-Agency Coordination System (MACS) is a part of NIMS and provides the basic architecture for facilitating the allocation of resources, incident prioritization, coordination and integration of multiple agencies for large-scale incidents and emergencies. A MAC group is made up of administrators or designees authorized to represent or commit agency resources and funds. MAC groups do not have direct involvement in the incident(s) and may function virtually. The principal functions and responsibilities associated with MACS include:

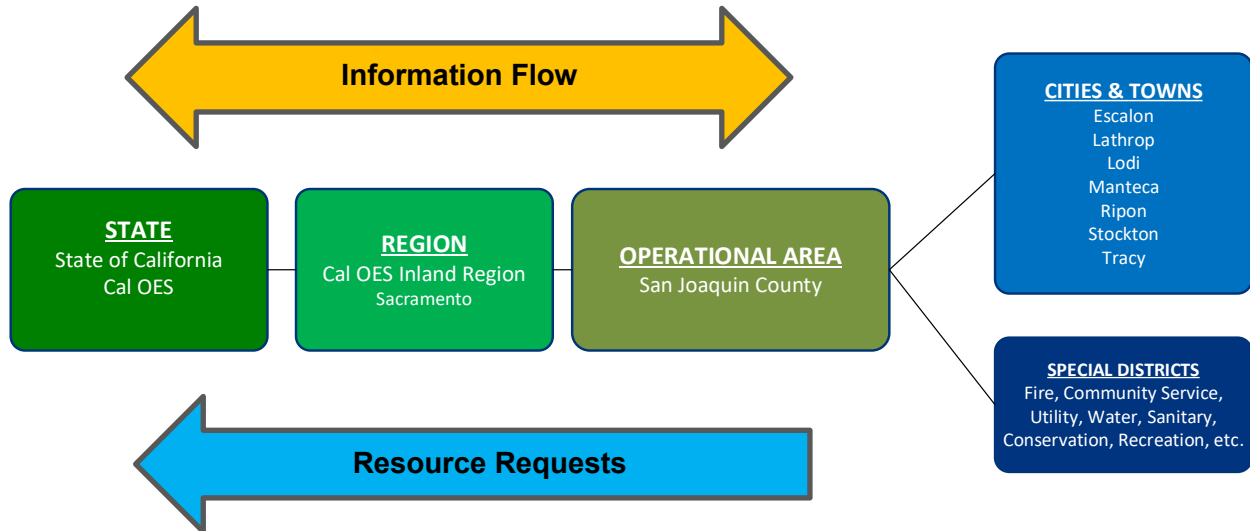
- Situation awareness / assessment
- Incident priority determination
- Critical resource acquisition and allocation
- Anticipating / identifying future resource requirements
- Coordinating policy issues
- Providing strategic coordination
- Joint Information Systems

2.2 Local, Operational Area, Regional, and State-Level Coordination: SEMS

Standardized Emergency Management System (SEMS) is intended to standardize response in emergencies and is intended to be flexible and adaptable to the needs of the emergency responders. SEMS forms the foundation of emergency management organization throughout the State of California and its use is required by all jurisdictions. SEMS requires agencies use basic principles and components of emergency management including Incident Command System, multi-agency coordinator, operational area concept and established mutual aid systems. Local

government must use SEMS to be eligible for state funding of response-related personnel costs. SEMS utilizes five organizational tiers which are activated as need be and they consist of: field response, local government, operational area, regional, and the state.

Tracy has incorporated the use of SEMS into its emergency management program.



2.2.1 Field Response

Field response includes on-scene activities and coordination, consistent with ICS, to make tactical decisions in direct response to the emergency of disaster. The field response is managed through an Incident Command Post (ICP). Resource requests and situation reports are routed from the field to the next SEMS organizational level, either through participating response agencies or the local EOC if activated.

2.2.2 Local Government

The City of Tracy, as the local government, retains the responsibility and authority for managing response activities within its jurisdiction. To support these efforts, the City may activate its EOC and departments may consider employing Department Operations Center (DOC). A DOC may operate without activating The EOC provides agency coordination, provides logistical support, establishes common operating procedures, identifies overarching priorities, and prioritizes available resources. Additionally, the EOC coordinates with San Joaquin County Operational Area (OA)/County EOC.

A DOC may be activated to manage singular or multiple incidents low to mid-level incidents that are managed by the associated department. The intensity, severity, or duration of the incident(s) do not necessitate EOC activation. Alternatively, a DOC may also be activated to manage and support field operations as part of an EOC activation.

2.2.3 Operational Area

The Operational Area (OA) provides response coordination for all political subdivisions within the county's jurisdiction. The OA coordinates response activities within the county's jurisdiction

through the County EOC, if activated. The OA serves as a link to the regional level and other OAs within the region.

Tracy is part of the San Joaquin Operational Area and coordinates with the San Joaquin County Office of Emergency Services (OES). The City participates in San Joaquin OA planning and during a critical incident, coordinates with the OA, through either the San Joaquin County OES or the San Joaquin County EOC, if activated.

2.2.4 Regional

The State of California is divided into three regions that each maintains Regional Emergency Operations Centers (REOC) to coordinate resource requests, support mutual aid, and promote situational awareness between their respective OAs. The City of Tracy and San Joaquin County are in the Inland Region.

2.2.5 State

The Governor, through California Office of Emergency Services (Cal OES) and its Mutual Aid Regions, will coordinate statewide operations to include the provision of mutual aid and other support to local jurisdictions and the redirection of essential supplies and other resources as required. San Joaquin County is part of the OES Inland Region. Requests that exceed the capabilities of the Operational Area will be forwarded to the Region.

The Cal OES Director, assisted by State agency directors, their staff, and volunteer agency staff will constitute the State emergency management staff.

Mutual Aid

The California Mutual Aid System operates within the framework of the California Master Mutual Aid Agreement (MMAA) and under the authority of the California Emergency Services Act. The system allows for the mobilization of resources to and from emergency response agencies, local governments, operational areas, regions, and the state with the intent to provide requesting agencies with adequate resources. Mutual aid is utilized by primary response disciplines:

- Fire and Rescue
- Law Enforcement
- Coroner / Medical Examiner
- Emergency Management
- Medical & Health



Coordinated By Cal OES			Coordinated by Cal Emergency Medical Services Authority
Fire Rescue Branch	Law Enforcement Branch	Emergency Management	Medical & Health Disaster Medical & Health Mutual Aid
- Fire & Rescue Mutual Aid - Urban Search & Rescue Mutual Aid	- Law Enforcement Mutual Aid - Coroner/Medical Examiner Mutual Aid	- Emergency Management Mutual Aid - Public Utilities Mutual Aid - Water/Wastewater Agency Response Network (WARN)	
Hazardous Material Mutual Aid	Search & Rescue Mutual Aid		

The California Mutual Aid System includes six mutual aid regions in order to facilitate the coordination and flow of mutual aid requests. As part of the Cal OES Inland Region, the San Joaquin Operational Area and Tracy are part of Mutual Aid Region IV.

The system includes a number of discipline-specific mutual aid systems that operate through designated mutual aid coordinators at the Operational Area, regional, and State levels. Mutual aid requests are coordinated within their geographic area before unfilled requests are forwarded to the next level. Mutual aid requests that do not fall into one of the discipline-specific mutual aid systems are handled through the emergency services mutual aid system and by emergency management staff at the local government, operational area, regional, and state levels.

2.3 National Incident Management System (NIMS) and National Response Framework (NRF)

NIMS provides a comprehensive national framework for incident management applicable at all jurisdictional levels and across all functional disciplines. The majority of NIMS requirements applicable to the City of Tracy, including the adoption of ICS. Additional elements of NIMS outline coordination between federal agencies and the use of federal assets and resources.

NIMS is built on the following three components:

- Resource Management
- Command and Coordination, including the Incident Command System
- Communications and Information Management

The National Response Framework (NRF) is built upon the premise that incidents are typically handled at the lowest jurisdictional level. The NRF provides the framework for federal interaction with state, local, tribal, private sector and non-governmental entities in the context of domestic incident management to ensure timely and effective federal support.

Tracy has adopted the use of NIMS and ICS into its emergency management program.

3.0 EMERGENCY MANAGEMENT ORGANIZATION

The City's Municipal Code outlines the purpose of emergency services for the preparation and carrying out of plans for the protection of people and property within respective city in the event of an emergency; the direction of the emergency organization; and the coordination of the emergency functions with all other public agencies, corporations, organization, and affected persons.

3.1 Director and Assistance Director of Emergency Services

Tracy's Municipal Code designates the City Manager as the Director of Emergency Services who has the responsibility and authority for managing the emergency organization with their city. The Director of Emergency Services is responsible for the coordination of "services and staff of the emergency organization of the city and resolve questions of authority and responsibility." The city manager serves as the primary EOC Director.

The Director of Emergency Services has overall management responsibility for emergency services (City of Tracy, 2002). The Director will appoint a senior staff member to serve as the Assistant Director of Emergency Services.

3.2 City Employees

One of the greatest resources for the City of Tracy is its employees. California Government Code designates that all public employees are Disaster Services Workers (DSW). (State of California, 2013) Any employee of the City of Tracy may be assigned to perform activities which promote the protection of public health and safety or the preservation of lives and property. Such assignments may require services at locations, times, and under conditions that are significantly different than normal work assignments and may continue into the recovery phase of emergency.

3.3 South San Joaquin County Fire Authority

South San Joaquin County Fire Authority (South County Fire) is a joint powers authority formed through the combined efforts of the City of Tracy Fire Department and Tracy Rural Fire Protection District. The agencies became one fire department in 1999 that provides fire and emergency services to the greater Tracy community. The authority is an independent pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California (California, n.d.).

3.4 San Joaquin County

The City of Tracy participates in coordination efforts with emergency service agencies at both the field and administrative/operational coordination levels with allied first responders, County OES, County Public Health, other similar agencies.

Tracy collaborates in its emergency management efforts to be in concert with County OES.

4.0 EMERGENCY MANAGEMENT CYCLE

Emergency management is divided into various phases with each of these phases bending in to the next one. There is no clear demarcation of when one phase starts and another one ends. Elements from each phase may be used to support or augment elements from another phase.



4.1 Preparedness Phase

The preparedness phase involves activities undertaken in advance of an emergency. These activities develop operational capabilities and effective responses to a disaster. These activities focus on maintaining or improving capabilities that will be used in the response or recovery phases. Preparedness actions might include mitigation activities, emergency/disaster planning, training, exercises and public education. Members of the emergency management organization should prepare checklists detailing assignments, notification rosters, resource lists and other useful documents. Personnel should be acquainted with these documents through periodic training and reviews.

4.1.1 Planning

Emergency planning includes a wide variety of plans at the strategic, operational, and tactical levels. Strategic plans include the EOP and many of its associated hazard-specific or functional annexes, while operational and tactical planning includes more detailed information such as standard operating procedures (SOP), checklists, personnel assignments, notification rosters, resource lists, and forms.

All City departments are required to participate in the development of relevant strategic and operational plans while ensuring that internal tactical planning is sufficient to meet the needs of their outlined roles and assigned objectives. This includes the development of department-specific SOPs required to meet the objectives outlined for each department

Continuity Planning

Disasters or major emergencies have the potential to disrupt or interrupt critical and essential City services that are vital to the health and welfare of its residents. Planning for such possibilities addresses the continuation of government and succession of officers. To ensure this continuity the City will address the following:

- Identification and prioritization of essential services
- Establishment, promulgation and maintenance of orders of succession
- Identification of delegation of authority
- Identification of continuity of communication
- Identification and maintenance of continuity of facilities
- Maintenance of vital records
- Establishment of process of reconstruction
- Development of an effective test, training and exercise program to support continuity efforts



- Development of a Business Continuity Plan (BCP) – detailed and comprehensive information is contained in the COOP (Continuity of Operations Plan) plan; the COOP Plan, which has been recently updated by the City, should be used in concert with the EOP.

4.1.2 Training

Training is an essential component of preparedness and greatly impacts the ability to respond to and recover from a critical incident.

South County Fire facilitates trainings and regularly communicates opportunities to City and fire staff members. Additionally, the City prioritizes trainings that promote staff understanding and familiarity with the following concepts:

- ICS
- SEMS
- NIMS
- California Disaster Service Worker (DSW) (State of California, 2013)
- EOC Functions

The City Manager will ensure that staff members assigned to the EOC are properly trained and competent to fulfill their designated responsibilities. Staff members are encouraged to engage in on-going emergency management training to be familiar with current plans and guidance and capable of fulfilling the EOC role to which they are assigned.

4.1.3 Exercises

Exercises are a primary tool for assessing preparedness and identifying areas for improvement. They are a valuable method to validate plans and train personnel. Tracy follows the Homeland Security Exercise and Evaluation Program (HSEEP) including seminars, tabletop and functional exercises.

A variety of exercises and trainings are used to assess capabilities and prioritize future planning and training needs. By simulating potential response and recovery scenarios, Tracy is able to validate existing plans and determine where additional training might be needed. South County Fire will develop a Training and Exercise Program that incorporates a building block approach in the development of planned exercises to facilitate increasing awareness and knowledge.

4.1.4 Public Awareness & Education

South County Fire and the Police Department, and other City departments promote public awareness and education in order to strengthen overall preparedness and community resilience. By providing community education, outreach, training, and coordination, the City increases the ability of community members and organizations to adequately prepare for and meet their own needs. By promoting self-reliance and preparedness, the cities reduce the overall burden on limited resources and competing needs that may arise during critical incidents.

Public Education is an essential tool to teach residents how to prepare for, react to and recover from a major emergency or disaster.

4.2 Response Phase

The response phase includes any actions taken immediately before, during, or directly after a critical incident in order to minimize the potential or existing impacts of the incident.

4.2.1 Pre-Event

Some incidents may provide sufficient warning to allow for pre-event or precautionary measures. Depending on the likelihood of significant impacts, pre-event response may include:

- Public warning
- Evacuations
- Resource Mobilization
- Staging
- Mutual Aid Requests
- Proclamation of a Local Emergency

4.2.2 Emergency Response

Emergency response activities are actions taken during or immediately after a critical incident to reduce or minimize actual impacts. While these activities are often associated with traditional response units – fire, law enforcement, emergency medical service (EMS), and public works – the size and complexity may require support from additional governmental agencies, non-governmental organizations, businesses, community and faith-based organizations, and other partners.

During emergency responses, some incidents may escalate beyond the capabilities of field operation management that may warrant the need for additional support and coordination using a DOC. When an incident or multiple incidents exceed the capabilities of a DOC, or when multiple department DOCs have been activated and more coordinated efforts are needed, the EOC should be activated.

When coordinating emergency response activities and prioritizing needs and objectives, the following hierarchy is utilized:

1. Life Safety
2. Incident Stabilization
3. Protection of property and infrastructure and restoration of essential services
4. Reduce impacts to the environment

Emergency response may include activities related to short-term recovery and often overlaps with long-term recovery operations.

4.2.3 Prolonged Emergency

In addition to continuing life and property protection; operations, mass care, relocation, public information, situation analysis, status and damage assessment operations will be initiated.

4.3 Recovery Phase

The Recovery Phase includes short and long-term activities focused on returning the community to pre-incident or improved conditions. In some situations, when a disaster declaration has been

made, recovery activities may include the critical task of identifying, documenting and quantifying response and recovery costs eligible for reimbursement.

The Recovery Phase may begin during the Response Phase or as directed by the EOC Director. Depending on the incident the recovery process may be short or be a sustained operation lasting several years. A comprehensive recovery plan may provide more detailed actions for a prolonged recovery period. The EOP is intended to be used mostly during the response phase of an incident; it is not intended to be a comprehensive recovery plan. Detailed information, procedures, and protocols would be outlined in a separate recovery plan.

The City may set priorities and secure resources. The following actions may help facilitate recovery efforts

- Conducting damage assessments
- Assessing housing needs – both support and solutions
- Issuing permits for repairs and demolition
- Debris removal
- Opening roadways and transportation routes
- Restoring utilities – water, electricity, gas, communications, sewer, internet, cable
- Opening local assistance centers (LACs)
- Resume government functions
- Coordinating efforts with County OES
- Working with local businesses to restore operations
- Coordinating with County, State and Federal officials regarding financial recovery for the City
- Coordinate with County Public Health efforts for disasters that included health issues
- Identify and prioritize essential functions and services

4.3.1 Short-term Recovery

Short-term recovery operations begin during the response phase and may include activities such as the restoration of essential services, rapid debris removal, and the re-establishment of City services.

4.3.2 Long-term Recovery

Long-term recovery operations are often required to address extensive damage to infrastructure or widespread devastation. Activities include the restoration and reconstruction of public facilities and disaster response cost recovery.

The recovery period has major objectives that may overlap with other phases of the emergency management cycle, including:

- Reinstatement of family and individuals' autonomy
- Provision of essential public services
- Permanent restoration of private and public property
- Identification of residual hazards
- Plans to mitigate future hazards
- Recovery of costs associated with response and recovery efforts

- Coordination of state and federal, private and public assistance

As the immediate threat to life, property, and environment subsides, the rebuilding of Tracy will begin through various recovery activities. Long-term planning efforts, including public safety and infrastructure sustainability, are included in the Tracy General Plan. Recovery activities involve the restoration of services to the public and rebuilding the affected area(s). Examples of recovery activities may include:

- Restoring all utilities
- Establishing and staffing Local Assistance Centers (LACs) and Disaster Assistance Centers (DACs)
- Applying for state and federal assistance programs
- Conducting hazard mitigation analysis
- Identifying residual hazards
- Determining recovery costs associated with response and recover

4.3.3 Damage Assessment

Damage Assessment activities involves identifying, recording, compiling, and analyzing damage information in order to determine the type of recovery assistance needed. Following major disasters, a process known as Preliminary Damage Assessment (PDA) is employed to determine preliminary eligibility for certain state and federal financial assistance and reimbursement programs.

4.3.3 Disaster Assistance Programs

If the disaster is significant enough to warrant a gubernatorial and a presidential disaster declaration, additional state and federal assistance may become available. A local disaster proclamation does not automatically warrant the provision of state or federal assistance.

The City will have to qualify for these additional resources. Most disasters do not rise to this level of significance and often insurance is the only resource available. If determined to be eligible, the City and its residents may be able to participate in state and federal disaster assistance programs for the following:

- **Individuals** – may be eligible for loans and grants for housing assistance programs (for homeowners and renters), and uninsured disaster-related necessities (including personal property, medical, dental, and transportation expenses). Other Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) programs include crisis counseling, disaster unemployment assistance, and legal services, may be available.
- **Businesses** – may be eligible for low-interest loans to assist with uninsured physical damaged through the United States Small Business Administration (SBA).
- **Government** – assistance may be available through state assistance under the California Disaster Assistance Act (CDAA), as well as sever federal programs including the FEMA Public Assistance (PA) Grant Program, and the Hazard Mitigation Grant Program (HMGP).

- **Non-profit Organizations** - assistance may be available through the state CDAA, as well as several federal programs including FEMA PA Grant Program for eligible non-profit organizations.

4.3.4 Recovery Documentation

Documentation is the key to recovering eligible response and recovery costs. Damage assessment documentation will be critical in establishing the basis for eligibility of disaster assistance programs. Various state and federal assistance programs require different types of documentation for eligible costs and in addition to structural damage, may include staff time, equipment, and materials utilized in response to the incident. To support the maximum recovery of eligible reimbursement, city departments must identify and support internal mechanisms for tracking and documenting appropriate costs.

4.3.5 After Action Report

As part of the recovery phase, and in accordance with SEMS, the State of California requires any city declaring a local emergency for which the governor proclaims a state of emergency, to complete and transmit an after-action report to the California Office of Emergency Services (Cal OES) within 90 days of the close of the incident period. The after-action report should include the following information:

- Documentation of response activities
- Identification of problems and successes during emergency operations
- Analysis of the effectiveness of SEMS components
- Plan of action for implementing improvements
- Cal OES After-Action Questionnaire

4.4 Prevention Phase

The Prevention Phase encompasses actions taken to avoid an incident or to intervene to stop an incident from occurring. This involves action meant to protect lives and property. It may also include applying intelligence and other activities including countermeasures such as:

- Deterrence operations
- Heightened inspections
- Improved surveillance
- Interconnection of health and disease prevention among people, domestic animals, and wildlife

4.5 Mitigation Phase

Preventing damage and losses from disaster includes those efforts known as mitigation activities. Mitigation efforts occur both before and following disastrous events. Post-disaster mitigation is part of the recovery process. Preventing, eliminating, or reducing the impact of hazards that exist within Tracy and that are a threat to life and property are part of the mitigation efforts.

The current city Local Hazard Mitigation Plan (City of Tracy, 2019) identifies mitigation action items. These documents identify which department is the responsible as the lead managing these actions. The Mitigation Plan is reviewed annually and updated every five years.

A number of mitigation activities may include the implementation, augmentation or promotion of the following:

- Local ordinances and statutes (zoning ordinance, building codes, ordinances and enforcement)
- San Joaquin County Hazard Mitigation Plan
- Structural measures
- Disaster, earthquake or flood insurance
- Public information and outreach and community relations
- Risk mapping
- Structural retrofitting
- Monitoring and inspection
- Land use planning
- General Plans
- Public Outreach and Education

4.6 Whole Community Approach

Tracy's ability to respond and recover from significant emergencies and major disasters is highly dependent upon planning for the unique needs and specific requirements of the residents and non-resident, commuters, and visitors. To further identify and meet these needs, a "Whole Community" approach has been adopted to include and integrate community partners, neighbors, and other stakeholders in all phases of emergency management. Through these collaborative efforts, Tracy will become more resilient and better prepared to meet the needs of its residents and any daytime population increase, those with disabilities, access and functional needs and cultural consideration.

The City will include the Whole Community Approach when preparing for, responding to, recovering from, and mitigating against major emergencies and disasters.

4.6.1 Residents

Residents of Tracy play a fundamental role in emergency management by ensuring that they are prepared for emergencies and disasters. In most disasters, City residents will be the first to respond—family members caring for one another, neighbor helping neighbor. In a major disaster, residents may not have access to City services for days. Individual preparedness will ensure that the City's limited resources can go where they are most needed.

The City recommends that all residents prepare for disaster by taking first aid and CPR training, maintaining disaster supplies of food and water, and safekeeping personal documentation (e.g., personal identification and individual medical records). These actions will better prepare residents to evacuate or shelter-in-place for up to a week. Those families or residents with disabilities and others with access and functional needs may require additional personal planning before, during, and after an emergency to accommodate their need for assistance with communication, maintaining health and medical supplies, independence, support and safety, or transportation.

4.6.2 Community Organizations / Volunteer Groups

Tracy has several volunteer organizations that promote emergency preparedness and assist during emergencies and disasters. These may include Community Emergency Response Teams (CERT) and Volunteers in Police Service (VIPS). These organizations can play a vital role in assisting neighborhoods prepare for and assist with disasters and emergencies. CERT volunteers can activate and serve as role in providing basic assistance and support throughout various communities.

4.6.3 Private Sector

Tracy has a vibrant business community that includes traditional retail, entertainment, and corporate businesses. The City engages with the private sector to better understand their needs, identify resources, and develop partnerships. Much of the City's private sector partners address preparedness planning internally as a way to minimize business disruptions and to support the wellbeing of their employees and also offer their resources and technical capabilities to the larger community. The City acknowledges this valuable support and will continue collaborative efforts with the private sector as a component of the overarching emergency management program.

4.6.4 People with Disabilities

People with disabilities often require additional planning and support to ensure they receive equal access and coverage as required under the Stafford Act as well as other state and federal legislation such as the Americans with Disabilities Act (ADA) of 1990. Covered disabilities are not always apparent and may include impairments of mobility, vision, and hearing as well as some cognitive disorders and mental illnesses. To meet the needs of these individuals, Tracy is committed to supporting efforts and activities designed to improve and validate capabilities in support of people with disabilities, including but not limited to:

- Notifications and warning procedures
- Evacuation, transportation and sheltering considerations
- Accommodations for service animals
- Accessibility to information

4.6.5 Individuals with Access & Functional Needs

In addition to people with disabilities, Tracy recognizes that additional support may be necessary to support those with access and functional needs (State of California , 2016) (State of California , 2019). These are not necessarily related to a specific condition, diagnosis, impairment and are based upon functional areas such as:

- Maintaining independence
- Effective communication
- Transportation
- Supervision
- Medical care

Individuals with access and functional needs may not have access to support networks outside of their immediate communities or be able to self-evacuate. As a result, they may have additional

needs before, during, and after an incident. Those with functional needs often include children, the elderly, tourists, and other segments of the population, including:

- People with disabilities
- People living in institutionalized settings
- People from diverse cultures
- People with limited English proficiency
- People without transportation
- People who are economically disadvantaged
- Women who are pregnant

4.6.6 Diversity, Equity, and Inclusion (DEI)

Inherent in emergency management is the knowledge that it does not exist independently from the issues that exist in a society the moment before an incident occurs. Social conditions that cause inequity, injustice, and lack of access to essential services can be exacerbated in readiness, response, and recovery operations. Disasters lead to disparate outcomes. Therefore, it is important for emergency managers to take deliberate action and make conscious decisions to look at the structure of emergency management programs. Examining policies, laws, regulations, and assumptions that may have unintended constraints is important before incidents occur. The City of Tracy is committed to a just emergency management program through the continual consideration of diversity, equity, and inclusion before, during, and after incidents occur.

4.6.7 Considerations for Pets and Animals

In 2006, the federal government passed the Pets Evacuations and Transportation Standards (PETS) Act as an amendment to the Stafford Act. The PETS Act directs state and local emergency preparedness plans address the needs of individuals with pets and companion animals during a disaster or emergency. American Red Cross procedures allow for assigned service animals to accompany individuals.

Tracy works to include consideration for the needs of pets and companion animals in plans as appropriate. Delta Humane Society maintains shelters including mobile ones for various pets and can be potentially located near a designated shelter. Additional resources for the evacuation of larger animals, such as horses, may be available for coordination and request in San Joaquin County.

4.6.8 Cultural Consideration

CA Senate Bill 160 (State of California, 2019) charged Cal OES and local governments to address culturally diverse communities in its emergency planning efforts. In consideration, the City will consider communities in its planning efforts. Culturally diverse communities may include:

- Race and ethnicity
- Indigenous people
- Communities of color
- Immigrant and refugee communities
- Gender
- Age (including the elderly and youth)



- Sexual and gender minorities
- People with disabilities
- Occupation and income level (including low-income individuals and unhoused)
- Education level
- People with no or limited English language proficiency
- Geographic location

5.0 EMERGENCY OPERATIONS ORGANIZATION

Tracy operates an Emergency Operations Center (EOC) that provides a centralized location where emergency management coordination and decision-making occur and can support field operations during critical incident, major emergency, or disaster. When activated, the EOC provides support for a number of critical tasks related to communication, coordination, resource management and executive leadership. For example, the EOC may be activated for a declared emergency – earthquake, wildfire, flood, pandemic, among others.

5.1 EOC Locations

The primary EOC location is:

- Tracy Police Department at 1000 Civic Center Dr., Tracy, CA

Alternate EOC locations include:

- Boyd Service Center at 520 Tracy Blvd., Tracy, CA

Alternate locations would be used when the primary EOC would or might be unsafe or unusable.

5.2 Activations & Deactivation

The EOC and equipment is maintained by the Police Department and may be used for coordination and monitoring activities at any time without the need for a formal activation. However, depending upon the need and circumstances, an official EOC activation may be appropriate to support a number of activities, including:

- Field response
- Pre-planned events
- Local proclamation of emergency
- Governor's declaration of emergency
- Presidential declaration of a national emergency
- State of War

5.2.1 DOC Activation

A Department Operations Center (DOC) may activate at the discretion of a senior fire, police or public works official based upon current or impending conditions that may substantially alter normal operations for a temporary time period. DOCs may also activate in support of EOC and field operations during a disaster.

A DOC is managed by a senior department official and primarily supports field operations in operations, logistics, and planning.

5.2.2 EOC Activation Authority

The following positions (or their designees) have the authority to activate the City's EOC:

- Tracy City Manager
- Tracy Police Chief
- South County Fire Chief

- Tracy Operations and Utilities Director

Individuals serving in an acting role or empowered to act on behalf the above positions may activate the EOC.

The Police Chief, Fire Chief, Public Works Director, Emergency Services Coordinator, and City Manager should be made aware of escalating or anticipated incidents or events which may have a significant impact on Tracy.

EOC activation may occur based upon escalating incidents or in anticipation of an incident or event. Activation of multiple DOCs may warrant the activation of the EOC. DOC commanders should be communicating with respective department heads of current and projected situation status.

5.2.3 EOC Activation Levels

When the EOC is activated, the County Operational Area OES/EOC will be notified.

The City may also establish Departmental Operations Centers (DOCs) for specific departments (e.g., Fire, Public Works or Police) as required to support field operations and coordinate other functions within their respective departments. Activation of multiple DOCs may warrant or necessitate the activation of the EOC.

EOC activation levels are scalable based in the evolving needs and may include full or partial staffing as required. See table below:

EOC Level	Operational Status (Minimum Positions)	Trigger Event/Situation (examples include but are not limited to)	Activities
Level 3 Minimal Staffing	Emergency Services Coordinator	• Small incident or event • One site • Potential threat of: - o Flood - o Severe storm • Escalating incident	• Situational Analysis • Public Information • Response Coordination • Resource Coordination • Reporting to State
Level 2 Partial Staffing	Management, EOC Section Coordinators Branches/Divisions/Units Liaison/Agency reps	• Large scale evacuations • 2+ incident sites • Severe Weather Warning • Earthquake with minor damage • Major scheduled event	• Situational Analysis • Public Information • Response Coordination • Resource Coordination • Logistics Support • Reporting to State

EOC Level	Operational Status (Minimum Positions)	Trigger Event/Situation (examples include but are not limited to)	Activities
Level 1 Full Staffing as needed	All positions (as required)	- Large Winter Storm - Terrorist incident - Major Earthquake - Regional Disaster - Major Wildland Fire in Urban interface	- Situational Analysis - Public Information - Response Coordination - Resource Coordination - Logistics Support - Recovery Operations - Sustained Operations - Reporting to State

Similarly, the deactivation of the EOC will be scalable based on the decreasing needs of Tracy. Appropriate EOC functions and roles will be deactivated as the situation allows and as directed by the EOC Director.

5.3 EOC Communication & Coordination

The EOC has the capability to communicate and coordinate with field personnel, incident commanders, DOCs, external stakeholders, volunteer community groups, and other government agencies.

Coordination with field elements from the EOC may be coordinated through relevant DOCs or directly with an Incident Commander. If a DOC is not activated, the Incident Commander may communicate directly with their department specific representative, sometimes located in the Operations Section of the EOC.

The EOC will communicate and coordinate with the San Joaquin County EOC, when activated, or County OES, and other cities in the Operational Area. Affected cities will provide situational awareness and relevant resource status to the County EOC.

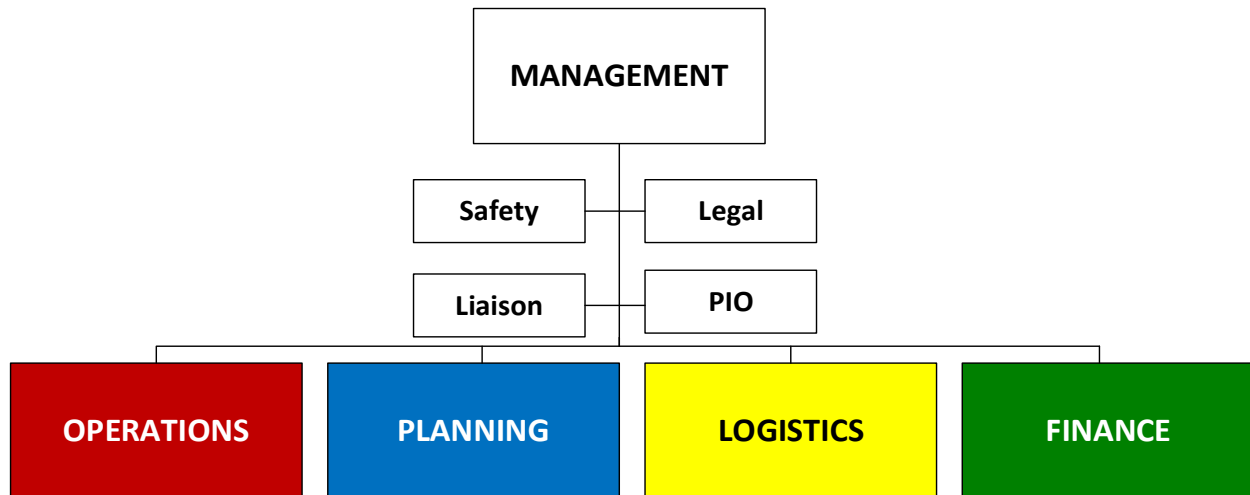
Communication may be by cell phone, internet, or other viable means.

5.4 EOC Structure – Hierarchy of Command and Span-of-Control

As outlined in ICS the EOC will be organized in to five major areas:

- Management
- Operations
- Planning
- Logistics
- Finance

Illustrated below is a basic sample EOC ICS chart that can be expanded and reduced based on the scale and needs of the incident.



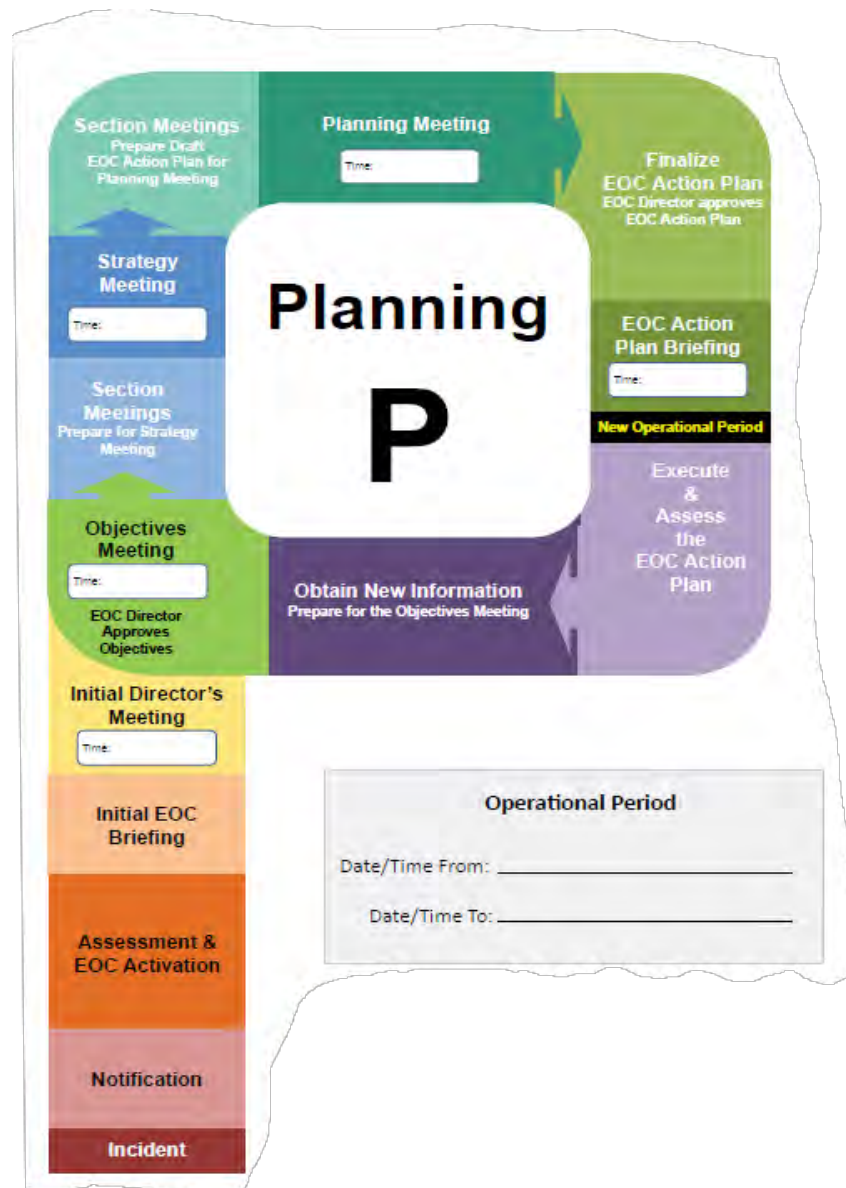
Management of personnel within the EOC will be accomplished through the assignment of Section Coordinators for Operations, Planning, Logistics, and Finance functions. Section Coordinators will report to the EOC Director.

The four essential ICS functions in SEMS and NIMS are identified as “sections” in the EOC. All other functions are organized as branches, groups or units within these sections. Only functional elements that are required to meet current objectives will be activated.

- **Management** - Responsible for overall emergency policy and management coordination; development and release of public information
- **Operations** - Responsible for supporting field operations, coordinating emergency response and operational efforts
- **Planning** - Responsible for collecting, evaluating and disseminating information; assist in developing Emergency Action Plan; and responsible for the collection of all documentation material
- **Logistics** - Responsible for providing facilities, services, personnel, equipment, materials, and resources
- **Finance** - Responsible for financial expenditures, records, and other administrative aspects

5.5 EOC Action Plans

At local, operational area, regional and state levels, the use of EOC action plans (EAP) provide designated personnel with knowledge of the objectives to be attained and the steps required for achievement. Action plans give direction and provide a basis for measuring achievement of objectives and overall system performance in the EOC. The EOC Director will determine and direct the drafting of EAPs. The Planning Section shall be responsible for overseeing EAPs development and drafting. The Planning P, illustrated below, is a useful tool in EOC operations and planning.



6.0 EMERGENCY DECLARATIONS

6.1 Local Proclamation

California Government Code allows a local emergency to be proclaimed by a city council or designated official by city council.

If the City of Tracy determines that the effects of an emergency are or may exceed the capabilities of local resources, a local emergency can be proclaimed. Tracy municipal code has empowered the city manager or mayor to issue a proclamation for the City. Tracy Municipal Code and the California Disaster Assistance Act specify the requirements for proclaiming and, when necessary, maintaining, a local emergency. Compliance to the California Disaster Assistance Act (CDAA) (State of California, 2015) is required in order for the City to qualify for assistance.

6.2 State of Emergency

After a proclamation of a local emergency, the governing body, having determined that local resources are not sufficient to mitigate the situation, may request by letter or resolution that the Governor proclaim a state of emergency in the area to fully commit state and mutual aid assistance and provide resources to assist local government.

To support its request for a gubernatorial proclamation, it is essential that the City forward an estimate of damage and financial loss to Cal OES through the San Joaquin County OES as quickly as possible. Estimates of loss are an important part of the criteria that Cal OES considers when deciding to proclaim a state of emergency and request a Presidential Declaration of Emergency or Disaster. A copy of the request for a Governor's proclamation, with the following supporting data, must be forwarded, to the San Joaquin County OES Director for transmission to the Cal OES Director:

- Copy of the local emergency proclamation
- Initial damage estimate summary that estimates the severity and extent of the damage

Cal OES prepares a recommendation as to the action that should be taken by the Governor. If the action recommends a Governor's proclamation, Cal OES prepares the proclamation.

The Governor may also proclaim a state of emergency without a local request if the safety of persons and property in the state are threatened by conditions of extreme peril, or emergency conditions are beyond the emergency response capacity and capabilities of local authorities. Local damage assessment documentation and submission may be required for reimbursement.

6.3 State of War Emergency

In addition to a State of Emergency, the Governor can proclaim a State of War Emergency whenever the state or the nation is attacked by an enemy of the United States, or upon receipt by the state of a warning from the federal government indicating that such an enemy attack is probable or imminent. The provisions of the Governor granted under a State of War Emergency are the same as those granted under a State of Emergency.



6.4 Presidential Declaration

Following the proclamation of a state of emergency, the Cal OES Director may recommend that the Governor request a Presidential Declaration of a major disaster under the authority of Public Law 93-288. The Governor's request to the president is submitted through the FEMA. Supplementary justification data may be required to accompany the state and local proclamations and Initial Damage Estimate.

7.0 PUBLIC INFORMATION

During a major emergency, disaster, or significant event providing residents and the public with useful and updated information is essential. The EOC Public information Officer (PIO) will oversee messaging during an EOC activation. If the EOC is not activated, then either the lead department or City's PIO will be responsible.

- Alerts and Notifications – during an incident, the City will utilize various communication tools to disseminate information and directions to its residents. Notifications may be coordinated with neighboring agencies and/or the County. Recognizing that some residents may have limited access or functional needs, the City will strive to address communication in various forms. Communication tools include but are not limited to:
 - o Social media
 - o City and County alert systems
 - o City website
 - o Local news stations
 - o CERT Teams, volunteer groups, and community or faith-based organizations

[Alerts and Warnings](#) details are contained in its own Annex.

Public Education can be a useful tool to prepare residents in advance of incidents – how to prepare for, react to, and recover from various situations.

7.1 Joint Information System

The Joint information System (JIS) is the broad mechanism that organizes, integrates, and coordinates information to ensure timely, accurate, accessible, and consistent messaging activities across multiple jurisdictions and/or disciplines with the private sector and non-governmental organizations.

It includes the plans, protocols, procedures, and structures used to coordinate and share public information. Federal, State, tribal, territorial, regional, local, and private sector PIOs and established Joint Information Centers (JIC) at each level of SEMS are critical elements of the JIS. The County / Operational Area will orchestrate JIS activities for larger or countywide incidents and events

7.2 Joint Information Center

The Joint Information Center is the central location that facilitates the operations of the JIS during an emergency. This location houses personnel with public information responsibilities from multiple agencies, departments, and other local governments. They perform critical emergency information functions, crisis communications, and public affairs functions.

A JIC will be established at a suitable location in close proximity to provide for effective management of Public Information functions. When activated, the JIC will be staffed by personnel trained to conduct Public Information activities, including coordinating inter-jurisdictional media releases and management of rumor control and community communications functions. Regardless of where the JIC is established, Public Information functions will continue to be managed from the EOC.



8.0 CONTINUITY OF GOVERNMENT

Continuity of Government (COG) is an essential function of emergency management and is vital during an emergency/disaster situation. Continuity of government is defined as the preservation, maintenance, or reconstitution of the civil government's ability to carry out its constitutional responsibilities. All levels of government share a constitutional responsibility to preserve the life and property of their citizens. The California Government Code and the Constitution of California provide the authority for state and local government to reconstitute itself in the event incumbents are unable to serve. COG may also be used in conjunction with the City's recently updated COOP.

A major emergency or disaster could result in great loss of life and property, including the death or injury of key government officials. At the same time, there could be partial or complete destruction of established seats of government, and the destruction of public and private records essential to continued operations of government and industry.

In the aftermath of a major emergency, law and order must be preserved and essential government services must be maintained. To this end, it is particularly essential that local units of government continue to function.

Line of Succession – Tracy Emergency Services

The Municipal Code designates the city manager to be the director of emergency services and an assistant director of emergency services to be appointed by the director. In the event that neither the director nor assistant director is available to perform the director's duties, that role may be performed by the fire chief, police chief, director of public works or senior fire, police, or public works official present until relieved by an individual of higher presence.

Primary City Position	Alternate
Mayor	1. Mayor Pro Tempore
City Manager	1. Assistant City Manager 2. Assistant City Manager 3. Assistant to the City Manager
City Attorney	1. Assistant City Attorney 2. Deputy City Attorney
Fire Chief	1. Division Chief - Operations 2. Division Chief - Administration 3. Fire Marshal
Police Chief	1. Captain – Field Operations 2. Captain – Investigations 3. Lieutenant – Community Services Division
Finance Director	1. Accounting Manager
Director of Development Services	1. Assistant Director – Planning 2. Assistant Director – City Engineer
Director of Operations & Utilities	1. Assistant Director Operations 2. Assistant Director of Utilities



Primary City Position	Alternate
Director of Parks & Recreation	1. Recreation Services Manager 2. Parks Planning & Development Manager
Human Resources Director	1. Human Resources Manager

8.1 Essential Facilities-Alternate Government Facilities

In the event an alternate location is needed to perform the day-to-day governmental functions, staff will be notified to report to one of several identified governmental facility locations where those functions can be carried out. Based upon current conditions and situation status, the alternate location will be determined by the department head or senior city official.

Possible locations include:

- Tracy Community Center
- Tracy Police Department
- Tracy Public Works
- South San Joaquin Fire Authority Headquarters

8.2 Preservation of Vital Records

In Tracy, the City Clerk is responsible for managing the preservation of vital records. Vital records are defined as those records that are essential to:

- Protect and preserve the rights and interests of individuals, governments, corporations and other entities. Examples documents may include:
 - o vital statistics and public records
 - o land and tax records
 - o license registers
 - o articles of incorporation
 - o payroll information
 - o contracts and leases
 - o plans, policies, and procedures for critical processes
 - o ordinances and resolutions
- Conduct emergency response and recovery operations. Records of this type include utility system maps, locations of emergency supplies and equipment, emergency operations plan and procedures, personnel rosters, etc.
- Re-establish normal governmental functions and protect the rights and interests of government: constitutions and charters, statutes and ordinances, court records, official proceedings and financial records.

Each department within Tracy should identify, maintain, and protect its own essential records, plans, procedures, documents, and other important operating functions and coordinate efforts with the City Clerk.

9.0 PLAN DEVELOPMENT AND MAINTENANCE

South County Fire is responsible for the review, revision, management and distribution of the EOP.

The EOP is subject to periodic formal approval by the city council, whereas the Annexes are revised as needed and are not subject to formal review and city council approval. The Annexes are considered an extension of the EOP.

The EOP Basic Plan and Annexes will be reviewed on a biennial basis by South County Fire. The Basic Plan may be modified at any time as a result of a post-incident or post-exercise evaluation, or changes in responsibilities, laws, or regulations. Readoption by City Council may be necessary.

Annexes will be reviewed biennially or as conditions, responsibilities, guidelines and the like warrant or require. Additional annexes may be added following review by the City Manager.

In support of EOC operations and EOC positions, the City will develop a regular schedule for conduction trainings and exercises.



10.0 AUTHORITIES AND REFERENCES

10.1 Local Authorities and References

- City of Tracy
 - o Municipal Code
 - o Emergency Operations Plan
 - o Local Hazard Mitigation Plan
- San Joaquin County Office of Emergency Services
 - o San Joaquin County Emergency Plan

10.2 State Authorities and References

- California Government Code
 - o California Emergency Services Act
 - o California Disaster Assistance Act
- California Code of Regulations
- California Governor's Office of Emergency Services
 - o Standardized Emergency Management Systems Guidelines
 - o Cal OES EOP Crosswalk for local government
 - o State of California Emergency Operations Plan
 - o California Disaster and Civil Defense Master Mutual Aid Agreement
 - o Orders and Regulations that may be promulgated by the Governor during a State of Emergency or a State of War Emergency
- California-Federal Emergency Operations Center Guidelines: Integrating Federal Disaster Response Assistance with California's Standardized Emergency Management System

10.3 Federal Authorities and References

- National Fire Protection Association
- Federal Emergency Management Agency | U.S. Department of Homeland Security
 - o National Incident Management System
 - o National Response Framework
 - o Developing and Maintaining Emergency Operations Plans Comprehensive Preparedness Guide (CPG)
 - o Presidential Directives (5, 8)

GLOSSARY & ABBREVIATIONS

Activate: At a minimum, a designated official of the emergency response agency that implements SEMS as appropriate to the scope of the emergency and the agency's role in response to the emergency.

ADA: American with Disabilities Act

After Action Report (AAR): A report covering response actions, application of SEMS, modifications to plans and procedures, training need, and recovery activities. After action reports are required under SEMS after any emergency that requires a declaration of an emergency. Reports are required within 90 days.

Agency: An agency is a division of government with specific function, or a non-governmental organization (e.g., private contractor, business, etc.) which offers a particular kind of assistance. In ICS, agencies are defined as jurisdictional (having statutory responsibility of incident mitigation); or assisting by providing resources.

Agency Representative: An individual assigned to an incident or to an EOC from an assisting or cooperating agency who has delegated authority to make decisions on matters affecting that agency's participation at the incident or at the EOC.

American Red Cross: A nationwide volunteer agency that provides disaster relief to individuals and families.

Available Resources: Incident-based resources that are available for immediate assignment.

Care and Shelter: A phase of operations that meets the food, clothing, and shelter needs of people on a mass care basis.

CDAA: California Disaster Assistance Act

CERT: Community Emergency Response Team – a volunteer group organized by a local

government to assist during an emergency and/or disaster.

Chain of Command: A series of management positions in order of authority.

Continuity of Government (COG): All measures that may be taken to ensure the continuity of essential functions of governments in the event of emergency conditions, including line-of-succession for key decision makers.

COOP: Continuity of Operations Plan

Coordination: The process of systematically analyzing a situation, developing relevant information and informing appropriate command authority of viable alternatives for selection of the most effective combination of available resources to meet specific objectives.

Cultural competence: The ability to understand, value, communicate with, and effectively interact with people across cultures in order to ensure that the needs of all community members are addressed, with priority given to "culturally diverse communities." "Cultural competence" includes, but is not limited to, being respectful and responsive to the cultural and linguistic needs of diverse population groups.

Culturally diverse communities: Includes, but is not limited to, race and ethnicity, including indigenous peoples, communities of color, and immigrant and refugee communities; gender, including women; age, including the elderly and youth; sexual and gender minorities; people with disabilities; occupation and income level including low-income individuals and the unhoused; education level; people with no or limited or no English language proficiency; as well as geographic location.

Damage Assessment: The process utilized to determine the magnitude of damage and the

unmet needs of individuals, businesses, the public sector, and the community caused by a disaster or emergency event.

Dam Failure: Part or complete collapse of a dam causing downstream flooding.

Declaration: The formal action by the President to make a State eligible for major disaster or emergency assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, PL 3-288, as amended (the Stafford Act).

Declaration Process: When a disaster strikes, local authorities and individuals request help from private relief organizations and their State government, which give all assistance possible. If assistance is beyond their capability, the Governor requests a Presidential declaration of a major disaster or an emergency.

Delegation of Authority: A statement provided to the Incident Commander by the Agency Executive delegating authority and assigning responsibility. The Delegation of Authority can include objectives, priorities, expectations, constraints and other considerations or guidelines as needed.

Department Operations Center (DOC): A location used by a distinct discipline, such as fire, medical, hazardous materials, or a unit, such as Department of Public Works, Department of Health or local water district to manage and coordinate their departmental response functions in a disaster. Department operations centers may be used at all SEMS levels above the field response level, depending upon the impact of the emergency."

Disaster: A sudden calamitous emergency event bringing great damage loss or destruction.

DSW: Disaster Service Worker

Emergency: A condition of disaster or of extreme peril to the safety of persons and

property caused by such conditions as air pollution, fire, flood, hazardous material incident, storm, epidemic, riot, drought, sudden and severe energy shortage, plant or animal infestations or disease, the Governor's warning of an earthquake or volcanic prediction, or an earthquake or other conditions.

EMS: Emergency Medical Service

Emergency Operations Center (EOC): A location from which centralized emergency management can be performed. EOC facilities are established by an agency or jurisdiction to coordinate the overall agency or jurisdictional response and support to an emergency.

Emergency Operations Plan (EOP): The plan that each jurisdiction has and maintains for responding to relevant threats and hazards that defines the emergency management organization, structure and coordination.

Essential Facilities: Facilities that are essential for maintaining the health, safety, and overall wellbeing of the public following a disaster (e.g., hospitals, police and fire department buildings, utility facilities, etc.). May also include buildings that have been designated for use as mass care facilities (e.g., schools, churches, etc.).

Evacuation: Organized, phased, and supervised withdrawal, dispersal, or removal of people from dangerous or potentially dangerous areas, and their reception and care in safe areas.

Exercise: Maneuver or simulated emergency condition involving planning, preparation, and execution; carried out for the purpose of testing, evaluating, planning, developing, training, and/or demonstrating emergency management systems and individual components and capabilities, to identify areas of strength and weakness for improvement of an emergency operations plan (EOP).

Federal: Of or pertaining to the Federal Government of the United States of America.

**Federal Emergency Management Agency**

(FEMA): This agency was created in 1979 to provide a single point of accountability for all Federal activities related to disaster mitigation and emergency preparedness, response, and recovery.

First Responder: This term refers to individuals whose organizations specific and primary responsibility is to respond to life safety incidents.

Hazard: Natural or man-made source of danger or difficulty to people or property.

Hazardous Material (Hazmat): A substance or combination of substances, which, because of quantity, concentration, physical, chemical, radiological, explosive, or infectious characteristics, poses a potential danger to humans or the environment. Generally, such materials are classed as explosives and blasting agents, flammable and nonflammable gases, combustible liquids, flammable liquids and solids, oxidizers, poisons, disease-causing agents, radioactive materials, corrosive materials, and other materials including hazardous wastes.

Hazard Mitigation: A cost-effective measure that will reduce the potential for damage to a facility from a disaster event.

Hazard Mitigation Plan (HMP): The plan resulting from a systematic evaluation of the nature and extent of vulnerability to the effects of natural hazards, including the actions needed to minimize future vulnerability to identified hazards.

HSEEP: Homeland Security Exercise and Evaluation Program

Incident: An occurrence or event, either human-caused or by natural phenomena, that requires action by emergency response personnel to prevent or minimize loss of life or damage to property and/or the environment.

Incident Action Plan (IAP): The plan developed at the field response level that contains objectives reflecting the overall incident strategy and specific tactical actions and supporting information for the next operational period. The plan may be oral or written.

Incident Commander (IC): The individual responsible for the command of all functions at the field response level.

Incident Command System (ICS): The nationally used standardized on-scene emergency management concept specifically designed to allow its user(s) to adopt an integrated organizational structure equal to the complexity and demands of single or multiple incidents without being hindered by jurisdictional boundaries. ICS is the combination of facilities, equipment, personnel, procedures, and communications operating within a common organizational structure, with responsibility for the management of resources to effectively accomplish stated objectives pertinent to an incident.

Joint Information Center (JIC): A facility established to coordinate all incident-related public information activities. It is the central point of contact for all news media at the scene of the incident. Public information officials from all participating agencies should collocate at the JIC.

Joint Information System (JIS): Integrates incident information and public affairs into a cohesive organization designed to provide consistent, coordinated, timely information during crisis or incident operations. The mission of the JIS is to provide a structure and system for developing and delivering coordinated interagency messages; developing, recommending, and executing public information plans and strategies on behalf of the IC; advising the IC concerning public affairs issues that could affect a response effort; and

controlling rumors and inaccurate information that could undermine public confidence in the emergency response effort.

Jurisdiction: The range or sphere of authority. Public agencies have jurisdiction at an incident related to their legal responsibilities and authority for incident mitigation. Jurisdictional authority at an incident can be political/geographical (e.g., special district city, county, state or federal boundary lines), or functional (e.g., police department, health department, etc.)

Local Emergency: The duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property within the territorial limits of a county, city and county, or city, caused by such conditions as air pollution, fire, flood, storm, epidemic, riot, or earthquake or other conditions, other than conditions resulting from a labor controversy, which conditions are or are likely to be beyond the control of the services, personnel, equipment, and facilities of that political subdivision and required the combined forces of political subdivisions to combat.

Logistics: Providing resources and other services to support incident management.

Mitigation: Pre-event planning and actions that aim to lessen the effects of potential disaster.

Mutual Aid Agreement: Written agreement between agencies and/or jurisdictions in which they agree to assist one another upon request, by furnishing personnel and equipment.

Mutual Aid Region: A subdivision of Governor's Office of Emergency Services established to assist in the coordination of Mutual Aid and other emergency operations within a geographic area of the state, consisting of two or more county (operational) areas. Sonoma County is in Mutual Aid Region II.

National Incident Management System (NIMS):

A system mandated by HSPD-5 that provides a consistent nationwide approach for Federal, State, local, and tribal governments; the private-sector, and nongovernmental organizations to work effectively and efficiently together to prepare for, respond to, and recover from domestic incidents, regardless of cause, size, or complexity. To provide for interoperability and compatibility among Federal, State, tribal, and local capabilities, the NIMS includes a core set of concepts, principles, and terminology. HSPD-5 identifies these as the ICS; Multi-agency Coordination Systems; training; identification and management of resources (including systems for classifying types of resources); qualification and certification; and the collection, tracking, and reporting of incident information and incident resources.

National Response Framework (NRF): A plan mandated by HSPD-5 that integrates Federal domestic prevention, preparedness, response, and recovery plans into one all-discipline, all-hazards plan.

NWS: National Weather Service

Nongovernmental Organization (NGO): An entity with an association that is based on interests of its members, individuals, or institutions and that is not created by a government but may work cooperatively with government. Such organizations serve a public purpose, not a private benefit. Examples of NGOs include faith-based charity organizations and the American Red Cross.

Office of Emergency Services (Cal OES): The California Governor's Office of Emergency Services.

Operational Area: An intermediate level of the state emergency organization, consisting of a county and all political subdivisions within the county's geographic borders. An operational

area is defined in law (Section 8559, California Government Code) as an organization (not a jurisdiction) whose boundaries are those of a county. This organization is not necessarily a county government; it could be several cities, or a city and a county, a county government or several county governments, willing to undertake to coordinate the flow of Mutual Aid and information within the defined area. The operational area concept is the backbone of SEMS.

Plan: As used by OES, a document that describes the broad, overall jurisdictional response to potential extraordinary emergencies or disasters.

Preparedness: The range of deliberate, critical tasks and activities necessary to build, sustain, and improve the operational capability to prevent, protect against, respond to, and recover from domestic incidents. Preparedness is a continuous process. Preparedness involves efforts at all levels of government and between government and private- sector and nongovernmental organizations to identify threats, determine vulnerabilities, and identify required resources. Within the NIMS, preparedness is operationally focused on establishing guidelines, protocols, and standards for planning, training and exercises, personnel qualification and certification, equipment certification, and publication management.

Prevention: Actions to avoid an incident or to intervene to stop an incident from occurring. Prevention involves actions to protect lives and property. It involves applying intelligence and other information to a range of activities that may include such countermeasures as deterrence operations; heightened inspections; improved surveillance and security operations; investigations to determine the full nature and source of the threat; public health and agricultural surveillance and testing processes;

immunizations, isolation, or quarantine; and as appropriate, specific law enforcement operations aimed at deterring, preempting, interdicting, or disrupting illegal activity and apprehending potential perpetrators and bringing them to justice.

Private Sector: Organizations and entities that are not part of any governmental structure. It includes for-profit and not-for-profit organizations, formal and informal structures, commerce and industry, and private voluntary organizations

Public Information Officer (PIO): The individual at field or EOC level that has been delegated the authority to prepare public information releases and to interact with the media. Duties will vary depending upon the agency and SEMS level.

Recovery: Activities traditionally associated with providing Federal supplemental disaster recovery assistance under a Presidential major disaster declaration. These activities usually begin within days after the event and continue after the response activities cease. Recovery includes individual and public assistance programs that provide temporary housing assistance, grants and loans to eligible individuals and government entities to recovery from the effects of a disaster.

Resources: Personnel and equipment available, or potentially available, for assignment to incidents or to EOCs. Resources area described by kind and type and may be used in tactical support or supervisory capacities at an incident or at EOCs.

Response: Activities to address the immediate and short- term effects of an emergency or disaster. Response includes immediate actions to save lives, protect property and the environment, stabilize communities and meet basic human needs following an incident. Based on the requirements of the situation, response assistance will be provided to an affected State

under the National Response Framework using a partial activation of selected Emergency Support Functions (ESF) or full activation of all ESF to meet the needs of the situation.

Risk: Potential for an unwanted outcome resulting from an incident, even, or occurrence, as determined by its likelihood and associated consequences.

Special District: A unit of local government (other than a city, county, or city and county) with authority or responsibility to own, operate or maintain a project (as defined in California Code of Regulations 2900(s) for purposes of natural disaster assistance. This may include a joint powers authority established under section 6500 et seq. of the Code.

Stafford Act: Robert T. Stafford disaster Relief and Emergency Assistance Act, PL 100-707, signed into law November 23, 1988; amended the Disaster Relief Act of 1974, and the Sandy Recovery Improvement Act of 2013.

Standard Operating Procedures (SOP): A set of instructions having the force of a directive, covering those features of operations that lends themselves to a definite or standardized procedure. Standard operating procedures support an annex by indicating in detail how a particular will be carried out.

Standardized Emergency Management System (SEMS): A system required by California

Government Code for managing response to multi-agency and multi-jurisdiction emergencies in California. SEMS consists of five organizational levels that are activated as necessary: Field Response, Local Government, Operation Area, Region and State.

State of Emergency: The duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by such conditions as air pollution, fire, flood, storm, epidemic, riot,

TEP: Training and Exercise Plan – a plan that outlines a schedule of emergency management and related training courses for EOC and other support staff as well as a calendar of scheduled EOC and similar exercises

TFD: Tracy Fire Department

TPD: Tracy Police Department

Threat: An indication of possible violence, harm, or danger.

Tsunami: Also called a seismic sea wave. It is a large oceanic wave generated by earthquakes, submarine volcanic eruptions, or large submarine landslides in which sudden forces are applied to the water mass.

Vulnerability: Physical feature or operational attribute that renders and entity open to exploitation or susceptible to a given hazard.



ANNEXES





ANNEX 1 - TRACY CITY PROFILE

- **Date of Incorporation**—1911
- **Current Population**—94,538 (2022 CA Department of Finance estimate).

In 1869 the Central Pacific Railroad (now Southern Pacific) completed a rail line through the area which is now known as Tracy. The rail line ran from Sacramento through Stockton then over the Altamont Pass and then by ferry service to San Francisco. Shortly after the line was built, a new town sprung up nine miles from Stockton and became known as Lathrop Junction. Lathrop consisted of a roundhouse, railroad shop, yards and hotels for feeding railroad employees. The community became the center of railroad business and the headquarters for the Central Pacific Railroad in the San Joaquin Valley.

The railroad found it necessary to build a coaling station at the base of the Altamont Pass, just fourteen miles to the west of Lathrop. The new station was called Ellis and by 1870 it had about 45 buildings serving the needs of the railroad and its employees and their families.

In 1878 construction of a new rail line was started from Oakland around the shores of San Francisco Bay, through Martinez to connect to the Central Pacific at a point three miles to the east of Ellis. The line had been built to make possible greater efficiency by avoiding hills and to eliminate the expense of helper engines. The result of the new rail line was the founding of Tracy on September 8, 1878, named for Lathrop J. Tracy, a grain merchant and railroad director in Mansfield, Ohio.

Soon after the establishment of the new line connecting in Tracy, the railroad discontinued the coaling station at Ellis and employees and their families were moved to Lathrop and to the new Tracy station. The town of Ellis moved bag and baggage to Tracy including moving two hotels.

Tracy continued to grow as a railroad center. A new line through Los Banos was the fastest and least expensive way to Los Angeles. In August of 1894 railroad headquarters at Lathrop were moved to Tracy. All of the railroad equipment including engines and buildings were moved. Thus, Tracy's beginning is in fact the story of a railroad.

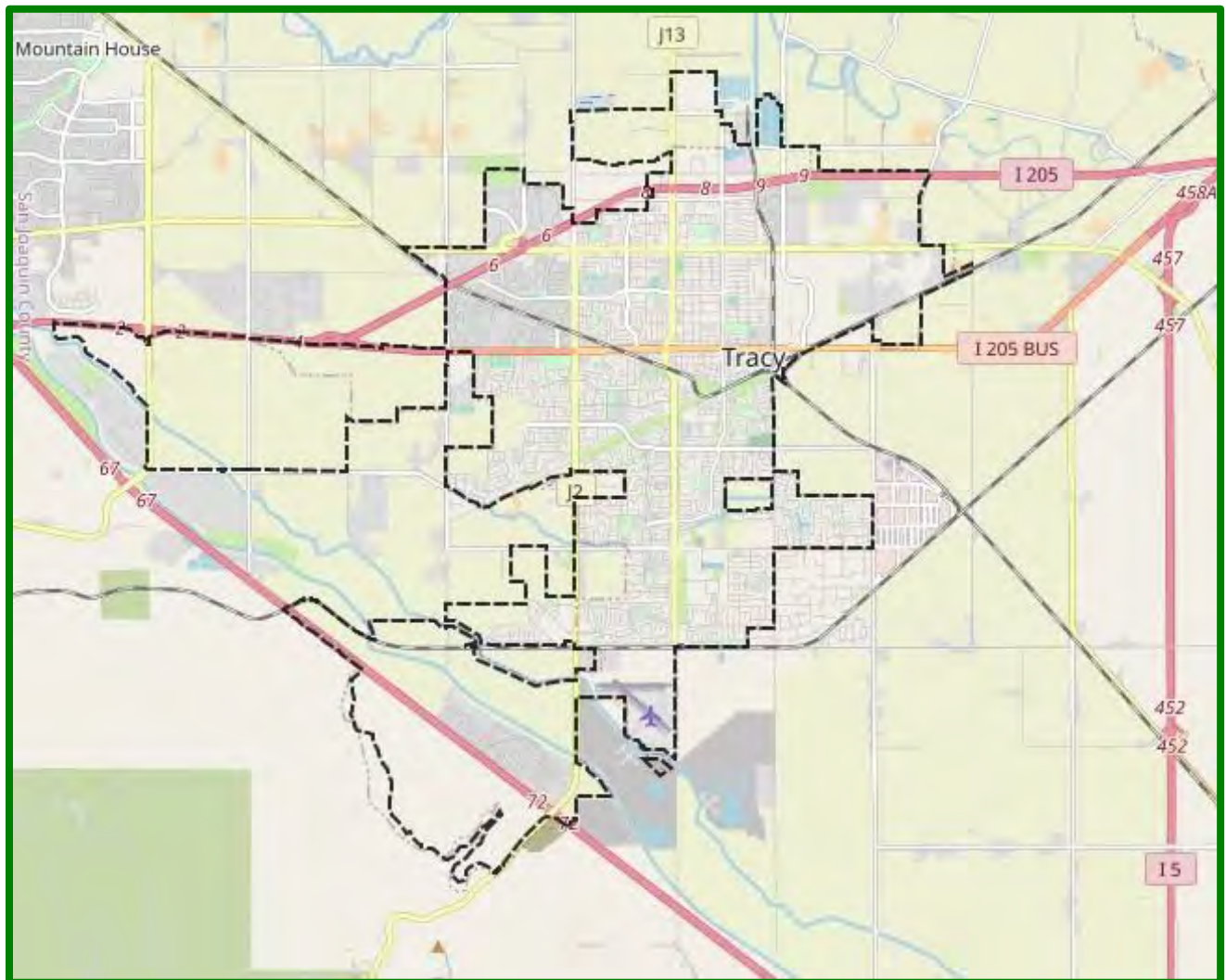
Tracy was incorporated in 1910 and it grew rapidly after the first irrigation district was established in 1915. Although railroad operations began to decline in the 1950s, Tracy continued to prosper as an agricultural area. Today, the City seal reflects this history of railroads and agriculture.

South San Joaquin County Fire Authority (South County Fire) – provides fire and emergency services (fire, rescue, hazmat) and emergency management services. South County Fire is a Joint Powers Authority between Tracy Fire Department and Tracy Rural Fire Protection Department formed in 1999 and serves the Greater Tracy area.

The map below shows the City boundary and Fire Authority's area of responsibility. The City border is inside the back dotted line. The Fire Authority's response area is both the red and yellow shaded areas; however, because of mutual aid coordination in the County, fire response may extend beyond the shaded areas.



City of Tracy & South San Joaquin County Fire Authority Areas



**ANNEX 2 - DEPARTMENT ROLES & RESPONSIBILITIES****City Attorney**

- Support proclamations of local emergencies
- Assess City operations and provide legal counsel as needed
- Ensure procurement process comply with necessary regulations

City Clerk

- Facilitate and administer proclamations of local emergencies
- Oversee and ensure preservation of vital City documents and records
- Monitor continuity of government
- Administer loyalty oath to Disaster Service Workers volunteers as needed

City Manager

- EOC Director
- Establish EOC response priorities
- Lead incident action planning, support, and coordination
- Authorize proclamations of local emergencies
- Develop and maintain communication with respective city councils
- Approve public information release
- Support public warnings and alerts
- Primary liaison to City Council

Development Services

- Manage and conduct post-incident/event city facility safety assessment
- Manage structural assessment function and establish structure re-entry standards
- Lead damage assessment efforts
- Coordinate and provide emergency assistance
- Develop and coordinate interim and long-term disaster housing
- Support damage assessment efforts
- Lead initial planning efforts for long-term recovery
- Assist with damage assessment effort

Finance

- Provide emergency procurement support
- Anticipate and track financial resources for staff, mutual aid requests, volunteers
- Develop financial mechanisms, procurement applications and contracts to support procurement
- Oversee staff timekeeping
- Oversee compensations and claims
- Provide fiscal oversight and tracking of expenses

DEPARTMENT ROLES & RESPONSIBILITIES



- Ensure correct FEMA forms are utilized for potential reimbursement

Fire (South San Joaquin County Fire Authority; aka South County Fire)

- Orchestrate all firefighting and fire rescue operations
- Lead EMS operations and coordinate with EMS ambulance provider agency
- Conduct hazardous material response operations
- Facilitate and coordinate emergency management and EOC operations
- Support emergency public warning and alerts
- Support evacuation and re-entry operations
- Support damage assessment efforts
- Provide incident planning and management support as needed
- Support and facilitate CERT activities

Human Resources

- Protect, restore and sustain city staffs
- Ensure city safety procedures
- Develop and coordinate human resources including contractors
- Identify any employee needs (e.g., childcare, shelter)
- Screen and track volunteers

Information Technology

- Protect, restore, and sustain cyber and information technology resources
- Oversee and manage telecommunication infrastructure
- Provide additional technology support as needed

Parks & Recreation

- Manage emergency care and shelter operations
- Support infrastructure restoration
- Assist in tree clearance from public rights of way
- Support re-entry operations

Police

- Conduct law enforcement operations
- Lead evacuations operations
- Conduct emergency public warning and alerts
- Provide facility and resource security
- Impose and enforce curfew as directed
- Provide public safety and security support
- Provide traffic control
- Provide access and control to affected areas

Operations & Utilities (formerly Departments of Public Works and Utilities)

- Conduct infrastructure protection, emergency repair, and restoration

DEPARTMENT ROLES & RESPONSIBILITIES



- Support movement operation/restrictions (traffic and access)
- Support public warnings and alerts
- Conduct debris clearance and manage debris operations
- Conduct flood fight operations
- Provide engineering services
- Coordinate with state agencies on state-controlled highways and roads
- Restore transportation infrastructure
- Manage city facilities
- Maintain, repair and restore wastewater infrastructure
- Maintain, repair and restore wastewater treatment plant operations
- Support damage assessment efforts
- Support evacuation and re-entry operations
- Provide potable water in support of care and shelter operations
- Coordinate with local water providers
- Coordinate with utility provider for the restoration of electrical and gas utility services
- Oversee and maintain water treatment plants
- Storm water management
- Water management
- Maintain City's traffic signals and streetlights,
- Support Police with traffic flow
- Support public works in its traffic flow efforts

City Council

The City Council is comprised of five elected individuals with one of them serving as mayor and one as mayor pro tempore. As elected officials, during regular city operations, they have certain roles and responsibilities. During major emergency / disaster situations, some of these roles and responsibilities may shift or be temporarily modified to accommodate current situations.

During an emergency and when the EOC has been activated, the City Manager is the Director of Emergency Services. The City Manager may delegate the responsibility of EOC Director from time to time to other City department heads such as the assistant city manager or police or fire chief.

The City Council has certain roles and responsibilities during a major emergency /disaster.

- Support City Manager in his/her role as Director of Emergency Services
- Support ongoing emergency services operations
- Affirm (or reaffirm) state of emergency proclaimed by the Director of Emergency Services
- Through the City Manager provide policy-level guidance, direction, and decisions related to the incident(s)
- Provide visible confidence and leadership; reassure residents that resources are being secured to manage the situation
- Mayor serves as city representative to media request while allowing operational personnel to respond to specific requests

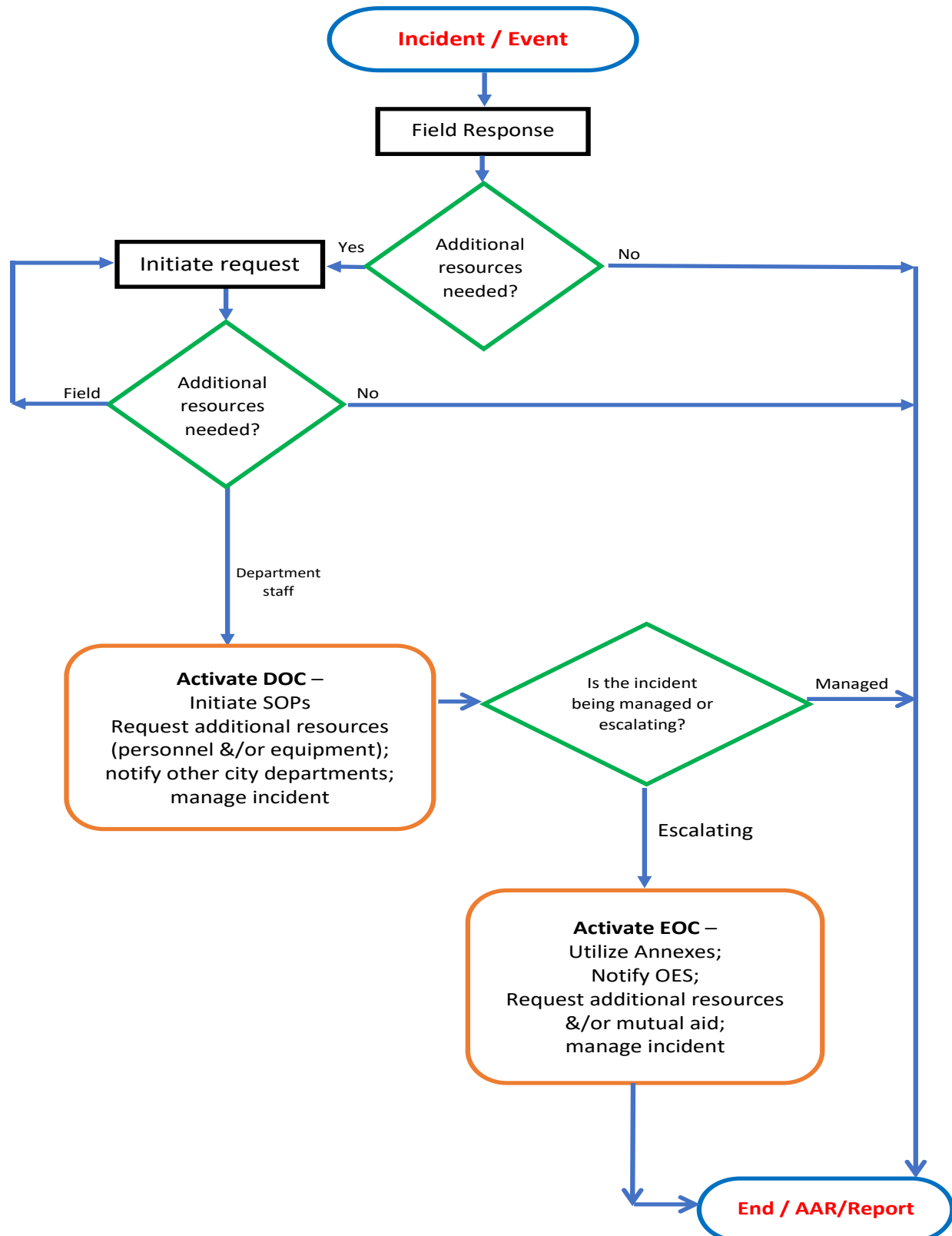
DEPARTMENT ROLES & RESPONSIBILITIES



- Liaison with County Board of Supervisors
- Support public information efforts as needed
- Support community engagement
- Attend public meetings as warranted
- Review potential or threatened litigation as appropriate
- Review and approve proclamation of local emergency
- When appropriate, view impacted or affected areas, shelters, and other facilities
- Review requirements for special legislation and development of policy
- Consider short- and long-term recovery staff recommendations

The City Council is restricted from the following activities during a major emergency or disaster:

- Controlling or interfering in field operations or giving direction to field personnel
- Controlling or interfering in EOC operations or giving direction to EOC personnel
- Entering an incident site without authorization from Incident Commander
- Singularly arranging for or entering into any contracts, agreements, and the like without prior City Council approval or arrangements or consultation with City Manager or from the EOC Finance Section or EOC Procurement Officer

**ANNEX 3 - EARTHQUAKES**



Overview

California is subject to major earthquakes. As demonstrated by past earthquake events, such as the 1906 and 1989 earthquakes, a large earthquake will cause major damage on a regional basis, destroying or damaging thousands of buildings, disrupting transportation and utility systems, and causing thousands of injuries or fatalities. Response to a disaster of this magnitude will severely strain the resources of both the public and private sectors in the region.

Purpose

This annex is a scenario-specific application of the EOP. Earthquakes occur without notice or warning and could strike anytime. The unpredictable nature of an earthquake and its aftershocks create probability of catastrophic damage throughout the county. The severity of the earthquake's impacts may overwhelm the capabilities for response for Tracy.

Initial Response / Situational Awareness

In accordance with the principles of the SEMS, NIMS and ICS the response to an emergency or disaster will be managed at the lowest level possible. Accordingly, Tracy will have the primary responsibility for responding to the impacts of the earthquake that occur within their own jurisdictions.

Given that an earthquake is a no-notice incident, it is critical to obtain situational awareness of the incident so that the appropriate resources can be deployed into the affected areas. While the ability to perform reconnaissance and to gather, verify, consolidate, and distribute confirmed situation information is vital to the response, it is equally important that initial response strategies are developed with an accurate picture of the potential scope of the disaster.

It is anticipated that resource requests will be relayed to mutual aid partners without delay and automatic aid for fire resources. When resources are exhausted, the Operational Area will be requested to support the OES Region. Allocation of resources will be made based on life safety, incident stabilization, and preservation of important property.

In an area-wide catastrophic disaster, Tracy recognizes that immediately following the earthquake, mutual aid assistance may be limited or non-existent and may need to rely upon available local resources.

Response

Public Safety and Public Works will be the initial responders following an earthquake. Following a brief initial department assessment (equipment and response capabilities), responders will follow policies, procedures, and protocols. Intelligence, field reports, and information will determine if activation is warranted.

Response agencies: South County Fire Tracy Public Works Department
Tracy Police Department Various city departments

Support agencies: San Joaquin County EMS San Joaquin County OES
American Red Cross Salvation Army
San Joaquin County Human Services Agency
Allied agencies (local, county, state, federal)



DURING

The response phase occurs from the onset of an earthquake and lasts until lifeline systems are at least partially restored. During this phase, functions that are critical to saving lives, to protecting people, and meeting basic human needs are performed. During this phase, functions that are critical to securing critical infrastructure and safeguarding records are also performed. This would include the activation of the EOC.

All EOC Sections

- Obtain current overall situational update for effected area
- Support current field operations
- Ensure adequate staffing to manage incident
- Plan for additional operational periods

Management

1. Orchestrate support of field operations
2. Manage EOC operations - establish objectives and operational periods
3. Draft and distribute relevant and timely media and public information releases (alerts)
4. Communicate with respective city council
5. Liaison between EOC and allied agencies

Operations

1. Monitor and support all field operations
2. Ensure departments and responders follow appropriate protocols and procedures
3. Communicate with incident command post (ICP)
4. Support non-incident related operations
5. Keep PIO informed of urgent and important information
6. Keep Logistics Section updated on equipment requests (current and anticipated needs)
7. Request additional resources (internal and/or external) [personnel and/or equipment]
8. Support mass care and shelter operations
9. Support field evacuation operations
10. Support alerts and notifications
11. Complete appropriate documentation

Planning

1. Facilitate and draft Emergency Action Plan (EAP)
2. Consider and plan for incident impact on city
3. Monitor current and predicted weather conditions
4. Document necessary and appropriate damage for possible claims/reimbursement
5. Update Web EOC as warranted with relevant information
6. Plan for additional operation periods
7. Support evacuation process
8. Initiate planning process for transition from Response phase to Recovery

Logistics



1. Fulfill requested resource request
2. Secure additional request as possible
3. Contact local vendors or OES for mutual aid requests
4. Support evacuation or shelter operations
5. Support evacuation process
6. Anticipate possible needs from interactions with OPS Section

Finance

1. Track expenditures of personnel, time costs, equipment, and related purchases
2. Track receipts and financial records

Phase 1 (initial occurrence through day 14)

Focus is upon notification, situational awareness, initiation of response resources with a priority on lifesaving and damage assessment. Continued priority remains on lifesaving, as well as life-sustainment operations to include medical treatment, sheltering/mass care services, and possibly evacuation. Mutual aid resources will have been requested and may be activated and possibly deployed in many cases.

EOC activation would follow the EOC Activation Annex and the Emergency Action Plan Annex.

Public Works / Engineering Division and Building Division is responsible for overseeing the evaluations of city-owned facilities.

Following an earthquake, three levels of evaluations take place. These should be performed by qualified individuals.

- Rapid evaluations (ATC-20 Rapid) – a quick safety review of the building, with approximately 10 -20 minutes spent on each building.
- Detailed evaluations (ATC-20 Detailed)– a more thorough assessment/evaluation of the integrity of the framing system and building's structure that may take from one to four hours; and,
- Engineering evaluations – comprehensive assessments performed by professional engineers and architects at the request of the facility owner(s) to ascertain the damage, its cause, and how to repair it.

Phase 2 (Day 14 – through 6 month)

Continued life-sustaining operations as required and focus on essential emergency repairs to critical infrastructure. Federal Emergency Management Agency (FEMA) disaster assistance programs will be implemented for housing, debris management, and repair/restoration of critical infrastructure. State and federal supplemental assistance will have arrived.

The EOC will remain activated as determined by the EOC Director and/or city manager.

Recovery

There are usually no clear distinctions between when the response phase ends and the recovery phase begins. This is even more difficult to distinguish during an earthquake due to possible aftershocks. There is typically a period after the earthquake in which both phases are in effect



simultaneously. The recovery phase can last for years. During this phase, the state and federal governments may provide disaster relief upon a Governor's Proclamation and a Presidential Disaster Declaration.

Functions during this phase include federal relief for public and individual assistance, establishment of Disaster Recovery Centers (DRCs), establishment of temporary housing facilities, and federal disaster loans and grants. Long-term recovery includes restoration of affected areas to their normal or to an improved state. Recovery and re-entry update information will be provided through the media. Re-entry control points must be established for the public who have a need to re-enter into the disaster areas following an earthquake.



AFTER

Management

1. Orchestrate support of recovery efforts
2. Ensure needed city operations/services are in place (Continuity of Operations)
3. Continue to release relevant public information and media reports; orchestrate multiple communicate avenues to residents and businesses regarding recovery information
4. Review EOC operations and staffing and adjust appropriately – plan for operational periods as necessary

Operations

1. Continue support of field operations transitioning from response to recovery using appropriate protocols and procedures
2. Oversee restoration of normal city operations
3. Support shelter operations; oversee transition from temporary sheltering to long term temporary housing options
4. Support alerts and notifications
5. Support re-entry operations of evacuated residents

Planning

1. Draft and orchestrate development of EAP
2. Continue to document and track recordings of activities
3. Draft plan and coordinate re-entry process of any evacuated residents
4. Develop medium term recovery plans
5. Collect documentation for AAR

Logistics

1. Continue to support field operations by obtaining necessary resources either from local vendors or mutual aid
2. Support shelter and evacuation center operations and transitioning from city managed short term care to external long-term options
3. Support re-entry process of evacuated residents

Finance

1. Collect expense reports, prepare summary reports
2. Use appropriate forms for possible claims and/or reimbursement
3. Submit forms when required

After action reports should be generated; these should include any improvements, recommendations, suggestions and plans.

Debris Removal – Public Property

In accordance with FEMA's Debris Removal Guidance, debris removal from public property may be eligible for public assistance grants. Eligible applicants include state and local governments,



Indian tribes, and certain private non-profit organizations. To be eligible for FEMA funding, the debris removal work must:

- Be a direct result of a Presidentially declared disaster
- Occur within the designated disaster area
- Be the responsibility of the applicant at the time of the disaster.

In addition, debris removal work must be necessary to:

- Eliminate an immediate threat to lives, public health and safety
- Eliminate immediate threats of significant damage to improved public or private property
- Ensure the economic recovery of the affected community to the benefit of the community-at-large

Debris Removal – Private Property

In accordance with FEMA's Debris Removal Guidance, debris removal from private property is typically not eligible for disaster assistance grants because it is the ultimate responsibility of the property owner to remove the debris. If debris on the private property is obstructing any public roadways or facilities, or is causing a local public health threat, the local government had the authority to be reimbursed for debris removal expenses. In addition, the State or local government may in some cases need to demolish a private facility that is unsafe and causing a threat of safety to life, property, and the environment.

The demolition of unsafe privately-owned structures and subsequent removal of demolition debris may be eligible when the following conditions are met:

- The structures are damaged and made unsafe by the declared disaster and located in the area of the disaster declaration.
- The applicant certifies that the structures are determined to be unsafe and pose an immediate threat to the public.
- The applicant has demonstrated that it has legal responsibility to perform the demolition.
- A legally authorized official has ordered the demolition of unsafe structures and removal of demolition debris.
- The applicant has indemnified the federal government and its employees, agents, and contractors from any claims arising from the demolition work; and,
- The demolition work is completed within the completion deadlines outlined in 44 CFR §206.204 for emergency work.

Phase 3 (6 months through 3 to 5+ years)

Continued support of Phase II with housing assistance, FEMA assistance programs, and initiation of long-term recovery strategy/programs with a goal toward fully implemented long-term recovery programs. This phase is to be considered a "recovery" phase, which will include the implementation of significant state and/or federal assistance programs.



Documentation

Documentation is the key to recovering eligible emergency response and recovery costs. Damage assessment documentation will be critical in establishing the basis for eligibility of disaster assistance programs. Under the State's California Disaster Assistance Act (CDAA), documentation is required for any earthquake damage sustained to the following:

- Public buildings
- Flood control works
- Irrigation works
- City streets
- Bridges
- Other public works facilities

Under federal disaster assistance programs, documentation must be obtained regarding earthquake damages sustained to:

- Roads (Public)
- Water control facilities
- Public buildings and related equipment
- Public utilities
- Facilities under construction (all facilities or only public facilities)
- Recreational and park facilities
- Educational institutions (Public)
- Certain private non-profit facilities

Earthquake debris removal and emergency response costs incurred by the affected entities should also be documented for cost recovery purposes under the federal programs. It will be the responsibility of the County, local jurisdictions, and special districts to collect documentation of these damages.

The information documented should include the location and extent of damage, estimates of costs for debris removal, emergency work and repairing or replacing damaged facilities to a non-vulnerable and mitigated condition. The cost of compliance with building codes for new construction, repair and restoration will also be documented. The cost of improving facilities may be provided under federal mitigation programs.

Documentation must begin at the field level and continue throughout the operation of the EOC as the disaster unfolds. Documentation is the key to recovering expenditures related to emergency response and recovery operations.

Potential Resource Requests

Regardless of preparation, Tracy will experience shortages of critical resources necessary to respond to the earthquake. Assumptions regarding necessary resources are described below. These resources may be available through the Mutual Aid system, the State and Federal governments, or the private sector.

- Teams to support fire-fighting operations and search & rescue



- Law enforcement resources for security
- Vehicles to move first responders, evacuees, and displaced residents
- Medical health professionals and resources
- Vehicles to move the injured and medically fragile
- Bedding, food, water, generators, medical supplies, sanitation supplies, qualified staff, and security for shelters
- Additional shelter space
- Mental health professionals and counselors
- Building inspectors
- Heavy equipment and operators for emergency shoring and debris removal, reduction, transport, and disposal
- Equipment, staff, and supplies for handling fatalities
- Water, food, supplies, sanitation facilities, and generators to support emergency operations and to support residents
- Fuel
- Qualified emergency managers and other staff to support EOC and DOC operations
- Public Information Officers (PIOs)
- Interpreters and translators
- Structural and civil engineers
- Utility restoration teams (power, gas, water, sewer)
- Communication restoration teams (satellite, cellular, wired, voice/data/video)



BEFORE

Preparation

The preparedness phase occurs to and in anticipation of a catastrophic earthquake. This phase focuses on promotion of increased public awareness of the potential emergency, preparation of necessary materials, and equipment or response to the emergency, and training for emergency response personnel. Typical functions of the preparedness phase include conducting public information programs, maintaining emergency resources inventory lists, and conducting exercise and training programs.

The following activities are associated with the preparedness phase:

- Provide training and information to mitigate the effects of a catastrophic event (earthquake)
- Train and equip response personnel
- Identify local staging areas and fuel sources
- Identify transportations resources and facilities, to include transportation for the injured, disabled, and others with access and functional needs
- Identify large, adequately equipped shelter facilities and transportation resources
- Identify adequate locations that could serve as Points of Distribution
- Promote employee personal preparedness
- Encourage public preparedness

Mitigation

It is recognized that preventing a catastrophic event from happening cannot occur; however, there are measures that can be taken to lessen the effects.

Such measures could include:

- adopting seismic resistant design standards, some of which are currently being followed
- comply with floodplain management guidelines
- adopting seismic non-structural design standards such as FEMA guides.



This document has been reviewed and accepted by:

Tracy Police Department

Date

Tracy Operations & Utilities Department

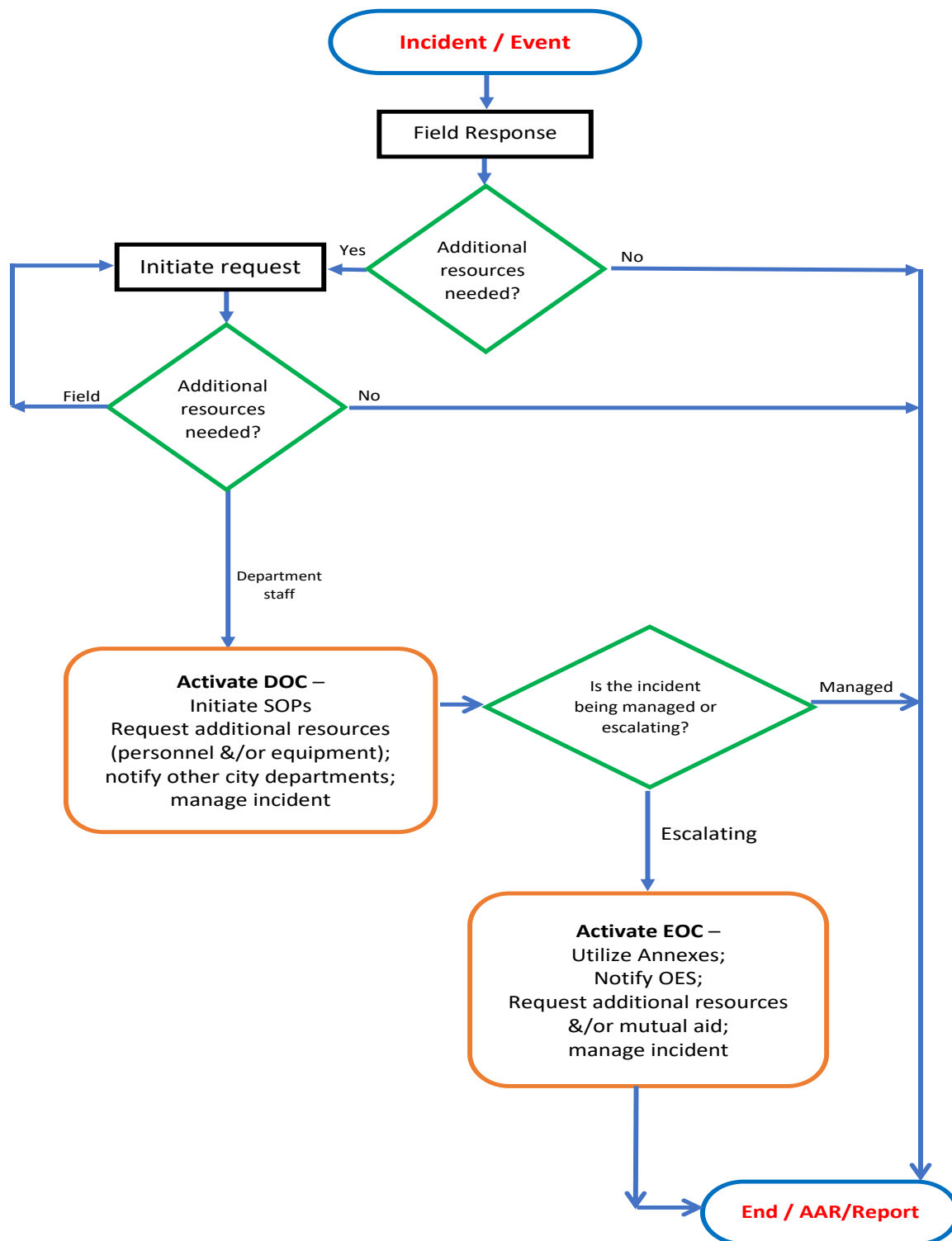
Date

South County Fire Authority

Date

Tracy Emergency Services Coordinator

Date

**ANNEX 4 - FLOODING**



Overview

Floods are one of the most common natural hazards in the United States. They can develop slowly over a period of days or occur quickly with disastrous consequences that can affect Tracy or the region. A flood is defined as the inundation of normally dry land resulting from rising and overflowing of a body of water. Heavy rains are the most frequent cause of flooding in the County with flood problems occurring primary along streams located on the bayside. Storm water and overland flows can exacerbate flooding and create shallow zones in parts of the County.

The Hazard Mitigation Plan identifies various types of floods:

- Storm water runoff – a result of local draining issues and high groundwater levels. Locally, heavy precipitation, especially during high lunar tides, may induce flooding. Urban drainage flooding is caused increased water runoff due to urban development and drainage systems.
- Riverine – is overbank flooding of river and streams.
- Flash flooding – “a rapid and extreme flow of high water into a normally dry area, or rapid water level rise in a stream or creek above a predetermined flood level beginning within 6 hours of the causative event.” NWS 2009

Most area floods occur during or following winter storms in the winter months. A flood can be the result of a substantial amount of rainfall in a short period of time or when the ground has become saturated from numerous storms and can no longer absorb additional rainwater.

Purpose

This Annex provides information and guidance that are specific to mitigation, planning, response and recovery actions that may be necessary to manage flooding situations in Tracy.

Lead agency: Tracy Operations and Utilities Department

Support agencies: Tracy Police Department
Tracy Fire Department
Tracy Recreation Department
San Joaquin County OES

Response

The degree of impact will dictate the degree of response.

Field responders will maintain communication and report on the status of conditions. An Incident Commander or supervisor will determine the need for any escalation using respective policies and procedures.

DURING

If the EOC has been activated:

All EOC Sections



- Obtain current overall situational update for affected area
- Support current field operations
- Ensure adequate staffing to manage incident
- Plan for additional operational periods

Management

1. Orchestrate support of field operations
2. Manage EOC operations—establish objectives and operational periods
3. Draft and distribute relevant and timely media and public information releases
4. Communicate with respective city council
5. Liaison between EOC and allied agencies

Operations

1. Monitor and support all field operations
2. Ensure departments and responders follow appropriate protocols and procedures (SOPs)
3. Communicate with incident command post (ICP)
4. Support non-incident related operations
5. Keep PIO informed of urgent and important information
6. Support field evacuation operations
7. Support any mass care and shelter operations
8. Keep Logistics Section updated on equipment requests (current and anticipated needs)
9. Request additional resources (internal and/or external) [personnel and/or equipment]
10. Complete appropriate documentation

Planning

1. Facilitate and draft Emergency Action Plan (EAP)
2. Consider and plan for incident impact on city
3. Monitor current and predicted weather conditions
4. Support any field evacuation operations
5. Document necessary and appropriate damage for possible claims/reimbursement
6. Update Web EOC as warranted with relevant information
7. Initiate planning process for transition from Response phase to Recovery

Logistics

1. Fulfill requested resource request; secure additional request as possible; contact local vendors or OES for mutual aid requests
2. Support any evacuation or sheltering operations

Finance

1. Track expenditures of personnel, equipment, and related purchases
2. Track receipts and financial record
3. Use appropriate form for potential reimbursement

Recovery

Recovery process may take some time depending on the extent of damage, water level in effected waterway, and current and upcoming weather conditions. Public works will be the lead for overseeing repairs to waterways and storm related management systems.



In addition to channel maintenance, repair to soil erosion may be necessary. While the cost of such might be covered in flood or storm incidents, the management of repair may occur outside of the immediate incident.

AFTER

Management

1. Orchestrate support of recovery efforts
2. Ensure needed city operations/services are in place
3. Continue to release relevant public information and media reports
4. Review EOC operations and staffing and adjust appropriately

Operations

1. Continue support of field operations transitioning from response to recovery using appropriate protocols and procedures
2. Oversee restoration of normal city operations
3. Support any re-entry process
4. Support closure of any shelter operations and assist in transition of displaced residents
5. Oversee re-opening of closed roadways and removal of barricades and other traffic notification devices

Planning

1. Continue to document and track recordings of activities
2. Collect documentation for AAR
3. Coordinate and support re-entry process of any evacuated areas

Logistics

1. Continue to support field operations by obtaining necessary resources either from local vendors or mutual aid
2. Support any re-entry process
3. Support any evacuation or sheltering operation and transition to closing facility

Finance

1. Collect expense reports, time costs; prepare summary reports; submit forms for possible claims and/or reimbursement
2. Utilize correct form for reimbursement

After action reports should be generated; these should include any improvement suggestions and plans. Suggestions and plans should have an effect on future planning and preparation efforts.

BEFORE



Mitigation

Mitigation efforts, consistent with the current Hazard Mitigation Plan focus on maintaining and managing channels, waterways, creeks, drains, spillways, and storm drains from any debris, erosions, vegetation, or anything that might impede or restrict water flow and runoff. Waterways that empty into the San Francisco Bay should also be clear of any obstruction.

The Tracy Department of Operations and Utilities is responsible for managing programs for city owned properties and facilities. Property owners are responsible for waterways which flow through private properties.

Storm management systems, including pump stations, should be regularly maintained and closely monitored during winter storms. Adequate alerting and notification systems should be in place.

Mitigation efforts should include:

- Enacting, updating and enforcing any land use and vegetation management codes
- Building and new and redevelopment use codes to mitigate impacts to waterways
- Regular inspection, maintenance and upgrading of storm drains, spillways, waterways (creeks and channels)
- Regular inspection, maintenance and improvements of retaining walls and breakwaters

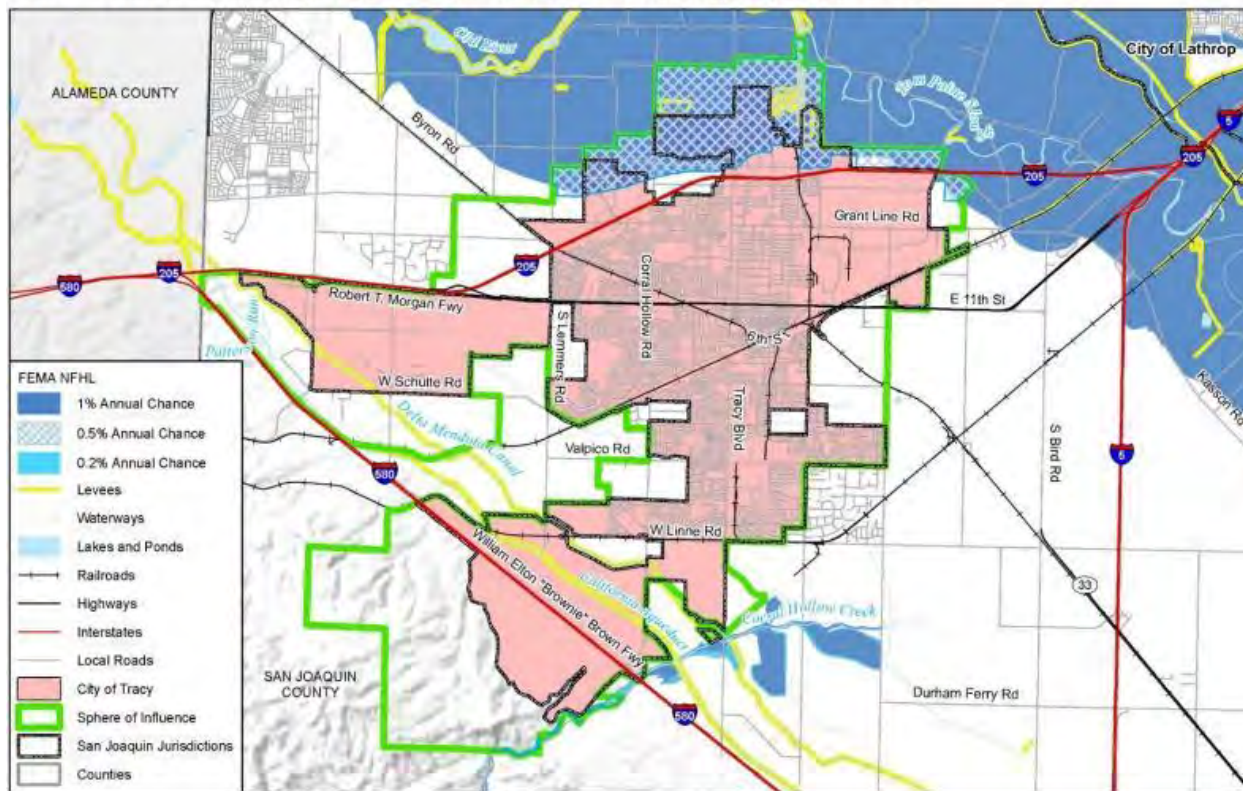
Preparation

As the winter season approaches, departments should be aware of current and upcoming weather conditions. Department should stage any appropriate equipment and supplies needed.

Residents should be reminded to clear any debris and vegetation on their property that might be adjacent to a creek, stream or waterway.

Public works should pre-identify hazard prone areas and share that information with fire, police and emergency management. Emergency management will monitor incoming weather information and distribute it to fire, police and public works. Tracy Parks and Recreation should refresh intelligence regarding shelter locations and condition in case of any evacuations.

4-31 FEMA NFHL Flooding for the 100-, 200-, and 500-Year Flooding Events, With Levees



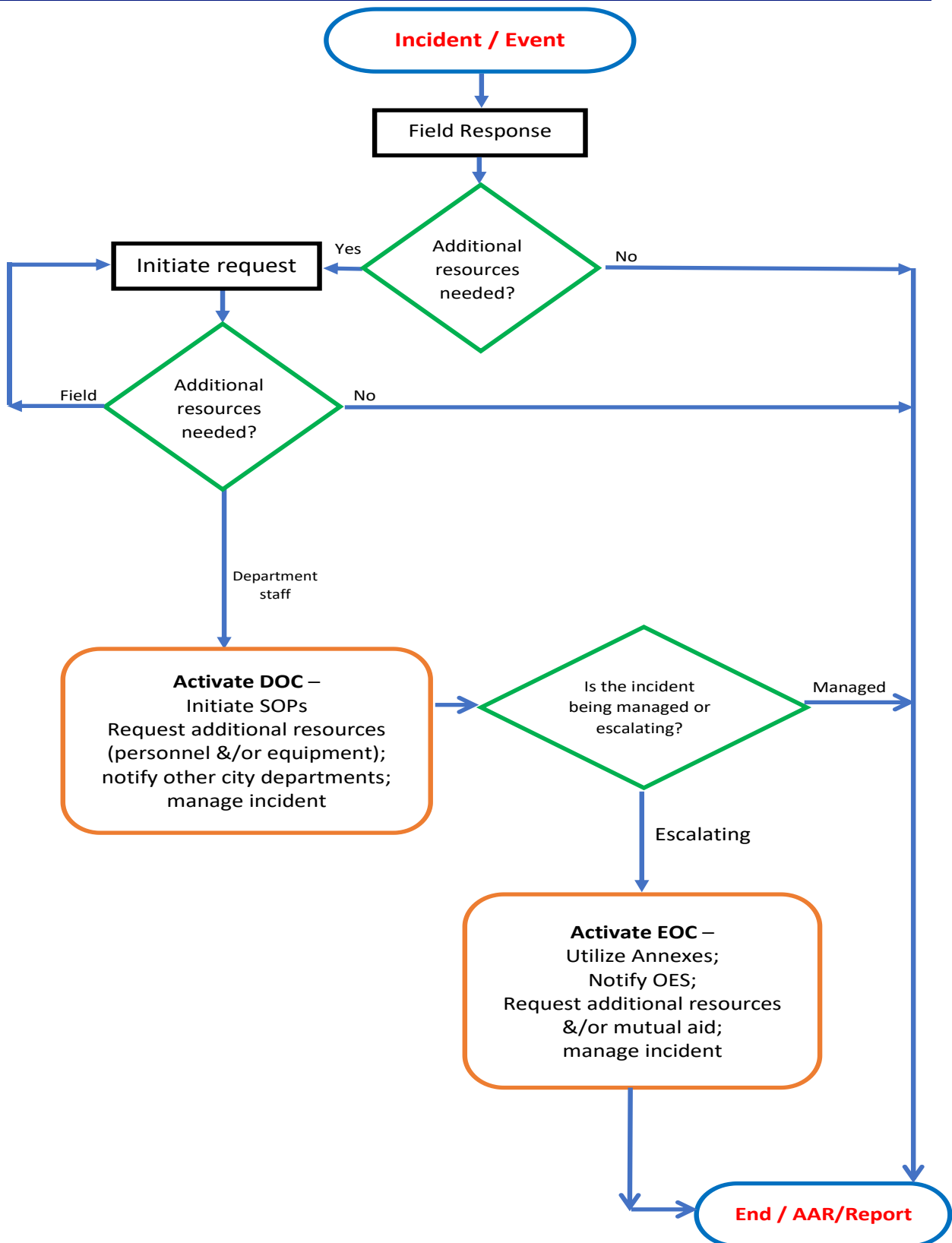
This Annex has been reviewed and accepted by:

Tracy Operations & Utilities Department

Date

Tracy Emergency Services Coordinator

Date

**ANNEX 5 - WILDFIRES**



INTRODUCTION

Purpose

This Annex is intended to ensure an effective and coordinated response to a significant wildfire event. This annex provides direction for city departments, community groups and allied stakeholders ensuring interagency coordination in accordance with the City's EOP.

This Annex is designed to accomplish the following:

- Serve as a planning document to support further development of major incident plans by City departments and agencies.
- Provide an overview of the threats that wildfire poses to City and define the potential range of impacts.
- Provide the response management team with contextual information to guide initial response planning.

Scope

This Annex has been developed in accordance with the City EOP. In keeping with the EOP's "all-hazards" approach for local emergency management, the response policies and protocols for a wildfire event will align with those established in the EOP. The Annex supplements the EOP by providing considerations for a response to a major wildfire event in the City.

This Annex does not alter existing City department emergency response standard operating procedures (SOPs), processes, or resources. Emergency response agencies (such as fire, law enforcement, and emergency medical services [EMS]) will adhere to existing department SOPs in accordance with all legal requirements.

Lead agency: Tracy Fire Department
Support agencies: Tracy Police Department
Tracy Operations and Utilities Department
Tracy Recreation Department
San Joaquin County OES

Situation

According to the California Governor's Office of Emergency Services (Cal OES), wildfire "represents the third most destructive source of hazard, vulnerability, and risk, both in terms of recent state history and the probability of future destruction of greater magnitudes than previously recorded (State of California , 2018). The most damaging type of fire is the Wildland-Urban Interface fire which occurs where the built environment and natural areas are intermixed (i.e., the border of urban areas).

Unlike other natural hazards such as flood, wildfires can rapidly escalate in size and threat. Major fires can generate their own wind patterns moving the fire in rapid and unexpected directions. Secondary effects of wildfire may include economic losses, reduction in harvestable timber, contamination of reservoirs, destruction of transmission lines, and contribute to flooding and mudslides.



A major fire may result in hazardous debris including destroyed or damaged structures, weakened infrastructure, damaged trees as well as ash containing lead, asbestos or household hazardous waste.

The City's eastern boundary abuts Tilden Nature Area and adjacent woodland areas. In a major wildfire, multiple local fire agencies may form a Unified Command (UC) to manage the incident. This command structure may address tactical operations, coordinate fire mutual aid resources, and organize logistics and public information.

The National Weather Service issues Red Flag Warnings and Fire Weather Watches to alert fire departments and residents of the onset, or possible onset, of critical weather and dry conditions that could lead to rapid or dramatic increases in wildfire activity.

- Red Flag Warnings are issued for weather events which may result in extreme fire behavior that will occur within 24 hours. A Red Flag Warning is the highest alert.
- Fire Weather Watches are issued when dangerous weather conditions could exist in the next 12 to 72 hours.

Planning Assumptions

Impact Assumptions

This Annex is based on a developing wildfire causing significant actual or potential loss of property. General impacts may include:

- Hundreds of residents may need to be alerted and evacuated with little or no notice.
- Hundreds of residents may require shelter because of evacuation or damage to homes.
- Electrical service and voice/data/radio communications may be impacted due to downed lines or damage to transmitters/antennas.
- Damage or loss of power to water and wastewater collection systems may cause disruption of vital services.
- Smoke will present visibility issues for residents and responders as well as indirect public health risks.
- A major wildfire event could generate tons of debris including construction and demolition, damaged trees, and hazardous waste.
- Structural damage to transportation infrastructure may take weeks or months to repair. These systems may be damaged or disrupted including bridges, roads, signage, and barriers.

Response Assumptions

- City residents have little or no experience with wildfire evacuations. This could significantly delay or disrupt evacuation operations.
- Law enforcement will be significantly challenged to coordinate and conduct notification, evacuation, and traffic management missions.
- A wildfire incident may impact the City with little or no warning. In a no-notice event, there may be insufficient time to notify local residents, prepare the City's emergency response organization and implement the City's Emergency Operations Plan.



- Additional law enforcement resources may be needed to maintain public order, augment rescue operations, and secure critical operations.
- The demand for emergency public information will be immediate and sustained. Social and traditional media coverage will be extensive.
- Assistance in the form of spontaneous volunteers, donated goods, and monetary donations will begin to flow into the City. Although this may provide desperately needed resources, it will create coordination and logistical support challenges.

CONCEPT OF OPERATIONS

The EOP defines the City's general emergency response organization, authorities, policies, priorities, and

procedures. In the event of a significant wildfire event, this Annex provides potential specific objectives that the emergency response organization may integrate into its operations (see Section 3 – Objectives).

Increased Readiness (Monitoring)

Once weather forecasts and fire conditions indicate a potential for a significant wildfire event, City departments may increase their readiness to conduct response operations. These efforts may include:

- Enhanced staffing
- Adjusting work hours
- Ready equipment and supplies
- Reducing non-critical operations
- Conducting protective operations
- Increased observation and monitoring of areas at greatest risk

The City's Emergency Operations Center (EOC) may be activated to develop enhanced situational awareness, expedite decision making, conduct stakeholder coordination, develop public information, and provide greater support to City departments.

Response

The City will provide immediate response via its public safety departments coordinating in the field using the ICS. The City's EOC will provide support to field personnel, coordinate the efforts of other City departments and collaborate with the San Joaquin County Operational Area and other allied stakeholders utilizing SEMS.

In the first few hours or days of a major wildfire event, the City will:

- Respond to the community's immediate life safety needs of warning and evacuation by making use of systems alert and notification systems as well as door-to-door notifications if needed
- Conduct fire suppression, property protection, EMS, and law enforcement operations as needed
- Assemble resources for a sustained response and for providing basic mass care, shelter, and information services to the community



- Begin to transition from immediate emergency response efforts to sustained operations
- Conduct sustained operations and begin to transition into recovery

When threatened by wildfire, some residents, businesses, and institutions may elect to evacuate without order or direction. A voluntary evacuation of a community may result in traffic congestion and raise concerns about protection of property. The local Incident Commander will coordinate with the Police Department for support when operations are affected by a spontaneous evacuation.

Short Term Recovery

The immediate response to a major wildfire event will focus on saving lives, providing resources to sustain City residents, and stabilize the situation. At some point, however, the City will transition to a phase in which recovery operations take precedence. Rapid initiation of recovery operations is critical to restoring confidence in the community.

Activities in this phase include mitigating life-safety hazards, enhanced security operations, utility restoration, limited debris clearance, resident re-entry, sustained public information, coordination of donations, and damage assessment. See Section 3 for objectives related to short-term recovery.

OBJECTIVES

General Objectives

Immediately following a major wildfire event, and for as long as a state of emergency exists within the City, response to the event will be the first priority of all City departments and agencies. All available City Disaster Service Workers (DSWs) will be directed to achieve the following objectives:

- Save lives
- Reduce immediate threats to life, public health and safety, public and private property, and the environment
- Provide necessary care, shelter, and medical services to City residents and other members of the general public
- Restore the operations of facilities, whether public or privately owned, that are essential to health, safety, and welfare of the community, including critical City facilities, utilities, and transportation infrastructure
- Assess damage to infrastructure, public facilities, and the built environment
- Expedite the restoration of services, the economy, and the community at large; and begin the process of recovery
- Keep the public informed

Enhances Readiness (Monitoring) Objectives

- Develop situational awareness regarding wildfire hazards, fire conditions and weather forecasts
- Develop and provide public information regarding forecasts, recommended preparedness actions



- Develop/refine public warning and evacuation messages
- Prepare to conduct warning and evacuation operations
- Consider activation of the EOC
- Assess and modify staffing levels/schedules
- Identify and prepare potentially needed equipment and supplies
- Relocate or safeguard equipment and facilities
- Reduce or halt non-critical operations

Response Objectives

In addition to those tasks and objectives outlined in the EOP, the following specific operational objectives should be incorporated into initial response operations and planning:

- Direct and assist immediate life-saving warning and evacuation operations
- Deploy law enforcement resources to support response activities and maintain law and order
- Identify at-risk populations, notify them, and begin evacuation if warranted
- Activate the EOC as needed.
- Develop real-time situational awareness to guide public information efforts. Consider deploying an EOC liaison to the Incident Command Post (ICP)
- Establish contact with the San Joaquin County Operational Area and allied stakeholder agencies
- Conduct emergency evacuation and traffic management operations as needed
- Identify potential sites for evacuation centers to accommodate displaced populations while emergency shelters are being opened
- Begin public information messaging regarding recommended personal protective actions, evacuation centers, and community assistance needed. Assess the need to activate the Joint Information Center (JIC)
- Develop a consolidated situation assessment and declare a state of emergency. Consider requesting a Fire Management Assistance Grant declaration (see [Fire Management Assistance Grant Program Guide](#), 2014 and [Cal OES guidance](#)).
- Coordinate the receipt and deployment of incoming resources to prioritized missions
- Designate staging areas and begin planning to accommodate support personnel
- Assess the situation at critical facilities and the condition of emergency communications systems
- Implement recall of City staff as needed
- Coordinate with the San Joaquin County Health Department to identify and address the threat posed by degraded air quality
- Complete an initial damage assessment of the City, identifying areas affected, major incidents, and operational status of critical services. Begin to develop Essential Elements of Information (EEl)s – see Attachment 1
- Assess critical resource shortfalls and begin requesting support through mutual aid and the San Joaquin County Operational Area. Consider resources needed for the next 14 days.
- Establish perimeter control around unsafe areas



- Assemble damage assessment information and submit the Cal OES Initial Damage Estimate (IDE)
- Assess conditions at designated emergency shelter sites and begin to supply with beds, water, food, medical support, generators, sanitation, and facility security; and begin to open emergency shelters to residents and DSWs
- Identify people with special support requirements and transfer to appropriate care facilities
- Designate primary traffic routes and implement debris clearance, route recovery, and traffic control
- Conduct outreach for situation status and resource needs for affected facilities needing support from City, including transit sites, schools, commercial buildings, and sites of historic/cultural significance
- Initiate social and traditional media briefings to inform residents on City operations, steps they can take, services available to them, ongoing rumor control efforts, and ways in which the community can help
- Establish shelter support coordinator teams and evaluate the shelter sites
- Establish plans for how to provide care for people with special support requirements that cannot be met in congregate care shelters
- Review and enhance security plans to maintain public order
- Review incident status reports to prioritize incident commands that can begin suspending emergency response operations and transition to sustained response and recovery operations
- Ensure that air quality, hazardous materials spills, and other environmental situations are monitored and risks addressed
- Coordinate with the San Joaquin County Operational Area to survey all licensed food establishments, including the emergency shelter/evacuation centers, feeding sites, and disaster kitchens to ensure there are no unsafe food handling or other sanitation or safety concerns

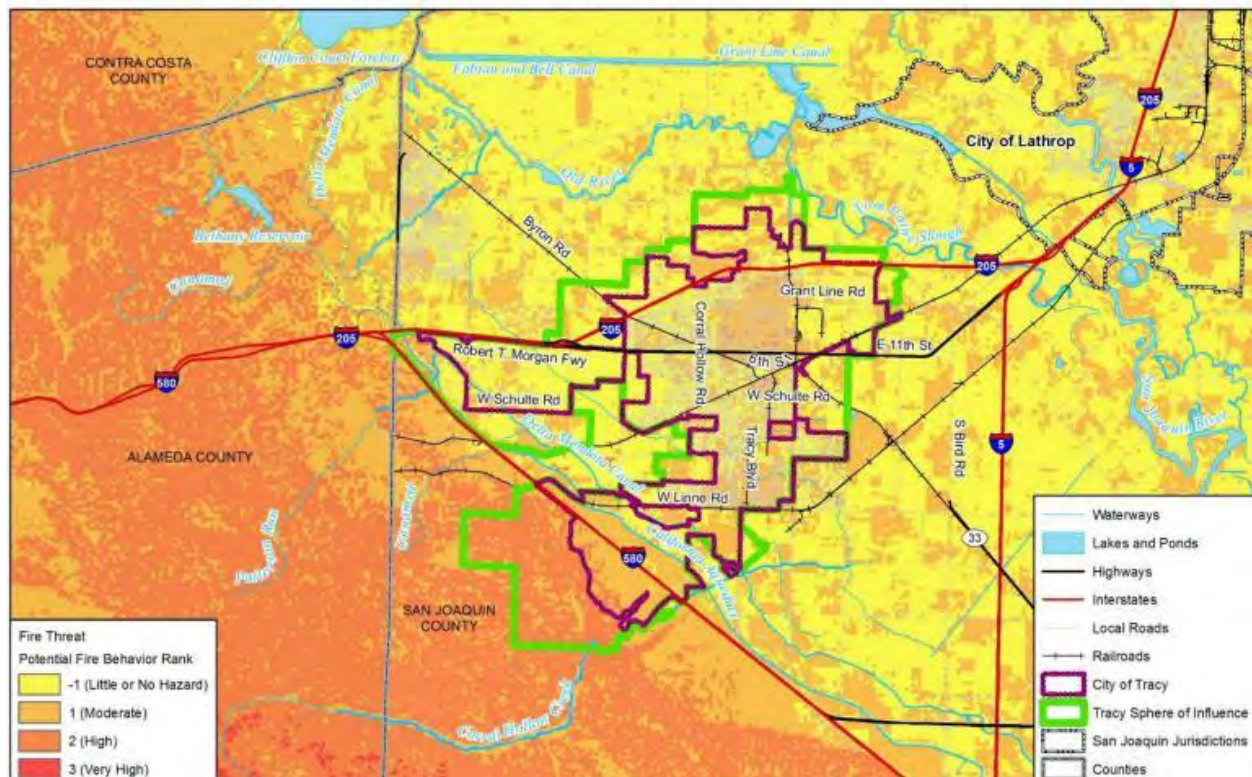
Short Term Objectives

- Develop public information to address how to safely clean-up fire damage, deal with insurance companies, dispose of debris, and access potential sources of assistance
- Coordinate with the San Joaquin County Operational Area to facilitate the recruitment, training, and deployment of volunteers and donations
- Work with the American Red Cross (ARC) and other organizations to provide information to support their Disaster Welfare Inquiry Program
- Develop a program to integrate the safety of volunteers and volunteer organizations in recovery operations
- Establish a debris management plan and begin to gather and transport debris from critical sites or routes
- Coordinate with the business community regarding business resumption activities
- Produce, regularly update, and distribute a multi-lingual, multi-format, disaster "Fact Sheet" to the media, people in shelters, field response personnel, residents and businesses

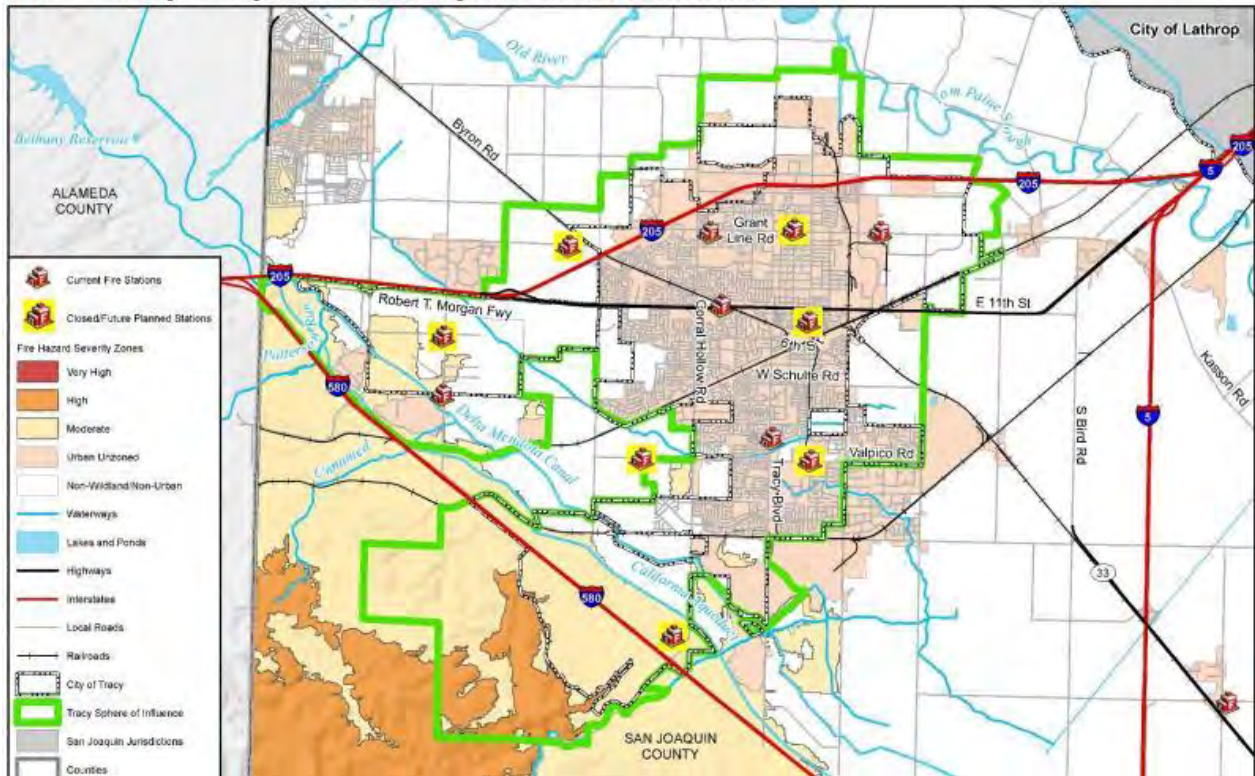
- Implement a process to allow limited entry (where safe) for recovery of personal items
- Coordinate with the San Joaquin County Operational Area to provide prioritized community behavioral health services (ex. those whose homes have been damaged/lost, shelter residents, children, and individuals who have suffered significant loss)
- Anticipate and support initial damage assessment visits by state and federal officials wanting to confirm the immediate and long-term unmet recovery needs of the City
- Conduct long-term recovery planning to address issues of interim housing, debris management, expedited permitting, environmental safety monitoring, soil stabilization, erosion control, coordination with non-governmental and non-profit organizations, and participation in state/federal disaster assistance programs

Tracy Wildfire Severity Zones

I-24 Fire Threat Rankings in and Around the City of Tracy



4-27 The City of Tracy Fire Hazard Severity Zones and Local Fire Stations



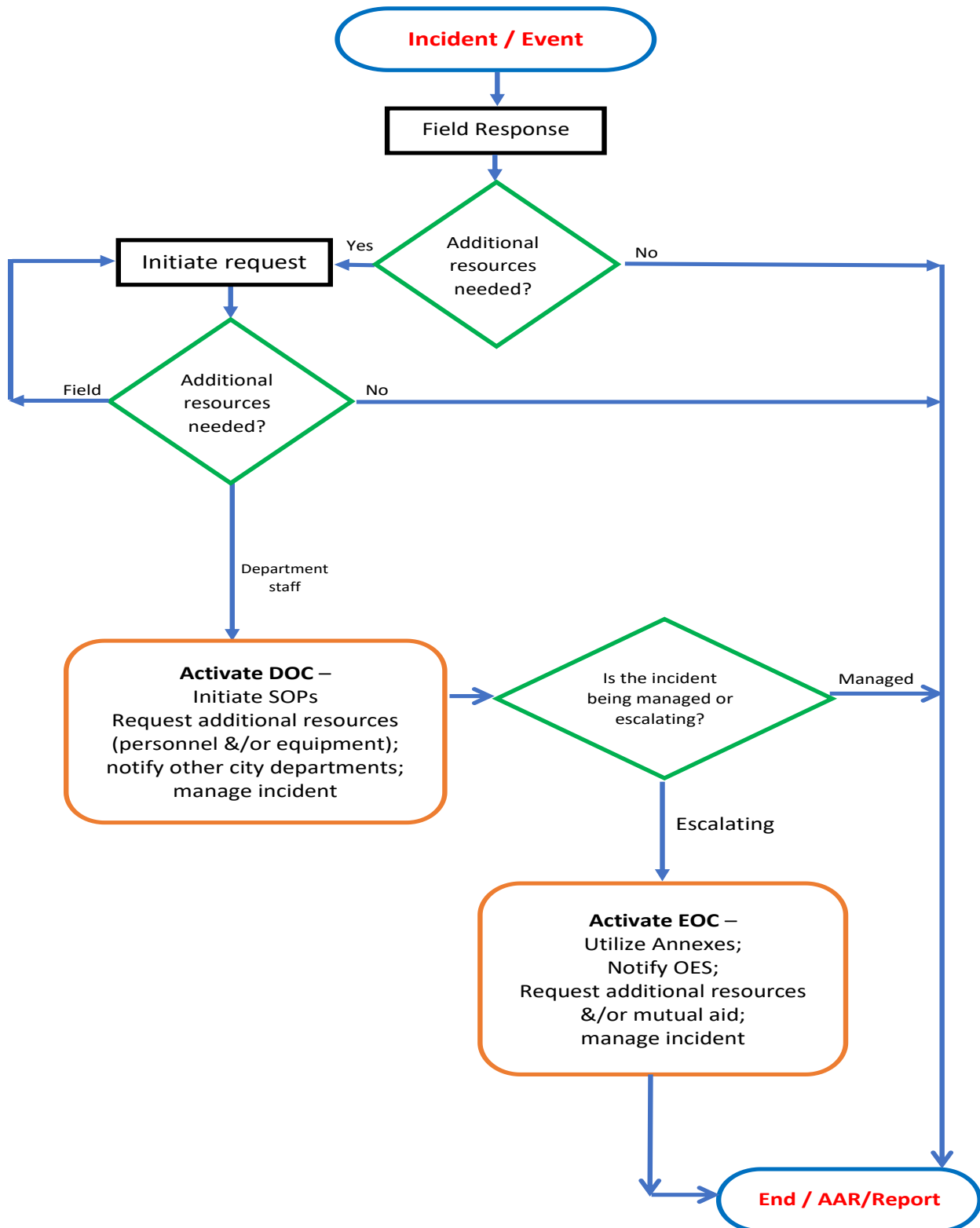
This Annex has been reviewed and approved.

South San Joaquin County Fire Authority

Date

Tracy Emergency Services Coordinator

Date

**ANNEX 6 - SEVERE WEATHER**



Purpose

This Annex provides information and guidance that are specific to mitigating, planning, response, and recovery actions that may be necessary to manage severe weather situations in Tracy and to be used following the need to activate the EOC. Examples of indicators for EOC activation include:

1. Multiple DOCs have been activated and better coordination is warranted, or
2. Conditions are such that overall coordination would be beneficial at a higher level

Overview

Severe weather usually occurs during the fall and winter months and is accompanied by wind and rain and potentially associated with flooding, slides, downed trees, and utilities outages.

Lead agency: Tracy Operations and Utilities Department

Support agencies: Tracy Police Department
Tracy Fire Department
Tracy Parks & Recreations
San Joaquin County OES

Once activated, use the following for EOC operations:

DURING

Response

Response will depend on the actual intensity of and impact from the storm. First responder units and departments will respond according to their respective Standard Operating Procedures (SOPs).

All EOC Sections

- Obtain current overall situational update for affected area
- Support current field operations
- Ensure adequate staffing to manage incident
- Plan for additional operational periods

Management

- 1) Orchestrate support of field operations
- 2) Manage EOC operations—establish objectives and operational periods
- 3) Draft and distribute relevant and timely media and public information releases
- 4) Communicate with respective city council
- 5) Liaison between EOC and allied agencies

Operations

- 1) Monitor and support all field operations
- 2) Ensure departments and responders follow appropriate protocols and procedures
- 3) Field crews should monitor prone / problem areas
 - a. Flood prone areas



- b. Creeks, streams and waterways
- 4) Manage downed trees and other debris
- 5) Monitor effectiveness of pump stations
- 6) Prioritize storm related response to incidents
- 7) Keep PIO informed of urgent and important information
- 8) Keep Logistics Section updated on equipment requests (current and anticipated needs)
- 9) Operations and Utilities Branch Director updates OPS Section Coordinator especially when significant changes occur
 - a. Change in intensity of storm
 - b. Significant utility outages
 - c. Roadway closures
- 10) CERT activation; community groups assistance
- 11) Support any mass care and shelter operations
- 12) Request additional resources (internal and/or external) [personnel and/or equipment]
- 13) Assist with damage assessment
- 14) Support any field evacuation operations
- 15) Complete appropriate documentation

Planning

- 1) Draft Emergency Action Plan (EAP) – facilitate input from all EOC Sections
- 2) Support field evacuation operations
- 3) Consider need for evacuation centers
 - a. Location
 - b. Staffing
 - c. Water and food
 - d. Informing residents
 - e. Transportation
 - f. Pet care
 - g. Use tracking system
- 4) Monitor current and predicted weather conditions
- 5) Document necessary and appropriate damage for possible claims/reimbursement
- 6) Collect damage assessment documentation
- 7) Update Web EOC as warranted with relevant information
- 8) Initiate planning process for transition from Response phase to Recovery

Logistics

- 1) Contact vendors
- 2) Fulfill requested resource request; secure additional request as possible; contact local vendors or OES for mutual aid requests
- 3) Support any field evacuation operations

Finance

- 1) Track expenditures of personnel, equipment, and related purchases
- 2) Track receipts and financial records
- 3) Pay for any immediate storm related costs



AFTER

Recovery

Planning for recovery should start during the response phase. While there is no specific time when the response phase transitions to the recovery phase, it will probably occur after the storm has passed through the area. Even though there may still be a number of calls for service because of the impact, the intensity has subsided. The EOC should continue to document storm related expenses for potential reimbursement.

Management

- 1) Orchestrate support of recovery efforts
- 2) Ensure needed city operations/services are in place
- 3) Continue to release relevant public information and media reports
- 4) Review EOC operations and staffing and adjust appropriately

Operations

- 1) Continue support of field operations transitioning from response to recovery using appropriate protocols and procedures
- 2) Oversee damage clean up and debris removal
- 3) Continue support of any shelter locations until shelter or EOC is closed
- 4) Oversee re-opening of closed roadways and removal of barricades and other traffic notification devices
- 5) Oversee restoration of utilities
- 6) Assist in collecting damage assessments
- 7) Support re-entry process of evacuated resident

Planning

- 1) Continue to document and track recordings of activities
- 2) Draft EOC deactivation plan
- 3) Monitor any relevant weather-related activity
- 4) Coordinate re-entry process and operations of any evacuated residence
- 5) Collect damage assessment reports

Logistics

- 1) Support local assistance centers, Small Business Administration (SBA) assistance
- 2) Continue to support field operations by obtaining necessary resources either from local vendors or mutual aid
- 3) Support reentry process of evacuated residents
- 4) Support any evacuation or sheltering operation and assist in transition for closing

Finance

- 1) Pay for any outstanding incident related expenses
- 2) Collect expense reports, prepare summary reports; submit forms for possible claims and/or reimbursement; use appropriate forms for reimbursement
- 3) Support local assistance centers, Small Business Administration (SBA) assistance



An After-Action Report should be generated; these should include any improvement suggestions and plans. Suggestions and plans should have an effect on mitigation and preparation efforts.

BEFORE

Mitigation

Weather history has shown that weather patterns change. The actual start date and intensity of winter weather varies; however, knowing that the area tends to experience winter storms regularly allows for actions that could mitigate their impact. This could include the following:

- Maintaining and clearing storm drains inlets and pipelines
- Maintaining and clearing of creeks, trash ramps, and trash bars
- Maintaining creek and drain monitoring equipment
- Continual street sweeping activity to prevent the intrusion of debris into storm drain system
- Regular maintenance, repairs and upgrades of storm water and sanitary sewer pumps, pump stations and related equipment
- Drafting of storm response plans
- Removal of debris or dead plants or trees in advance of storm season
- Ensure tree and branch maintenance near power lines
- Ensure needed storm response supplies are stocked, including sandbag equipment, generators have been serviced and fuels and barricades are workable and in stock
- Encourage residents to register for San Joaquin County's Community Warning System Alerts
- Reminding residents to "storm ready" their property, check and restock emergency supplies, and have plans in case of power outages; utilizing community groups to educate public on storm preparations
- Maintain updated information on shelters and evacuation centers
- Provide staff with seasonal weather outlook from National Weather Service (NWS)
- Remind residents who live adjacent to a creek to minimize flow impact by keeping the creek clean and clear of debris

Mitigation efforts also should be coordinated and in concert with the Hazard Mitigation Plan (2018), neighboring jurisdictions and the County.

Preparation

During winter storm season, it is important that people are prepared for and know how to respond.

Since various departments are designated as first responders (fire, police and public works), they should stay updated on current and upcoming weather conditions. When a storm is predicted for the area, departments should make appropriate plans based on the potential impact. This could include:

- Staging of resources or material at strategic locations
- Staffing personnel to ensure adequate coverage



- Notifying residents
- Staff meetings or planning sessions
- Monitoring of storm's progress
- Contacting NWS
- Interacting with county allied agencies
- Checking equipment and supplies
- Refueling of vehicles in accordance with storm readiness plans
- Inspect known local "hot spots"
- Review local tide charts

Lead agency: Tracy Operations and Utilities Department

Support agencies: Tracy Police Department
South San Joaquin County Fire Authority
San Joaquin County OES

This annex has been reviewed and accepted by:

Tracy Operations & Utilities Department

Date

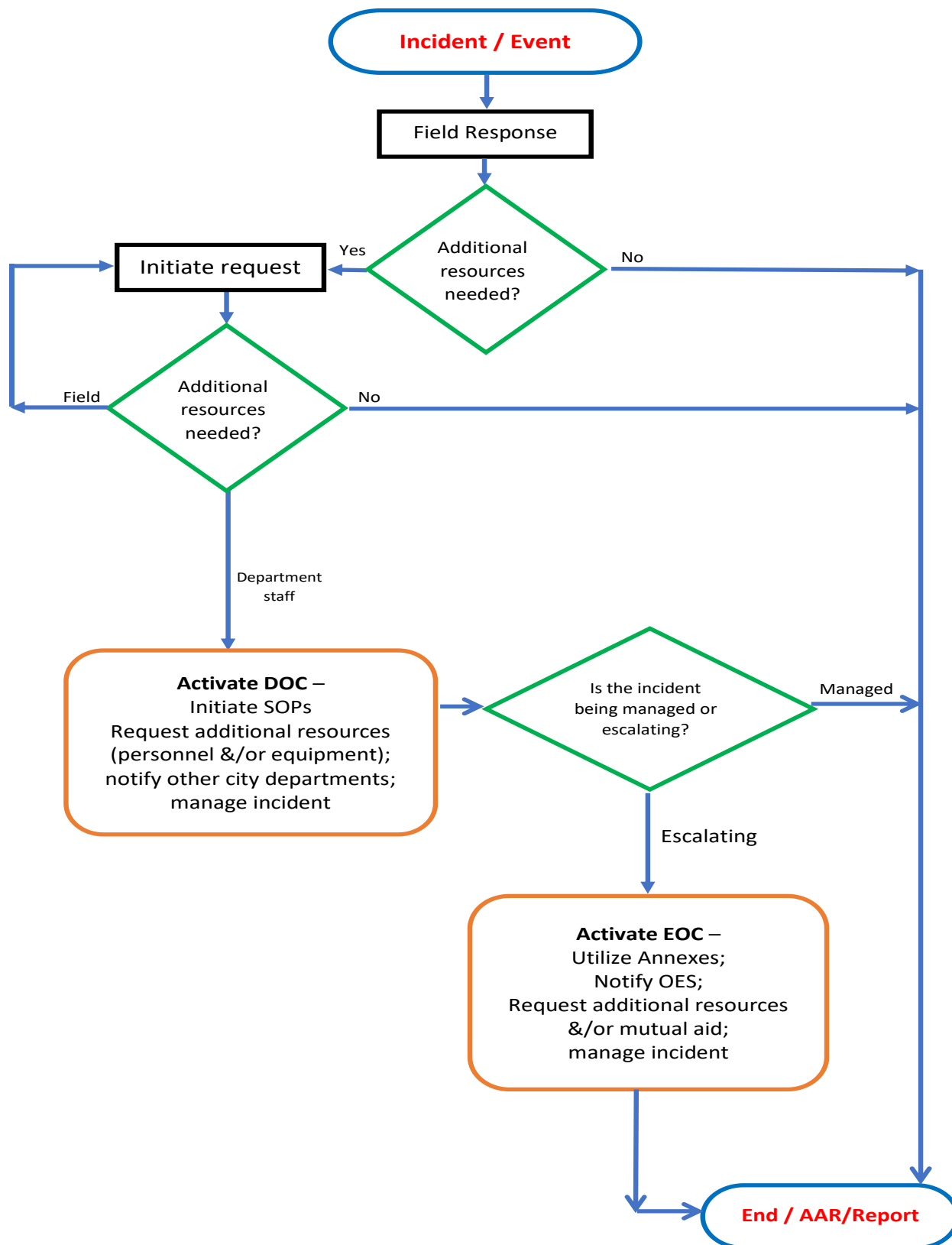
Tracy Emergency Services Coordinator

Date



Potential Severe Weather incident timetable

Flood/ Winter Storm	Incident			
	+1 Hour	+2 Hours	+6 Hours	+10(+) Hours
Management	Activate EOC Initial Press Release/press conference	Policy meeting to determine next steps	Updated Press release	Determine when "All clear" Plan for next cycle of operations if needed Emergency declaration if needed
Operations	Activate section Order public works equipment CERT activation Support field incidents responders	Enforce road closure Deploy 1 st responders CERT deployment	Enforce road closure Begin damage assessment	Enforce road closure Report damage assessment Inspect buildings/tag Clear debris/roadways Plan for next cycle of operations if needed
Planning	Activate section Brief Section Coordinators on NWS update Calculate and map inundation area	Brief Section Coordinators on NWS update Calculate inundation area	Brief Section Coordinators on NWS update Collect damage assessment data	Brief Section Coordinators on NWS update Collect damage assessment data Plan for next cycle of operations if needed
Logistics	Activate section Request PW equipment Establish contact w/ vendors if necessary	Arrange delivery of needed PW assets	Continue to support	Continue to support Plan for next cycle of operations if needed
Finance	Activate section Account for activated personnel (EOC & field personnel assigned to incident) Establish contact w/ vendors if necessary	Start process of keeping track expenditures	Continue to support	Tabulate damage costs and expenditures of County resources Plan for next cycle of operations if needed

**ANNEX 7 - MASS CARE AND SHELTER**



Overview

Following a major disaster many residents may be unable to use or return to their residents, have no alternate housing and/or transportation to another location may be impossible or delayed. Therefore, it may be necessary for Tracy to provide temporary sheltering locations. The Care and Sheltering of local residents reside with the City; working collaboratively with County OES and the local Red Cross chapter, locations have been identified that comply with established guidelines for either evacuation centers or shelter locations.

Purpose

This Annex provides information and guidance that are specific to planning, response and recovery actions that may be necessary to manage care and sheltering situations. This annex applies to large scale disaster or catastrophic situations and not day -to-day emergencies.

Preparation

In advance and in preparation working in collaboration with San Joaquin County Office of Emergency Services, San Joaquin County Employment and Human Services, and the local American Red Cross chapter, Tracy will pre-designate suitable, acceptable and qualified care and shelter locations which comply with current standards.

Shelter staff members will receive appropriate training on care and management from American Red Cross.

Accommodations will take in consideration people with disabilities and access and functional needs.

Response

Lead agency: Tracy Recreation Department

Support agencies: Tracy Police Department
Tracy Fire Department
Tracy Operations and Utilities Department
San Joaquin County OES
American Red Cross
San Joaquin County Human Services

Shelter operations may be supported by community-based organizations, faith-based organizations, and non-profit organizations.

Duration and scope of local shelters will be proportional to the situation's severity and assistance needed.

Activation

During an emergency or disaster, the EOC will be monitoring the situational status of the current incident and the displacement of residents. Based upon intelligence and information from field operations sent to the EOC Planning Section and other section, the EOC Director will determine



the need to activate and direct the Care and Shelter Branch to oversee and support the opening of shelters for affected residents.

Notification

The EOC Public Information Officer (PIO), working with the Care and Shelter branch to coordinate messages and notifications, will communicate the location shelters and other relevant information.

Set Up and Staffing

Various facilities in San Joaquin County have been designated as general population shelters capable of being set-up to receive residents. The American Red Cross maintains the National Shelter System database of qualified shelter locations.

A local Care and Shelter Coordinator will be designated. Additional staff will be supplied by the city and supplemented by Red Cross and Human Services Agency volunteers. CERT team members who have been shelter trained may also assist.

Care should be taken for individuals requiring shelter including those that may require additional assistance which may include the following:

1. Seniors' residents
2. Medically fragile or dependent
3. Limited English proficiency or non-English speakers
4. Limited mobility; access and functional needs
5. Unaccompanied minors

Service animals are allowed to accompany individuals throughout all stages of a disaster.

During a disaster, mass care operations will require an influx of resources from outside the area to be fully operational. A full complement of resources will be contingent on the severity of the event, impact to transportation infrastructure and the ability to move resources and supplies into the affected area.

The Red Cross maintains Shelter Management Coordinators to support local officials and volunteers in the staffing of shelters.

Other facilities, such as faith-based organizations, may offer assistance to their organization members and others in the community. While they may receive relief supplies, organization and management would be supplied by such facilities.

Long Term Sheltering - There will be groups (families and individuals) that may require long term sheltering. This will be dependent on factors that arise due to the type, severity and location of the disaster. If the need for long term sheltering is determined through the local assessment process, then a request for federal assistance is made so that temporary housing resources will be provided if a federal disaster is declared. FEMA defines long-term sheltering as more than two weeks.



Demobilization

Once a shelter has been activated, the decision for the demobilization order will be a coordinated effort with the Red Cross and Tracy EOC. All evacuees must be returned to their homes, family member's homes, or moved to another facility before the shelter can be closed.

Factors that impact the decision to close a shelter include an urgency to return the shelter to its day-to-day use, availability of transportation, or the availability of long-term accommodations.

Recovery

During the recovery process, emphasis will be placed on cleanup, shelter demobilization, and critiquing operational performance. The Care and Shelter staff will participate in the demobilization and recovery process; coordinate provision of support for cleanup and recovery operations, as needed; and request the provision of financial and behavioral health services for individuals and emergency workers, where appropriate.

Most of the immediate needs of the population will have been provided, and if the disaster surpasses local available resources, federal and state governments will become heavily involved in providing financial aid to victims. Local Assistance Centers (LACs) will be set up to coordinate the delivery of needed services.

The EOC Care and Shelter Branch has responsibility for phasing out the shelter facilities and assisting displaced persons in obtaining next phase temporary housing and other aid. The demobilization plan of action, drafted by the Care and Shelter Branch, will outline public/private partnership roles, responsibilities, resources, and protocols for the recovery transition period.

This document has been reviewed and accepted by:

Tracy Recreation Department

Date

Tracy Emergency Services Coordinator

Date



ANNEX 8 - EOC ACTIVATION

Overview

Incidents and/or events in Tracy may rise to a level which require significant resource and incident management support and oversight. This may be from a natural or human-caused disaster or an event that has significant impact to the City. The EOC can support field operations by coordinating their resources and more efficiently assess the situation and respond to requests from the field.

Purpose

This annex outlines the procedures and guideline for activating the EOC.

The EOC Director will determine the staffing needs for the EOC. The emergency management staff will maintain the list of EOC personnel and EOC teams. "SMC Alert" is used to send notification to EOC Staff. All members of the EOC Staff are responsible for ensuring their SMC Alert account information is current.

- When a major emergency or disaster strikes, centralized emergency management is necessary. The EOC provides this needed centralized management. When activated, representatives from both jurisdictions and assigned private agencies such as American Red Cross will report to the EOC to coordinate decision-making, department activities, and liaison with different levels of government as well as with private entities and non-governmental organizations.
- The EOC provides a centralized focus of authority and information and allows for face-to-face coordination among personnel who must set priorities for use of resources and evaluate the need to request mutual aid.
- The role of the EOC is to support Field Operations, coordinate with San Joaquin County Operational Area, other neighboring city EOCs and various Department Operations Centers.
- Field Incident Commander(s) has/have the responsibility to report his/her/their incident status and necessary resource requests, to manage the incident, to the EOCs and DOCs. The EOCs and DOCs then communicate all incident status and needed resource requests to the San Joaquin County Operational Area EOC.
- All pertinent information is then used by the Policy Group and Planning to create the Action Plan for the next operational period.

EOC Locations

The primary EOC location is:

- City Hall located at 333 Civic Center Dr. Tracy, CA

Alternate EOC locations include:

- Boyd Service Center at 520 Tracy Blvd., Tracy, CA



Use of alternate locations would be when use of the primary EOC would be or potentially be unsafe or unusable.

EOC Functions

Functions	Responsibility
Receive and disseminate notifications of warnings	EOC Director, Emergency Services Coordinator
Coordinate emergency operations between: 1. San Joaquin County Operational Area, Cities, towns, local and state agencies, different levels of government 2. Special districts, Utility companies, school districts, non-profit organizations and outside agencies 3. The media and general public	1. All EOC Sections 2. EOC Agency Representatives 3. Public Information Officer (PIO) and Joint Information Center (JIC)
Develop polices and determine if a local proclamation is needed	EOC Director
Develops objectives, disseminate public information, provide legal advice,	EOC Management Section
Develops strategy to implement objectives and the allocation of resources based on policy	Operations Section
Collect Intelligence and disseminate information to EOC, Department Operating Centers (DOC), and Operational Area EOC. (Operational Area will contact State and Federal agencies on behalf of the local jurisdictions.)	Planning Section
Coordinate the logistics support of resources and personnel and ensure the integrity of communications and information services. Work with Finance to track all contracts to assure reimbursement.	Logistics Section
Track costs of response personnel, equipment, and damage to county property. Coordinates the financial recovery of the county. Ensure that there are policies regarding bidding in regard to contract work during an emergency.	Finance Section

Response

When to Activate the EOC

The EOC is activated at the request of field response personnel (Incident Commander or field supervisor), Department Operation Centers (DOCs) or senior fire, police or public works official to provide support during any significant incident or event.



If the activation of the EOC is needed, the Emergency Services Coordinator or their designee will contact the City Manager. If the City Manager is not available, they will attempt to contact his or her alternate.

Levels of EOC Activation

The City has three (3) levels of EOC activation:

- **Level 3 – Minimum Staffing** Key personnel needed to conduct operations as designated by the Incident Commander and the Director of Emergency Services or designee. (Usually used during a warning phase or a build-up phase.) At the discretion of the Director of Emergency Services the EOC may not be physically set up at this level. Normally this level consists of the Emergency Services Coordinator monitoring the situation.
- **Level 2 – Partial Staffing.** Additional personnel for specific functions needed to conduct operations as designated by the Incident Commander and the Director of Emergency Services or designee. This can include a person from the Logistics section to order supplies, a person from the Plans section to track the situation status, and one or more members of the Operations section, including Fire, Law, EMS and Care and Shelter. One or more of the DOCs may be activated depending on the nature of the incident.
- **Level 1 – Full Staff.** The level of activation would be a complete and full activation with all organizational elements at full staffing according to the Standardized Emergency Management System (SEMS) and the National Incident Management System (NIMS).

Level	Operational Status	Trigger Event/Situation (examples include but are not limited to)	Activities
Level 3 Minimal Staffing	Emergency Services Coordinator	• Small incident or event • One site • Potential threat of: - o Flood - o Severe storm • Escalating incident	• Situational Analysis • Public Information • Response Coordination • Resource Coordination • Reporting to State
Level 2 Partial Staffing	Management, EOC Section Coordinators, Branches/Divisions/Units Liaison/Agency reps	• Large scale evacuations • 2+ incident sites • Severe Weather Warning • Earthquake with minor damage • Major scheduled event	• Situational Analysis • Public Information • Response Coordination • Resource Coordination • Logistics Support • Reporting to State



Level	Operational Status	Trigger Event/Situation (examples include but are not limited to)	Activities
Level 1 - Full Staffing	All positions (as required)	• Large Winter Storm • Terrorist incident • Major Earthquake • Regional Disaster • Major Wildland Fire in Urban interface • Other events as required	• Situational Analysis • Public Information • Response Coordination • Resource Coordination • Logistics Support • Recovery Operations • Sustained Operations • Reporting to State

EOC Activation and Staff Notification Procedures

In the event of any significant incident, a police, fire, or public works supervisor will make recommendations as to whether EOC activation is needed. He/she will then contact the City Manager and recommend activation based upon the severity of the incident and/or the City's needs. Escalating or intensifying incidents may warrant EOC activation.

Upon permission to activate, the requesting supervisor will:

- Determine which EOC positions need to be activated and initiate recall of personnel
- Notify EOC Staff of the EOC activation and who needs to respond
- Contact County OES with the following information:
 - o The EOC is being activated at Level 1, 2, or 3
 - o EOC contact number will be established by initial EOC responders
 - o First arriving EOC staff will fill needed EOC positions regardless of usually assigned roles
- Contact Police and Fire Dispatch Centers with activation information
- Set up EOC
 - o Send a Status Report as soon as possible to County OES
 - o Create a Jurisdiction Situation Report in Web EOC and/or hard copy
- Initiate use of form ICS 211 Personnel Check In
- Use form ICS-214 Unit Log to document all activities in your unit or section
- Start an incident in Web EOC to document all EOC activities, resources and mission requests, so jurisdictions involved in the response may see the situation status and resources being requested.
- Issue any alerts community, warnings or notifications
- When EOC staff arrives begin situation briefing. Establish an Emergency Action Plan (EAP), set objectives and priorities, establish operational periods, and begin planning cycle



EOC Activation – “*The First Hour*”

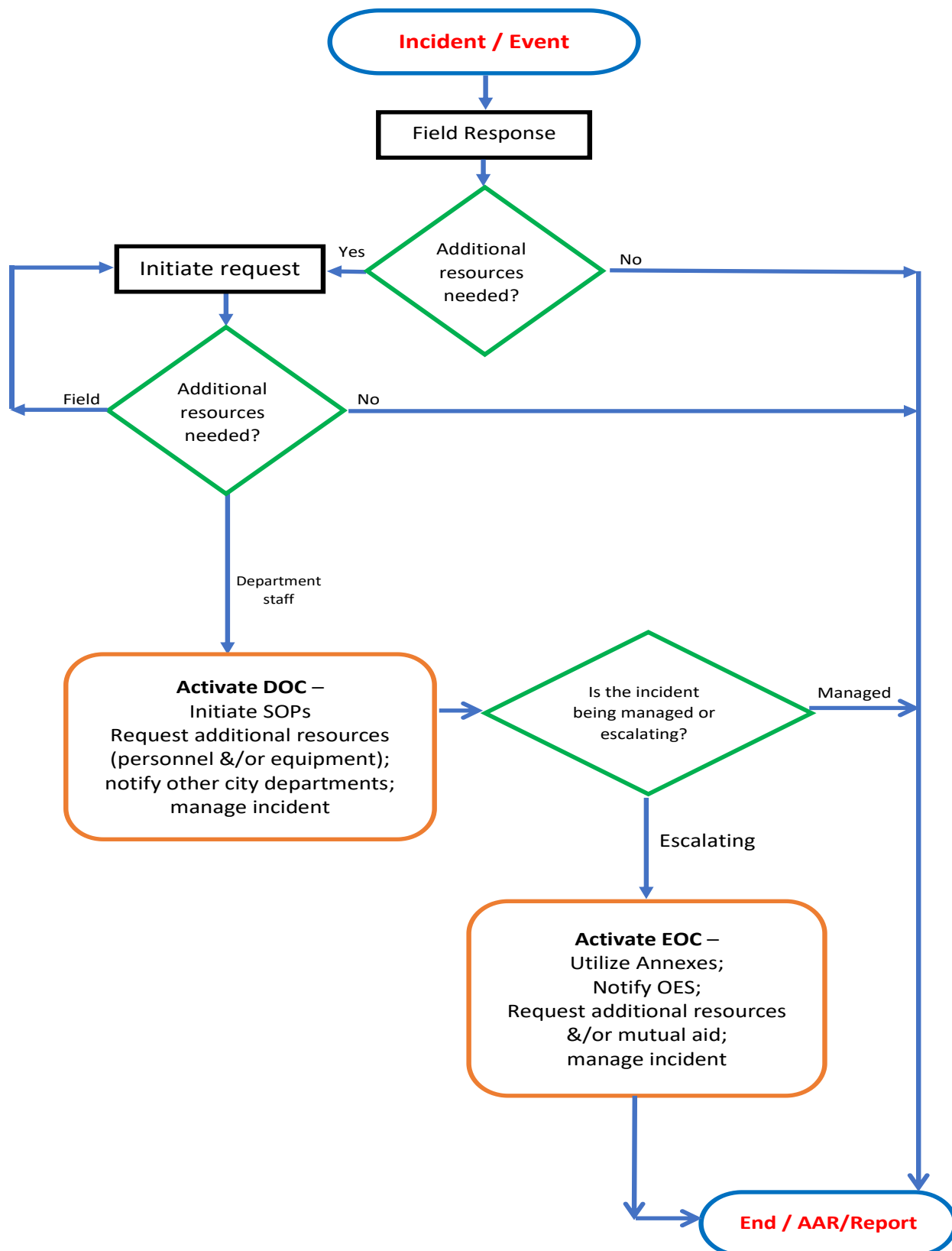
When the EOC is activated, staff will typically be arriving at various times depending upon their availability and response time. Since all personnel will not normally respond at the same time, the first arriving personnel should begin the process of setting up the EOC and begin evaluating the incident.

Initial Organization:

1. Establish a Chain of Command
 - o Who is in Charge? (EOC Director)
 - o Which sections of the EOC organization are needed?
2. Initiate contact with Field Operations
 - o Determine the complexity and initial assessment (Initial Damage Estimate –IDE)
 - o Identify committed resources
 - o Identify requested resources
 - o Check with Public Safety (Police & Fire) communications
 - o Check Web EOC
 - o Refer to City’s EOP
3. Notify Operational Area (Op Area) – San Joaquin County OES that the EOC is open

Priorities:

1. Support Life Safety Efforts
 - o What are the risks for public and first responders?
 - o What are the personnel and resource needs?
 - o Expand notifications – staff and public
 - o Identify the needs for potential:
 - ✓ Evacuation Center
 - ✓ Shelter location(s)
 - ✓ Disaster Assistance Center
2. Support incident stabilization
 - o Determine if this is a stable incident or an escalating incident
 - o Are the City/Town services to be continued
 - o Evaluate economic impact to community
 - o Which department can support first responders?
3. Support Property Protection
4. Support Financial Stability

**ANNEX 9 - DE-ENERGIZATION**



Purpose

This plan outlines procedures that guide the City to the de-energization of electrical systems due to extreme fire danger conditions. This is a supporting plan to the Tracy Emergency Operations Plan (EOP) and can be used for any long-term power outage.

Background

Wildfire risk can increase when several factors are combined which include high temperatures, sustained high and peak winds, and a substantially low of humidity. During these conditions, electrical transmission and distribution lines may ignite fires if they are downed by winds and/or trees. To reduce the chance of accidental fire ignition in certain areas, Pacific Gas & Electric (PG&E) has stated that they may de-energize electrical grids or blocks off an area(s) in advance of or during periods of heightened risk conditions.

De-energization of electrical systems in affected areas may pose a life-safety risk to residents and impact other infrastructure systems. De-energization may also impact the capabilities of local agencies to respond to wildfire due to loss of alert & warning and public information communications systems including internet and cellular towers, inability to monitor or maintain water supplies, and a loss of traffic control systems that could support evacuation. This Plan is intended to provide guidance on how to prepare for and respond to these events.

Objectives

1. Provide protection of life, property, the environment and restoration of services to the community.
2. Maintain situational awareness on any potential de-energization-related impacts to the area; provide regular updates to impacted and/or affected residents
3. Establish thresholds for notifications, coordination efforts, activations, increased staffing, etc.
4. Communicate with and advise potentially impacted communities. Attempt to pre-notify areas that might be affected.
5. Establish and maintain communications among PG&E, the Operational Area Emergency Operations Center (EOC), field resources, and City stakeholders.
6. Communicate with PG&E regarding affected areas to facilitate public information and to prioritize resumption of services, if applicable.

Threat Assessment

PG&E will monitor and assess various conditions that may affect the de-energization of an area. Factors considered by PG&E when determining whether to shut down power include:

- A Red Flag Warning declared by the National Weather Service
- Low humidity levels, generally 20 percent and below
- Forecasted sustained winds above approximately 25 mph and wind gusts in excess of approximately 45 mph
- Site-specific conditions such as temperature, terrain and local climate
- Condition of dry fuel on the ground and live vegetation (moisture content)
- Information from PG&E Wildfire Safety Operations Center and Cal OES



Per the California Public Utilities Commission, state utilities will de-energize only if the utility “reasonably believes that there is an ‘imminent and significant risk’ that strong winds may topple power lines or cause major vegetation-related damage to power lines, leading to increased risk of fire.”

In the event of a Public Safety Power Shutoff, PG&E will advise their customers, public safety authorities, first responders and local municipalities.

Following de-energization, PG&E crews will work to inspect the lines and safely restore power to customers. If the extreme weather occurs overnight, inspections will take place during daylight hours, power should be restored within 24-hours in most cases. However, depending on conditions or if any repairs are needed, outages could last up to 7 days or beyond.

Potential Effects

General:

- Loss of functionality of commercial and public-sector communications systems including wireless voice/data, land mobile radio, cable television and internet
- Loss or degradation of public/private water and wastewater systems including monitoring, pumping, and treatment
- Loss of traffic monitoring systems and signals
- Impacts to critical facilities including public safety and healthcare infrastructure
- Impacts on commerce including loss or degradation of electronic points of sale, gas station pumps, security systems, and refrigeration
- Potential for increased public concerns about the security of places served by electronic security systems

Access and Functional Needs (AFN) Populations:

- Loss of power could significantly impact individuals who are dependent on durable medical equipment, wheelchair charging, and specialized communication devices
- PSPS events may socially and physically isolate individuals with communication barriers when communications systems connected to the power grid are disrupted
- Elderly people and those sensitive to temperature variations are at increased risk during extremely hot weather when air conditioners may not function
- Potential disruptions to public services or facilities

Safety:

- Loss or degradation of public safety agency voice and data communications systems
- Loss or degradation of community warning systems including internet and wireless data/cellular
- Increase 9-1-1 Communication Center call volumes
- EMS and medical facility patient surge from weather related illness or loss of power to medical equipment.
- Loss or degradation of fire suppression water supply systems
- Unsafe use of generators as alternate power supply
- Potential impact to food safety due to degraded refrigeration or unsafe preparation



Planning and Assumptions

- Residents and vulnerable populations, including those with medical conditions requiring electricity or needing assistance, should make back-up or alternate plans for sustained power outages
- Public Work should pre-position back-up generators to assist with essential city services.
- City should pre-plan and designate the closing of any non-essential services during a sustained power outage.
- City PIO should prescript alerts and notifications of impending power outage – “What to Do and What Not to Do”
- City Manager may consider curfew
- Weather indicators such as Red Flag Warnings and Wind Advisories will provide enough lead time to coordinate Operational Area partners and develop Public Information and warning materials regardless of potential limited PG&E notification.
- Social or healthcare support workers who provided care to vulnerable and medically fragile residents should be able to continue to provide care to their clients.
- Transportation services used by vulnerable and medically fragile individuals should be able to continue to operate but could be affected by impacted travel corridors.

Notification

Guidelines from CPUC endorse advance notification / informing customers of the need to turn off power. Prior to termination of power, PG&E will attempt to contact customers at approximately 48 hours, 24 hours and just prior to shutting off power. PG&E will attempt to contact customers by phone call, email, and/or SMS text to contacts on file. During outages and after restoration, PG&E will attempt to send updates using the same methods. Final shutoff notifications may occur at any time, day or night. For Medical Baseline customers, PG&E will place live calls to customers who aren't reached by the initial automated alerts and will send a PG&E representative to check on customers they are unable to contact with the live call. If the customer does not answer the in-person contact, PG&E will leave an informational door hanger. PG&E has indicated that they will not undertake any other additional outreach.

PG&E will attempt to contact public safety agencies and/or local governments prior to customer notification as conditions permit. Per the CPUC, “... utilities must also notify, as feasible, fire departments, first responders, critical facilities, other potentially affected entities, and the CPUC before de-energizing.”² Per PG&E's Public Outreach, Notification, and Mitigation Plan, “If possible, based on conditions, PG&E will provide notice to cities, counties, and emergency response partners in advance of notifying customers about a potential Public Safety Power Shutoff.”³ PG&E may provide descriptions or maps of areas served by circuits selected for de-energization as conditions permit.

Initial Operational Area Notification

- If the threat of de-energization is potentially significant, and upon receipt of information from PG&E, the San Joaquin County Office of Emergency Services (OES) will notify local governments, County departments, and public safety agencies.

*Operational Area Multi-Agency Coordination Conference Call (MAC Calls)*

- In the case of a wide-spread de-energization, a county-wide conference call may be warranted. San Joaquin County OES staff will schedule an *Operational Area Multi-Agency Coordination Conference Call*. OES staff will invite potential participants and lead the call to share emergency information and coordinate efforts.

Risk Communication & Public Information

During any emergency, risk communication and public information is a critical component of response activities. Appropriate and timely communication of credible information will assist in reducing life safety threats and address public concerns.

Emergency information that may be used include mass media and social media. The 211 system may be utilized. Alert & Warning systems – such as San Joaquin Community Warning System and the Integrated Public Alert and Warning System (which includes wireless emergency alerts [WEA], emergency alert system [EAS]) – may be used only if there is a concurrent imminent life safety threat, such as wildfire.

All messages to traditional and social media will be coordinated by the PIO. Safety messaging may include power outage guidance and safe generator operations.

This document has been reviewed and accepted by:

Tracy Emergency Services Coordinator

Date



ANNEX 10 ALERT & WARNING

INTRODUCTION

Purpose

A comprehensive alert and warning program is a critical component of a community's ability to effectively respond to emergencies. The purpose of this annex is to describe the methods by which accurate and timely emergency and disaster-related alerts and warnings will be issued to the public and affected government officials. Alerts and notifications involve life safety information that must be delivered immediately. This annex provides the concepts, systems, and organizations used to alert and warn the public of any highly probable and immediate danger or disaster. The Alert and Warning Annex describes the responsibilities for emergency public information, including all aspects of public notification, alert and warning. The City will work with other departments and jurisdictions, the news, social media, the public, and regional partners to accomplish the task of alert and warning.

Scope

This annex applies to those incidents that require warning of the public through established emergency notification systems. Communications and warning provisions apply to almost any major natural, technological, or civil emergency or disaster event.

PLANNING ASSUMPTIONS

- Some incidents occur with enough warning that notifications can be issued to ensure the appropriate level of preparation (e.g., winter weather and flood). Other incidents occur with little or no advanced warning, which does not provide enough time to adequately warn the public (e.g., earthquake and tornado).
- If an incident occurs suddenly, and the situation evolves rapidly, information may be incomplete or unconfirmed. As a hazard becomes known, choices will be made to select:
 - o The best communications tools to use given the situation.
 - o The appropriate message content.
 - o The optimum format for each message.
 - o The most effective times for releasing each message.
- Effective emergency messaging requires communicating the nature, extent, and expected impact of a hazardous incident as well as clear, concise, and decisive information concerning appropriate protective measures.
- The timely and coordinated use of public warnings can reduce the impact of hazardous incidents.

CONCEPT OF OPERATIONS

It is an inherent responsibility of local government organizations and officials to keep the public informed. Local government officials typically have the most accurate and timely understanding of the situation, necessary protective actions, and potential adverse impacts of the incident. It is incumbent upon local officials to rapidly and adequately communicate to the public what is occurring and any steps or actions the public needs to take.



Alerting

Alert and warning for a pending or actual incident/event is the responsibility of the Incident Commander (or designee) or the EOC Management Section. Often, alert and warning messages are delivered by a designated PIO working under the direction of an IC or EOC Director. The City is responsible for protecting the life and property of residents within its jurisdiction.

Coordination

County OES has established communication pathways to facilitate timely and efficient information sharing. Coordination with partner agencies and organizations within the Operational Area (OA), including PIOs, critical infrastructure sectors, community members and organizations, and communications providers, can also enhance the alert and warning network. All multijurisdictional incidents shall share coordinated communications plans with other jurisdictions and agencies as necessary.

Messaging

- Residents and vulnerable populations, including those with medical conditions requiring electricity or needing assistance, should make back-up or alternate plans for sustained power outages
- Public Works should pre-position back-up generators to assist with essential city services.
- City should pre-plan and designate the closing of any non-essential services during a sustained power outage.
- City PIO should prescript alerts and notifications of impending power outage – “What to Do and What Not to Do”
- City Manager may consider curfew
- Weather indicators such as Red Flag Warnings and Wind Advisories will provide enough lead time to coordinate Operational Area partners and develop Public Information and warning materials regardless of potential limited PG&E notification.
- Social or healthcare support workers who provided care to vulnerable and medically fragile residents should be able to continue to provide care to their clients.
- Transportation services used by vulnerable and medically fragile individuals should be able to continue to operate but could be affected by impacted travel corridors.

Notification

Guidelines from CPUC endorse advance notification / informing customers of the need to turn off power. Prior to termination of power, PG&E will attempt to contact customers at approximately 48 hours, 24 hours and just prior to shutting off power. PG&E will attempt to contact customers by phone call, email, and/or SMS text to contacts on file. During outages and after restoration, PG&E will attempt to send updates using the same methods. Final shutoff notifications may occur at any time, day or night. For Medical Baseline customers, PG&E will place live calls to customers who aren't reached by the initial automated alerts and will send a PG&E representative to check on customers they are unable to contact with the live call. If the customer does not answer the in-person contact, PG&E will leave an informational door hanger. PG&E has indicated that they will not undertake any other additional outreach.



PG&E will attempt to contact public safety agencies and/or local governments prior to customer notification as conditions permit. Per the CPUC, "... utilities must also notify, as feasible, fire departments, first responders, critical facilities, other potentially affected entities, and the CPUC before de-energizing."² Per PG&E's Public Outreach, Notification, and Mitigation Plan, "If possible, based on conditions, PG&E will provide notice to cities, counties, and emergency response partners in advance of notifying customers about a potential Public Safety Power Shutoff." PG&E may provide descriptions or maps of areas served by circuits selected for de-energization as conditions permit.

Initial Operational Area Notification

- If the threat of de-energization is potentially significant, and upon receipt of information from PG&E, the San Joaquin County Office of Emergency Services (OES) will notify local governments, County departments, and public safety agencies.

Operational Area Multi-Agency Coordination Conference Call (MAC Calls)

- In the case of a wide-spread de-energization, a county-wide conference call may be warranted. San Joaquin County OES staff will schedule an *Operational Area Multi-Agency Coordination Conference Call*. OES staff will invite potential participants and lead the call to share emergency information and coordinate efforts.

Risk Communication & Public Information

During any emergency, risk communication and public information is a critical component of response activities. Appropriate and timely communication of credible information will assist in reducing life safety threats and address public concerns.

Emergency information that may be used include mass media and social media. The 211 system may be utilized. Alert & Warning systems – such as San Joaquin Community Warning System and the Integrated Public Alert and Warning System (which includes wireless emergency alerts [WEA], emergency alert system [EAS]) – may be used only if there is a concurrent imminent life safety threat, such as wildfire.

All messages to traditional and social media will be coordinated by the PIO. Safety messaging may include power outage guidance and safe generator operations.

This document has been reviewed and accepted by:

Tracy Emergency Services Coordinator

Date



ANNEX 11 - TERRORISM

INTRODUCTION

Purpose

This Annex is intended to ensure an effective and coordinated response to a terrorism event. This annex provides direction for city departments, community groups and allied stakeholders ensuring interagency coordination in accordance with the City's EOP.

The purpose of the Terrorism Annex is to provide a plan for responding to and recovering from a terrorist or weapons of mass destruction (WMD) incident. The acts of terrorism covered by this annex include chemical, biological, radiological, nuclear, and explosives. This annex will assist the City of Tracy to respond to the above-cited types of terrorist incidents within the city and to coordinate requests for state and federal resources.

This Annex is designed to accomplish the following:

- Serve as a planning document to support further development of major incident plans by City departments and agencies.
- Provide an overview of the threats that terrorism poses to City and define the potential range of impacts.
- Provide the response management team with contextual information to guide initial response planning.

Scope

This Annex has been developed in accordance with the City EOP. In keeping with the EOP's "all-hazards" approach for local emergency management, the response policies and protocols for a terrorism event will align with those established in the EOP. The Annex supplements the EOP by providing considerations for a response to a terrorism event in the City.

This Annex does not alter existing City department emergency response standard operating procedures (SOPs), processes, or resources. Emergency response agencies (such as fire, law enforcement, and emergency medical services [EMS]) will adhere to existing department SOPs in accordance with all legal requirements.

Lead agency: Tracy Police Department

Support agencies: South County Fire
Tracy Operations and Utilities Department
Tracy Recreation Department
San Joaquin County OES
Federal law enforcement

Situation

The city of Tracy has many potential targets for terrorist activities. These include numerous facilities: office buildings, religious, educational, business, and manufacturing centers; airport; railroads, public utilities; and meeting places.



Terrorism can come in many forms. Among these are bombings, arson, infrastructure attacks (on water, electric, gas, or telecommunications systems), mass shootings, cyberspace failure or disruption, and transportation attacks. This annex covers the following forms of terrorism as defined by FEMA:

Weapon of Mass Destruction. Any weapon designed or intended to cause death or serious bodily injury through the release, dissemination, or impact of toxic or poisonous chemicals, or their precursors; any weapon involving a disease organism; or any weapon designed to release radiation or radioactivity at a level dangerous to human life (18 USC 2332a).

Chemical Agent. A chemical substance intended to kill, seriously injure, or incapacitate people through physiological effects. Hazardous chemicals, including industrial chemicals and agents, can be introduced via aerosol devices (including munitions, sprayers, or aerosol generators), breaking containers, or covert dissemination. A chemical agent attack might release a chemical warfare agent (such as a nerve or blister agent) or an industrial chemical that may have serious consequences. Whether an infectious agent or a hazardous chemical causes an outbreak may not be obvious early in an investigation; however, most chemical attacks are localized, and their effects become evident within a few minutes. Different chemical agents can be persistent or nonpersistent. Persistent agents remain in the affected area for hours, days, or weeks. Nonpersistent agents have high evaporation rates, are lighter than air, and disperse rapidly; they therefore lose ability to cause casualties after a few minutes (although they may persist longer in small unventilated areas).

Biological Agents. Living organisms or materials derived from them that cause disease; harm humans, animals, or plants; or deteriorate materials. Recognition of a biological hazard can occur by identifying it as a credible threat; discovering bioterrorism evidence (devices, agents, clandestine labs); diagnosing a disease caused by an agent identified as a possible bioterrorism agent; or gathering and interpreting public health surveillance data. People exposed to a pathogen such as anthrax or smallpox may not know they have been exposed, and those infected or subsequently infected may not feel sick for some time. Infectious diseases typically proceed with a delay between exposure and onset of illness — the incubation period. The incubation period may range from several hours to a few weeks, depending on the exposure and pathogen. Unlike acute incidents involving explosives or some hazardous chemicals, direct patient care providers and the public health community are likely to first detect a biological attack on civilians. Terrorists also could use biological agents to affect agricultural commodities (agroterrorism). These agents including Mad Cow Disease, Hoof and Mouth Disease, Gray Leaf Spot of Corn, wheat rust or viruses that could devastate the local or even national economy.

Radiological/Nuclear. High-energy particles or gamma rays emitted by an atom undergoing radioactive decay. Emitted particles can be charged alpha or beta particles, or neutral neutrons, or gamma rays. The difficulty of responding to a nuclear or radiological incident is compounded by the nature of radiation itself. Also, involvement of radioactive materials in an explosion may or may not be obvious; depending on what **explosive** device was used. The presence of a radiation hazard is difficult to ascertain unless the responders have the proper detection equipment and the training to use it. Most of the many detection devices available are designed to detect specific types and levels of radiation — they are not appropriate for measuring or ruling out the presence of all possible radiological hazards. Terrorists may use the following delivery methods:



- An improvised nuclear device (IND) is any explosive device designed to cause a nuclear yield. Either uranium or plutonium isotopes can fuel these devices, depending on the trigger. While “weapons-grade” material increases the efficiency of a device, materials of less than weapons grade can still be used.
- A radiological dispersal device (RDD) is any explosive device that spreads radioactive material when detonated. A RDD includes an improvised explosive device that could be used by placing it in close proximity to radioactive material. A RDD also includes devices identified as “dirty bombs”.
- A simple RDD spreads radiological material non-explosively (for example, medical isotopes or waste).

Explosives. Conventional explosive devices or improvised bombs used to cause massive local destruction or to disperse chemical, biological, or radiological agents. Improvised explosive devices are categorized as explosive or incendiary—using high or low filler explosive materials to explode and/or cause fires. Bombs and firebombs are inexpensive and easily constructed. They are not technologically sophisticated. Of all weapons, these are the easiest to obtain and use. The components are readily available, as are detailed instructions for constructing these devices. They are the likeliest terrorist weapons.

Cyber Terrorism. “Malicious conduct in cyberspace to commit or threaten to commit acts dangerous to human life, or against a nation’s critical infrastructures ... in order to intimidate or coerce a government or civilian population ... in furtherance of political or social objectives.”

Agroterrorism. A distinct form of bioterrorism specifically targets agriculture production. Agroterrorism affects both crops and livestock. Refer to Section II.A.3.c. for general details on bioterrorism and Annex W, Animal Emergency Disaster, for incidents resulting with mass livestock casualties.

Planning Assumptions

While the city of Tracy’s resources (Tracy PD and South County Fire) will be the first to arrive on scene, coordination with federal authorities will be required. The U.S. Attorney General has lead responsibility for criminal investigations of terrorist acts and threats. The FBI is the Primary Federal Agency (PFA) responsible for investigating a terrorist incident. Initial responsibility for the crime scene falls to the local law enforcement entity with jurisdictional responsibility.

No Single agency at the local, state, federal, or private-sector level possesses authority and expertise to act unilaterally on the many difficult issues that may arise in response to a threat or act of terrorism- particularly if WMD are involved.

An Act of terrorism, particularly an act involving WMD directed against a large population center within the city of Tracy, has major consequences that immediately overwhelm the capabilities of local, state, and federal governments.

Local, state, and federal responders define working parameters that may overlap. The responders/ capabilities may be used to target public information messages, assign operational sectors among responding organizations, control access to the area, and assess potential effects



on the population and the environment. Absent adequate coordination, different authorities may enforce control of these functions, which could impede the overall response.

If appropriate personal protective equipment is not immediately available, entry into a contaminated area (hot zone) may be delayed until the material dissipates to levels safe for emergency response personnel. Responders should also be aware that secondary devices may be present, or the terrorist may be targeting the first responders.

Impact Assumptions

This Annex is based on a terrorism event causing significant actual or potential loss of life and property. General impacts may include:

- There is the potential for countless casualties.
- Hundreds of residents may need to be alerted and evacuated with little or no notice.
- Hundreds of residents may require shelter because of evacuation or damage to homes.
- Electrical service and voice/data/radio communications may be impacted.
- Damage or loss of power to water and wastewater collection systems may cause disruption of vital services.
- A major terrorism event could generate tons of debris including construction and demolition, damaged trees, and hazardous waste.
- Structural damage to transportation infrastructure may take weeks or months to repair. These systems may be damaged or disrupted including bridges, roads, signage, and barriers.

Response Assumptions

- City residents have little or no experience with evacuations. This could significantly delay or disrupt evacuation operations.
- Law enforcement will be significantly challenged to coordinate and conduct notification, evacuation, and traffic management missions while responding to a terrorism event. They will become overwhelmed almost immediately.
- A terrorism incident may impact the City with little or no warning. In a no-notice event, there may be insufficient time to notify local residents, prepare the City's emergency response organization and implement the City's Emergency Operations Plan.
- Additional law enforcement resources will be needed to maintain public order, augment rescue operations, and secure critical operations.
- The demand for emergency public information will be immediate and sustained. Social and traditional media coverage will be extensive.

CONCEPT OF OPERATIONS

The EOP defines the City's general emergency response organization, authorities, policies, priorities, and procedures. In the event of a terrorism event, this Annex provides potential specific objectives that the emergency response organization may integrate into its operations.



Increased Readiness (Monitoring)

The City's Emergency Operations Center (EOC) may be activated to develop enhanced situational awareness, expedite decision making, conduct stakeholder coordination, develop public information, and provide greater support to City departments.

The federal government has primary authority to prevent, preempt, and terminate threats or acts of terrorism and to apprehend and prosecute the perpetrators. State and local governments support this effort by providing assistance as required. The initial response to a terrorist incident is primarily a law enforcement effort with the FBI assigned lead responsibility. The FBI will assign a Special Agent or member of the Joint Terrorism Task Force in the role of liaison to coordinate with the incident manager in a unified command post. The initial response to a terrorist incident identifies, acquires, and plans use of resources needed to anticipate, prevent, and/or resolve a threat or act of terrorism. Following the initial response to the terrorist incident, recovery efforts protect public health and safety, restore essential government services, and provide emergency relief to governments, businesses, and individuals affected by the consequences of terrorism. In a terrorist incident, FEMA is responsible for the recovery phase for the federal government.

Response

The City will provide immediate response via its public safety departments coordinating in the field using the ICS. The City's EOC will provide support to field personnel, coordinate the efforts of other City departments and collaborate with the San Joaquin County Operational Area and other allied stakeholders utilizing SEMS.

Once a terrorism incident is suspected, local law enforcement officials request assistance from the FBI. The PFA (FBI) designates a Special Agent in Charge (SAC) to establish a Joint Operations Center (JOC), from which the FBI will lead crisis management activities (see the National Response Plan and Annex A, Direction and Control)

- State and local law enforcement agencies provide representatives to the JOC to assist the FBI.
- Respond to the community's immediate life safety needs of warning and evacuation by making use of systems alert and notification systems as well as door-to-door notifications if needed
- Conduct fire suppression, property protection, EMS, and law enforcement operations as needed
- Assemble resources for a sustained response and for providing basic mass care, shelter, and information services to the community
- Begin to transition from immediate emergency response efforts to sustained operations
- Conduct sustained operations and begin to transition into recovery

Short Term Recovery

The immediate response to a major terrorism event will focus on saving lives, providing resources to sustain City residents, and stabilize the situation. At some point, however, the City will transition



to a phase in which recovery operations take precedence. Rapid initiation of recovery operations is critical to restoring confidence in the community.

Activities in this phase include mitigating life-safety hazards, enhanced security operations, utility restoration, limited debris clearance, resident re-entry, sustained public information, coordination of donations, and damage assessment. See Section 3 for objectives related to short-term recovery.

OBJECTIVES

General Objectives

Immediately following a terrorism event, and for as long as a state of emergency exists within the City, response to the event will be the first priority of all City departments and agencies. All available City DSWs will be directed to achieve the following objectives:

- Save lives
- Reduce immediate threats to life, public health and safety, public and private property, and the environment
- Provide necessary care, shelter, and medical services to City residents and other members of the general public
- Restore the operations of facilities, whether public or privately owned, that are essential to health, safety, and welfare of the community, including critical City facilities, utilities, and transportation infrastructure
- Assess damage to infrastructure, public facilities, and the built environment
- Expedite the restoration of services, the economy, and the community at large; and begin the process of recovery
- Keep the public informed

Response Objectives

In addition to those tasks and objectives outlined in the EOP, the following specific operational objectives should be incorporated into initial response operations and planning:

- Direct and assist immediate life-saving warning and evacuation operations
- Deploy law enforcement resources to support response activities and maintain law and order
- Identify at-risk populations, notify them, and begin evacuation if warranted
- Activate the EOC as needed.
- Develop real-time situational awareness to guide public information efforts. Consider deploying an EOC liaison to the Incident Command Post (ICP)
- Establish contact with the San Joaquin County Operational Area and allied stakeholder agencies
- Conduct emergency evacuation and traffic management operations as needed
- Identify potential sites for evacuation centers to accommodate displaced populations while emergency shelters are being opened



- Begin public information messaging regarding recommended personal protective actions, evacuation centers, and community assistance needed. Assess the need to activate the Joint Information Center (JIC)
- Develop a consolidated situation assessment and declare a state of emergency.
- Coordinate the receipt and deployment of incoming resources to prioritized missions
- Designate staging areas and begin planning to accommodate support personnel
- Assess the situation at critical facilities and the condition of emergency communications systems
- Implement recall of City staff as needed
- Complete an initial damage assessment of the City, identifying areas affected, major incidents, and operational status of critical services. Begin to develop Essential Elements of Information (EIs) – see Attachment 1
- Assess critical resource shortfalls and begin requesting support through mutual aid and the San Joaquin County Operational Area. Consider resources needed for the next 14 days.
- Establish perimeter control around unsafe areas
- Assemble damage assessment information and submit the Cal OES Initial Damage Estimate (IDE)
- Assess conditions at designated emergency shelter sites and begin to supply with beds, water, food, medical support, generators, sanitation, and facility security; and begin to open emergency shelters to residents and DSWs
- Identify people with special support requirements and transfer to appropriate care facilities
- Designate primary traffic routes and implement debris clearance, route recovery, and traffic control
- Conduct outreach for situation status and resource needs for affected facilities needing support from City, including transit sites, schools, commercial buildings, and sites of historic/cultural significance
- Initiate social and traditional media briefings to inform residents on City operations, steps they can take, services available to them, ongoing rumor control efforts, and ways in which the community can help
- Establish shelter support coordinator teams and evaluate the shelter sites
- Establish plans for how to provide care for people with special support requirements that cannot be met in congregate care shelters
- Review and enhance security plans to maintain public order
- Review incident status reports to prioritize incident commands that can begin suspending emergency response operations and transition to sustained response and recovery operations
- Ensure that air quality, hazardous materials spills, and other environmental situations are monitored and risks addressed
- Coordinate with the San Joaquin County Operational Area to survey all licensed food establishments, including the emergency shelter/evacuation centers, feeding sites, and disaster kitchens to ensure there are no unsafe food handling or other sanitation or safety concerns



Short Term Objectives

- Develop public information to address how to safely clean-up, dispose of debris, and access potential sources of assistance
- Coordinate with the San Joaquin County Operational Area to facilitate the recruitment, training, and deployment of volunteers and donations
- Work with the American Red Cross (ARC) and other organizations to provide information to support their Disaster Welfare Inquiry Program
- Develop a program to integrate the safety of volunteers and volunteer organizations in recovery operations
- Establish a debris management plan and begin to gather and transport debris from critical sites or routes
- Coordinate with the business community regarding business resumption activities
- Produce, regularly update, and distribute a multi-lingual, multi-format, disaster “Fact Sheet” to the media, people in shelters, field response personnel, residents and businesses
- Implement a process to allow limited entry (where safe) for recovery of personal items
- Coordinate with the San Joaquin County Operational Area to provide prioritized community behavioral health services (ex. those whose homes have been damaged/lost, shelter residents, children, and individuals who have suffered significant loss)
- Anticipate and support initial damage assessment visits by state and federal officials wanting to confirm the immediate and long-term unmet recovery needs of the City
- Conduct long-term recovery planning to address issues of interim housing, debris management, expedited permitting, environmental safety monitoring, soil stabilization, erosion control, coordination with non-governmental and non-profit organizations, and participation in state/federal disaster assistance programs

This Annex has been reviewed and approved.

Tracy Police Department

Date

South San Joaquin County Fire Authority

Date



ANNEX 12 - PANDEMIC

PURPOSE

The purpose of the EOP is to provide an overview of the City's concepts and approach to incident management for a Pandemic or other major health/biological incident.

SCOPE

The scope provides an overview of potential activities that may be in conjunction with other City and/or County, State, and Federal Government efforts.

SITUATIONAL OVERVIEW

The City has no greater or less risk of being affected by a pandemic or health/biological incident than any other location in the region.

ASSUMPTIONS

Assumptions that apply to pandemics and/or health/biological incidents include, but are not limited to:

- The public may be affected as much if not more than City operations and/or staff.
- Pandemics are widespread, often global, incidents that include fatalities.
- San Joaquin County Public Health (SJCPH) and California Department of Public Health (CDPH) will provide direction and guidance on appropriate protective, response, and recovery measures.
- There may be significant short and long term economic and/or societal impacts from the incident.
- The healthcare system may be stressed or overwhelmed in the response to the incident.
- Personal protective equipment may not be readily available for responders and/or the public.

CONCEPT OF OPERATIONS

The City monitors for and is made aware of health-related incidents by SJCPH and CDPH as part of routine situational awareness procedures. A potential or perceived health crisis within the City will initiate investigation and actions as appropriate. A regional health issue will prompt consideration of preparedness efforts, should the crisis reach the City.

The City will comply with the direction and guidance of appropriate healthcare and/or governing authorities. This may include implementation of nonpharmaceutical interventions, reduced or suspended operations, or other measures as provided for the health and safety of staff and the public.

Essential service delivery will be provided to the public to the best of the City's ability within the allowable guidance and as outlined in the City's COOP, COG, and EOP plans.



First responders will follow the direction of the local Medical Director and/or Health Officer and adjust public interactions and operations as appropriate to the situation. Tracy Police and South County Fire have specific pandemic protocols and procedures that will be followed, and as needed adjusted, to maintain operational capabilities.

The City will work in cooperation with San Joaquin County OES and SJCPH to coordinate consistent messaging for City's residents, City staff members, and South County Fire staff members.

Resources or systems that might be affected by a pandemic or similar incident include:

- Availability (supply chain)
- Sheltering, quarantine, inoculation sites
- Staffing
- Remote or hybrid EOC activation
- Messaging

The EOC may be activated as part of a declare emergency and/or to facilitate coordination of efforts in conjunction with the County.

Lead agencies:

- San Joaquin County Office of Emergency Services
- San Joan County Department of Public Health

Support agencies:

- Local first responder agencies including Tracy Police and South County Fire
- San Joaquin County Emergency Medical Services Agency

This Annex has been reviewed and approved.

Tracy Police Department

Date

South San Joaquin County Fire Authority

Date



City of Tracy Business Continuity Plan

2023



City of Tracy
333 Civic Center Plaza
Tracy, California, 95376
Office of the City Manager

PROMULGATION STATEMENT

To accomplish its primary responsibilities, the City of Tracy must ensure critical operations are performed efficiently and with minimal disruption, especially during an emergency. This document provides a structure for a City Continuity Plan to ensure the City is capable of conducting mission essential functions subject to various threats and conditions. The determination that the alternative operations included in this plan are to be set in motion constitutes a “Continuity Activation”.

Designated City personnel may be activated under this plan to manage the implementation of various aspects of the Continuity Plan. The Continuity Management Team oversees the development and maintenance of the Plan as well as oversight of its activation. The Advance Team deploys ahead of designated operational staff to ensure that alternate facilities are prepared to begin functioning. In the case where City operations may need to be transferred to another organization, a Devolution Team may be established to facilitate the establishment of protocols and connections with the alternate organization in addition to a Reconstitution Team to oversee the return to normal operations in new or original facilities.

Key department managers, supervisors and staff will have critical roles to play in continuity operations which will require flexibility and initiative in conducting essential operations in what are likely to be very different circumstances for what could be long periods of time. Upon plan activation, these members will deploy to establish an operational management capability and coordinate transition and reestablish operation of essential City functions within a target time-period until normal operations are resumed. Recovery Time Objective (RTO) is the targeted time by which operations need to begin.

This plan is developed in accordance with guidance in the Federal Emergency Management Agency Continuity Guidance Circular (CGC).

CONFIDENTIALITY STATEMENT

This document along with subsidiary plans and supporting documents, contains confidential information for official use only as provided in California Government Code Section 6255. These documents are to be controlled, stored, handled, transmitted, distributed, and disposed of in accordance with the standard procedures followed for confidential information at the City of Tracy.



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ESSENTIAL FUNCTIONS

The Business Continuity Plan is designed to provide structure for the development and implementation of the organization's time sensitive and essential functions following a disaster or emergency requiring activation of the plan. Essential functions are identified as time sensitive tasks or processes that are critical to protect life, safety, infrastructure, or the environment. The development of the plan was initiated through an evaluation and prioritization process of the mission essential functions required to continue following an emergency. This allows for clear planning and prioritization in generation of a Concept of Operations, a key management tool developed by Emergency Managers using the Standardized Emergency Management System during any subsequent emergency.

The essential function analysis performed for each operating department included a prioritization of processes or functions into the following three categories:

- Primary Essential Functions: Departments have direct responsibility for essential functions.
- Primary Support Functions: Departments provide support services to primary essential functions.
- General Support Functions: Departments have neither of these roles but can provide support as required.

It is particularly important to understand that all of these roles are vital to a successful business continuity planning process and any subsequent activation.

Due to the need for appropriate security, level of detail involved, and the expected frequency to update each essential function to reflect statutory, procedural, resource, and mitigation change, the specific information for each identified essential function is maintained in the Business Continuity Annex for each department. As the specific components for each essential function change over time, the related Annex will be amended without modification to the framework of the entire Business Continuity Plan.

The Business Continuity Plan is developed using a four-step process to identify, prioritize and evaluate the details of each Essential Function.

ESSENTIAL FUNCTION ANALYSIS

Prioritization and ranking of essential functions for each department was determined through use of a tool which uses organizational impact and loss effect based on the following categories:



- Level of Mandate – the legal mandate for performance of essential functions as directed through federal, state or local mandates
- Criticality to the Jurisdiction – Connection to protection of life safety, infrastructure, or the environment
- Visibility to the general public
- Collateral impact to partner organizations
- Criticality to related functions based on an assessment of the effect on other functions
- Number of programs affected
- Number of clients potentially affected
- Number of partner organizations affected

Business Process Analysis (BPA)

Following identification and ranking, a Business Process Analysis was completed for the highest-ranking essential functions to determine, understand, and document the process required to perform each function. This systematic process documents the full spectrum of activities and tasks that are performed within an organization by capturing and mapping the functional process, workflow, activities, subject matter expertise, systems, resources, controls, data and facilities required in the execution of a function, activity or task. The Business Process Analysis results in a detailed description outlining how an organization delivers each identified essential function.

Conducting a thorough Business Process Analysis is a critical step in developing a comprehensive continuity plan necessary for the successful delivery of essential functions following a natural or human-caused event which may impact availability of city operations, personnel or facilities.



BUSINESS PROCESS ANALYSIS (BPA)

Essential Function:

Recap Statement	What is it and what does it do?	
EF Outputs / Deliverables	The EF's Products, Services, Information, etc.	
EF Required Inputs	Partner organizations, vendors & stakeholders: products, services, information, supplies, equipment supporting the EF	
EF Dependencies	Organizations providing information, supplies, resources, decisions, etc. <i>critical</i> to this EF (if they're down, we're down/if we're down, they're down)	
Leadership Requirements: On-Site, Off-Site, Remote	Organizational leadership required to make decisions & perform key actions/authorizations	
Operational Staff	Key knowledges, skills, abilities, licenses, certifications, etc.; # of staff required	

Business Impact Analysis and Risk Mitigation (BIA)

In developing a Business Impact Analysis, the City of Tracy Continuity Team and department support personnel identified threats and hazards that may impact the performance of functions such as resource or procedural gaps. To address the resource or procedural gaps, the team developed an impact -based methodology applicable to continuity of operations regardless of the specific cause of the event.

The areas deemed to pose the highest risk to the successful delivery of the essential functions are reviewed to determine the most effective mitigation strategies for each to reduce the impact in the future. Action plans are then prepared for the delivery of high priority essential functions to mitigate risk and support business continuity. Upon activation of the Business Continuity Plan, department management is responsible for implementation of the action plans for their department functions.



Action plans will be tested during the training, testing and exercise process to evaluate effectiveness and provide modifications as necessary.

BIA-Risk Mitigation Process

The City of Tracy Hazard Mitigation Plan identified potential threats and hazards serving as the basis for operating departments to evaluate how threats or hazards may impact essential functions based on guidelines regarding vulnerability of specific threats or hazards, the impact to the essential functions and the timeframe before there is an unacceptable loss of function or critical assets. The identification and assessment of risk mitigation strategies include evaluation of additional backup systems and personnel, enhanced continuity planning such as detailed devolution plans and mutual aid agreements, additional telework flexibility, additional suppliers and resilient communications and infrastructure. To evaluate the effectiveness of the risk mitigation strategies, the city will utilize training, testing and exercises and enhance mitigation strategies as needed.

Primary hazards identified through the City of Tracy Hazardous Mitigation Plan include the following:

1. Identify potential threats and hazards
 - a. Natural – e.g. earthquake, flooding, drought, levee failure, severe weather, wildfires and landslides
 - b. Technological – e.g. Hazardous Materials Incident, Gas Pipeline Leaks, Chemical Facility Failures, Dam Failure

Essential Functions and Resource Summary

Based on the results of the Business Process Analysis and the Business Impact Analysis, the Essential Function Summary is designed to identify designed tools and resources required to manage the continued operation of the essential function. The components of the Essential Function and Resource Summary includes the following:

- Recovery Time Objective (RTO)
- Responsible Personnel in Charge and Succession Plan
- A roster for the Activation and Reconstitution Team
- Required Operational Personnel
 - Managers
 - Staff
 - Classifications
 - Number of each
- Required resources
 - Equipment
 - Supplies
 - Records
- Work Location, Space and Special Requirements
 - Facility
 - IT



- o Communications
 - o ADA access
 - o Parking
 - o Security
- Essential Supporting Activities
 - o Critical Vendors
 - o Other agencies
- Interdependencies
 - o Mutual Aid Agreements
 - o MOUs, Rental Contracts
 - o Other organizations who provide required work or resources
- Estimated Costs of Implementation
 - o Labor/Benefits/OT
 - o Services & Supplies
 - o Contracts
 - o Fixed Assets
- Function Process Flow Chart



ESSENTIAL FUNCTION SUMMARY				
DEPARTMENT:				
ESSENTIAL FUNCTION	RECOVERY TIME OBJECTIVE	RESPONSIBLE PERSONNEL IN CHARGE + Succession Plan		
			Position	Name
		1.		
		2.		
		3.		
		4.		
		5.		
Activation / Reconstitution Team				
	Position	Name		
1.				
2.				
3.				
4.				
5.				
6.				
7.				
REQUIRED OPERATIONAL PERSONNEL Managers and Staff: Classification, #				
REQUIRED RESOURCES Equipment, Supplies, Records, etc.				
WORK LOCATION, SPACE AND SPECIAL REQUIREMENTS Facility, IT, Communications, ADA, etc.				

ESSENTIAL FUNCTION SUMMARY		
ESSENTIAL SUPPORTING ACTIVITIES Critical Vendors, Agencies		
INTERDEPENDENCIES Other entities who provide required work or resources Include Mutual Aid or MOU Agreements		
ESTIMATED COST TO IMPLEMENT Simple budget (Labor/Benes/OT; Services & Supplies; Contracts, Fixed Assets)		
	Estimated \$	Notes:
Labor/Benefits/OT		
Services & Supplies		
Contracts:		
Fixed Assets:		
Total	\$	
FUNCTION PROCESS FLOW CHART How does the work flow?		



ESSENTIAL RECORDS AND IT FUNCTIONS

Identification and Storage

As the availability of records to support the delivery of the identified essential functions is critical during a continuity activation, identification, and secure storage of records in practice becomes a universal essential function. Records identified as critical to the performance of each essential function have been identified through the Business Process and Business Impact Analyses. The actual structure employed by the City Clerk to manage these records will be incorporated into the Essential Records Annex similar to the sample structure provided below. To allow the City Clerk to maintain a complete inventory of essential records, along with their locations and instructions for access the City will endeavor to develop a separate Essential Records Plan which will be subsequently adopted as an Annex to the Business Continuity Plan.

Table 1: SAMPLE Essential Records Database

Essential Record, File, or Database	Support to Essential Function	Form of Record (e.g., hardcopy, electronic)	Pre-positioned at Alternate Location	Hand Carried to Alternate Location	Multiple Storage Location(s) Y/N	Maintenance Frequency
Tax Records	Function #1	Electronic	X		Y	Monthly
Building Permits	Function #1 & 3	Hardcopy		X	N	Quarterly
Violations	Function #2	Hardcopy		X	N	Annually
Underground Utilities maps	Function #3 & 4	Electronic	X		N	Monthly
Hazardous Materials Storage Sites	Function #3, 4, & 5	Electronic	X		Y	Quarterly

Backup and Protection

Records are classified in two broad categories: 1) Historic Records are primarily used for documentation of prior actions, events and transactions, and 2) Operational Records are used in the conduct of current business and need to be readily available. When identified in the Essential Function assessment process, these documents are formally designated as essential records and will be stored and maintained appropriately.



PERSONNEL

Business Continuity Teams

Activation of the Business Continuity Plan may require participation of employees designated to serve on one or more of the following teams:

- **Continuity Management Team** to oversee the development and maintenance of the Plan as well as oversight of its activation.
- **Advance Team** deployed ahead of designated operational staff to ensure that alternate facilities and procedures are prepared to begin functioning.
- **Devolution Team** to facilitate the establishment of protocols and connections with alternate organizations should transfer of City operations become necessary.
- **Reconstitution Team** to oversee the return to normal operations in new or original facilities.

Composition of Department Continuity Management Teams are contained in the Essential Function Summary Annex for each operating department. The Continuity Plan will be reviewed and updated at least annually during the Annual Continuity Plan Review. Operating Departments will be responsible to review the Continuity Plan on a quarterly basis or when personnel changes occur which affect the performance of the essential functions outlined in the Essential Function Summary for each department.

Senior Leadership

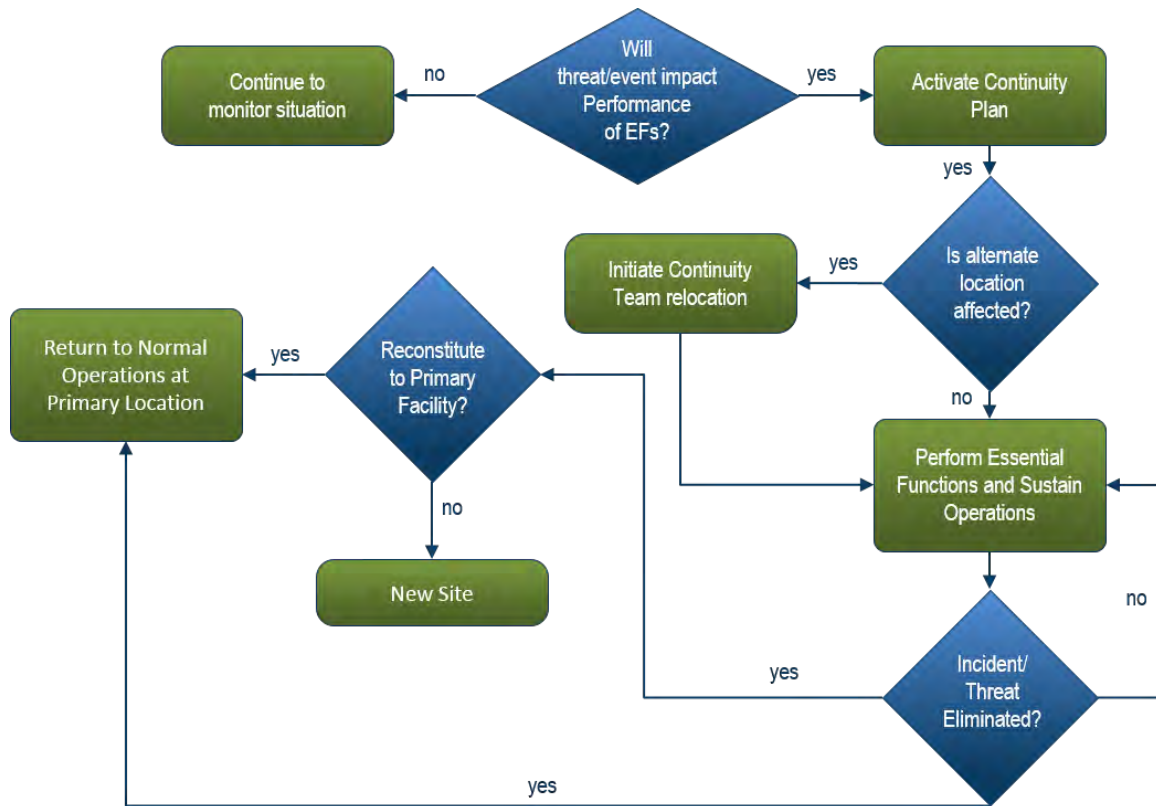
The City of Tracy Executive Team is responsible to direct personnel to the appropriate team as necessary and ensure roles and responsibilities are clearly communicated. As circumstances which typically trigger activation of the Business Continuity Plan can develop rapidly without time for observation, evaluation and consideration of operational continuity, it is important for the Continuity Team to have a universal understanding of the decision processes that will occur so they can understand their respective roles and responsibilities. Training for designated team members will be conducted on an annual basis to review the Business Continuity Plan and ensure elements are incorporated into respective programs.

All Personnel

To facilitate employee readiness and encourage employees to develop a Family Support Plan, the city will provide information and resources made available through www.ready.gov to guide employees through this planning process.



DECISION PROCESS MAP



City of Tracy Personnel

During an event requiring the activation of the Business Continuity Plan, one of the primary functions of the Continuity Team is to account for all city personnel. Each department/division will designate a Continuity Team member to account for employees listed on the department/division Continuity Personnel Roster. When direct contact is not feasible, the Continuity Team member will utilize the Paymentus IVR telephone notification system to notify the employee to make contact with the Continuity Team member. A copy of the Continuity Plan Roster is found in the Annex for each department/division. Designated Continuity Team members will notify Human Resources when unable to account for personnel to facilitate notification to the emergency contact.

The City has identified the Continuity Team members to direct the performance of essential functions following an event. Key positions include the Continuity Manager, Continuity Team members, senior leadership and their successors, and others who are assigned continuity responsibilities. These individuals will report to the primary location, alternate location or other assigned location. A copy of the Continuity Plan Roster for each Essential Function is found in the Annex for each Department. The Department Head or designee will be responsible for maintaining the roster and ensuring personnel are correctly matched to required positions.



Table 2: Continuity Personnel Roster

Function	Title/ Position	Name	Telephone Numbers	Additional Information
EF #1:	Department Head	John Smith	H: (###) ###-#### W: (###) ###-#### C: (###) ###-####	Insert other organization-required information, i.e. duty station and addresses
	Alternate: Assistant Department Head	Jane Doe	H: (###) ###-#### W: (###) ###-#### C: (###) ###-####	Insert other organization-required information, i.e. duty station and addresses
	Division Chief	Sally Dune	H: (###) ###-#### W: (###) ###-#### C: (###) ###-####	Insert other organization-required information, i.e. duty station and addresses
	Assistant Division Chief		H: (###) ###-#### W: (###) ###-#### C: (###) ###-####	Insert other organization-required information, i.e. duty station and addresses
	Lead Supervisor	Jim Rich	H: (###) ###-#### W: (###) ###-#### C: (###) ###-####	Insert other organization-required information, i.e. duty station and addresses
	Senior Technician		H: (###) ###-#### W: (###) ###-#### C: (###) ###-####	Insert other organization-required information, i.e. duty station and addresses

Public employees of the City of Tracy are designated as Disaster Service Workers in accordance with Government Code 3100. Activation of the Business Continuity Plan may result in a change in working conditions subject to meet and confer under the Meyers-Milias Brown Act (MMBA). When a change of working conditions occurs, the city will provide notice to the bargaining unit and the opportunity to meet at the earliest practicable time. Potential impacts as a result of the activation of the Business Continuity Play include:

- Modification of typical tasks
- Modification to assigned work location
- Modifications to work schedules and leave

The Continuity of Operations Coordinator/Assistant City Manager or designee will work closely with the Human Resources staff to address employee or labor relations issues related to the continuity event and communicate with managers regarding personnel needs to help continue essential functions throughout an event.

Business Continuity Personnel Responsibilities

Properly organizing Business Continuity Plan roles in advance is key to preparing the team to respond efficiently and effectively when faced with activities that require almost simultaneous attention. The following table reflects typical duties and responsibilities assigned to Continuity Team members.



Table 3: SAMPLE Assignment of Responsibilities

Position	Responsibilities
City Manager	• Provide overall policy direction, guidance, and objectives for continuity planning. • Provide necessary resources to support the implementation of the organization Continuity Plan and supporting activities (e.g., training, exercise). • Ensure adequate funding is available for emergency operations. • Ensure all organization components participate in TRAINING TESTING AND EXERCISE activities.
Continuity of Operations Coordinator/ Assistant City Manager	• Provide strategic leadership and overarching policy direction for the continuity program. • Serve as the organization continuity program point of contact (POC). • Implement the Continuity Plan when necessary, or when directed by a higher authority. • Maintain orders of succession and delegations of authority. • Update Continuity Plan annually. • Develop and lead continuity training. • Plan continuity exercises. • Update telephone rosters monthly. • Conduct alert and notification tests.
Essential Records Manager	• Review status of essential records, files, and databases. • Provides for proper storage and protection of essential records.
Continuity Personnel	• Be prepared to deploy and support organization EFs in the event of Continuity Plan implementation. • Provide current contact information to manager. • Be familiar with continuity planning and know individual roles and responsibilities in the event of Continuity Plan activation. • Participate in continuity training and exercises as directed. • Have a telework agreement in place, if applicable.
Department Directors (See list of EFs)	• Appoint a point of contact for coordination and implementation of the Continuity Plan. • Keep Continuity Coordinator/Manager informed of any changes in the designation of the office continuity point of contact. • Identify EFs to be performed when any element of the organization is relocated as part of the Continuity Plan. • Identify those functions that can be deferred or temporarily terminated in the event the Continuity Plan is implemented. • Maintain a current roster of Continuity Team members. • Maintain current personnel emergency notification, accountability, and relocation rosters.

Position	Responsibilities
	• Prepare backup copies or updates of essential records. • Ensure that the time and attendance function is represented on the Continuity Team.

Replacing Staff

It may be necessary to augment or replace personnel during a continuity event. The Human Resources Department will support the Continuity Team with recruiting, hiring, and on-boarding staff during a continuity event.

Continuity Activation Go Kits

Continuity personnel are responsible for creating and maintaining go kits that are prepared for transition to the alternate worksite. The Risk Analyst in the Human Resources Department will coordinate with department/division Continuity Team members to ensure go kits are created and maintained on an annual basis through a review conducted during annual continuity plan training. The City of Tracy Go Kit contains those items listed in the table below.



Table 4: SAMPLE Go Kit Contents

DATE ADDED	ITEM
Most Recent Replacement Date MM/DD/YY	Backpack
	Flashlight
	First Aid Kit
	Hand Sanitizer
	• Radio/Cell Phone
	Batteries/Power Cell
	Safety Vest
	Rain Gear
	Matches/Lighter
	Water
	Department Contact Roster
	Nitrile Gloves
	Duct Tape
	Whistle
	Emergency Blanket
	Pens/Pencils
	Sharpies/Permanent Markers
	Heavy Duty Scissors
	Disinfectant Wipes
	Paper Towels
	Trash Bag
	Work Gloves
	Multitool
	• Flash drive(s) • Personal Medications
	Change of Clothes

Succession and Delegations of Authority

In the event the City Manager, Assistant City Manager, Continuity Management Team member or Essential Function Manager is unable or unavailable to fulfill their duties, successors have been identified to ensure there is no lapse in decision-making authority.

The Annexes to this plan include orders of succession which include:

- Designation of individuals to manage essential functions and other critical operations.
- A list of successors in the order they would assume the role.
- A commitment for the delegation of authority to be regularly reviewed by the City Attorney
- A designation to maintain the Order of Succession List as an essential record.

Table 5: SAMPLE Order of Succession List

Position	Designated Successors
Director, Finance	1. Senior Accountant
	2. Accountant
	3. Payroll Coordinator
	4. Accounting Technician

Through the establishment and annual maintenance of this plan as documented in the Continuity Plan Training Record, the City Manager will ensure orders of succession are up to date. When changes are made, they will be distributed to the Continuity of Operations Manager and the Continuity Team.

When the incumbent of one of these positions, or their acting successor becomes unable or incapable to perform their assigned duties, the City Manager or designee will notify the next successor in line and inform other members of the department and the Continuity Manager.

COMMUNICATIONS

Upon activation of the Business Continuity Plan, the Continuity Team will rely on the communication channels identified by the Emergency Operations Center and contained in the Incident Command System Communication List (ICS 205 form) These communication channels will be adapted for each department/division to facilitate lines of communication necessary to perform the essential functions.



Table 6: SAMPLE Communications Systems Tracking Table

Communication System	Support to Essential Function	Current Provider	Specification	Alternate Provider	Special Notes
Non-Secure Phones					
Secure Phones					
Fax Lines					
Cellular Phones					
Satellite					
Pagers					
E-mail					
Internet Access					
Data Lines					
Two-way Radios					
GETS Cards					
[Insert other options here]					

Senior Leadership Communications

The City possesses communications capabilities to support the organization's senior leadership while they are in transit to alternate location(s), at a remote site, or communications have failed at the primary operating facility. These capabilities are maintained primarily by the City Information Technology Division and documentation regarding these communications capabilities is found in the Communications System Tracking Table found in the Annex to the Continuity Plan.

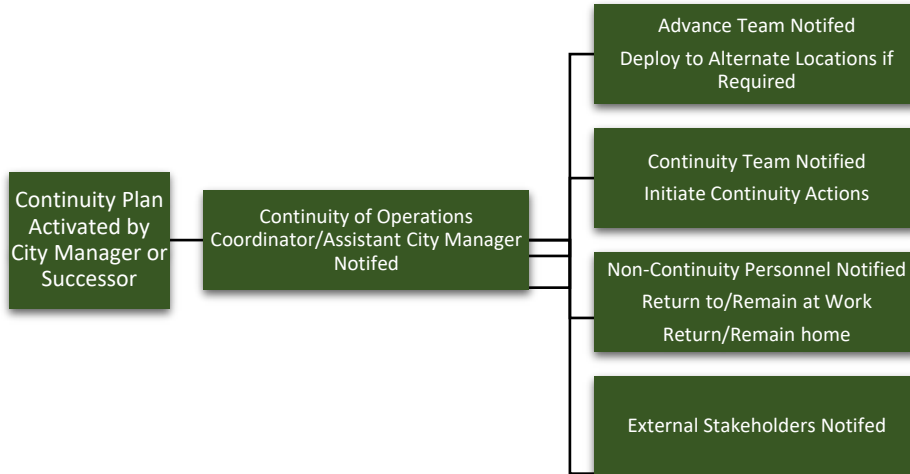
Continuity Event Communications

In the event of a potential or actual interruption, City Manager or designee will communicate the organization's operating status.

- (1) The City Manager or designated successor will notify the City Council and the Continuity of Operations Coordinator/Assistant City Manager of the Continuity Plan activation.
- (2) The Continuity of Operations Coordinator/Assistant City Manager will direct the Advanced Team to deploy to the designated alternate or remote location as required.
- (3) The Continuity of Operations Coordinator/Assistant City Manager will direct the Continuity Team to initiate continuity actions assigned to their designated role.
- (4) Human Resources staff will contact City personnel utilizing the Paymentus IVR telephone notification system to provide employees with critical information regarding the status of the event and organizational impact.



- (5) Human Resources staff will notify family members, next of kin, and/or emergency contacts as necessary.
- (6) The City Manager or designee will coordinate with department directors and the Public Information Officer to notify external stakeholders of activation.



Contact Rosters

Contact Rosters for the Continuity Teams are maintained on a quarterly basis and upon Continuity Team assignment change by the Continuity of Operations Coordinator/Assistant City Manager. Rosters for the department Continuity Team are maintained in the Continuity Annex for each department and are maintained by the Department Head. The Contact Rosters are stored as an essential record of the Business Continuity Plan.

Situational Intelligence

During an Activation, it is vital to continue to monitor the situation until the threat ceases to exist. The Continuity of Operation Coordinator/Assistant City Manager will work closely with the City Manager and Emergency Services to remain up to date on Situation Reports and any related information. The Continuity of Operations Coordinator/Assistant City Manager will be responsible for ensuring that the Continuity Team remains informed of the current and forecast evaluation of the situational environment using all available means, including:

- The health and safety of personnel
- The ability to execute essential functions
- Changes in threat advisories
- Intelligence reports
- The potential or actual effects on communications systems, information systems, office facilities, and other essential equipment
- The expected duration of the emergency
- Typically, in a Continuity Event, sources would also include:



- Emergency Operations Centers (City, Operational Area)
 - Situation Reports
 - The Plans Section Manager
 - The Emergency Operations Center Manager
- Regional and local notification systems
- Direction and guidance from higher authorities
- News and weather media

ALTERNATE LOCATIONS AND TELEWORK

Space and Infrastructure Guidelines

In developing analyses of essential functions, alternate location(s) may be identified utilizing the following guidelines to generate criteria for continued operation of critical functions within the Recovery Time Objective (RTO). The RTO is the targeted duration of time and service level within which a business process must be restored after a disruption to avoid unacceptable consequences associated with a delay in business continuity. Consideration of alternative locations will include the following:

- Ability to accommodate required personnel determined by facility floor plans and equipment inventory
- Space and equipment, including computer equipment and software
- Capability to perform essential functions within the RTO.
- Availability until normal operations can be resumed
- Reliable logistical support, services, and infrastructure systems
- Consideration for health, safety, security, and emotional well-being of personnel
- Emergency/back-up power capability
- Access to City data networks, communications, internet, and remote servers
- Access to essential records

Business Center

The Continuity Team may consider the establishment of a Business Center to support administrative functions of City departments impacted by a continuity activation. Rather than planning to establish a separate facility for each department, a Business Center plan provides a facility where a physical staff presence is necessary for meetings, document production, data entry or other similar activities. When physical presence is not required to perform the essential functions identified in the Business Continuity Plan, employees may be directed to work remotely within the guidelines established in the City of Tracy Telework Policy.

Telework

In circumstances requiring the activation of the Business Continuity Plan absent a physical disaster requiring the temporary operation of essential functions away from the normal place of business, such as during the COVID-19 pandemic, employees may be directed to work remotely within the guidelines established in the City of Tracy Telework Policy.



The protocols for determining activation of emergency telework procedures are included in the Human Resources Annex to this plan.

Contracts

If a contract is necessary to ensure occupancy on demand, the City's will evaluate the standard contract approval process and adjust as necessary to provide for a rapid approval process which may include authorization for City Manager or designee to approve such agreement. A copy of City of Tracy Professional Services Agreement is included as an Appendix to this Plan.

Activation/Relocation

Upon activation of the Business Continuity Plan by the City Manager or designee, departments may relocate to a remote or alternate location. If an alternate location is required, the Continuity of Operations Coordinator/Assistant City Manager or designee will notify the point of contact at the alternate location(s) if necessary of the activation and need to occupy the space to ensure that the continuity operations can begin within the real time objective (RTO).

If an alternate location is necessary and the emergency occurs during work hours, continuity activities will be implemented as follows:

- Continuity Team members will deploy to a remote or alternate location or locations from the primary facility or their current location to ensure the facility is set up for operation.
- Department continuity staff will deploy to a remote or alternate location to begin operation
- Non-continuity personnel will receive instructions from the City Manager or designee.
- Information will be provided by emergency personnel, Public Information Officer or Human Resources regarding safety precautions and clear routes to use when leaving the primary operating facility.

If an alternate location is necessary and the emergency occurs during non-work hours, continuity activities will be implemented as follows:

- Continuity Team members will immediately deploy to a remote or alternate location. Once the Continuity Team has ensured the alternate site is ready for operation, the departmental Continuity Team will deploy to the site. In the event of delay, Continuity Team members must notify the designated backup and the Continuity of Operations Coordinator/Assistant City Manager or designee with an expected arrival time. Department team members will notify their Departmental Continuity Team Manager the designated backup will take all measures to deploy to the location and will assume all appropriate duties.
- Non-continuity personnel will remain at their residence or other designated location but must be prepared to replace or augment continuity personnel upon notification, or as advised. Staff replacements will be coordinated by the designated department manager or designee.



Non-continuity personnel may be required to replace or augment continuity personnel during activation and should remain available as instructed. These activities will be coordinated by the City Manager or designee working through designated department managers.

The Advance Team will arrive and prepare the alternate location(s) or Business Center(s) for use so that continuity operations can be resumed within the RTO. The advance team will:

- Ensure infrastructure systems, such as power and heating, ventilating, and air conditioning are functional.
- Prepare check-in duty stations for the Continuity Team's arrival.
- Address inquiries from continuity and non-continuity staff.

DEVOLUTION

In the context of Continuity Planning, devolution is the process by which a jurisdiction transfers authority for its essential functions to another jurisdiction or organization in instances where the leadership or staff is incapable or unavailable to support execution of the essential functions either from the primary or alternate facilities. In the event, City of Tracy personnel are unable to support the delivery of essential functions and contract services are not available, the City may designate an alternate organization to provide support as necessary. If devolution is necessary for the continuity of essential functions, the following factors will be considered:

- Ability to deliver essential functions in compliance with city policies, procedures in order of succession with defined tasks that support, and resources to facilitate, those functions.
- Ability to deliver interoperable communications, essential records management, staff and reconstitution.
- Designated personnel available to perform essential functions when the devolution option of the Continuity Plan is activated.
- Ability to provide or obtain necessary resources (i.e., equipment and materials) to facilitate the immediate and seamless transfer of essential functions to the devolution site.
- Establish and maintain reliable processes and procedures for acquiring the resources necessary to continue essential functions and to sustain those operations for extended periods.
- Establish and maintain the ability to restore, or reconstitute, authority to the primary organization upon termination of devolution.
- Outline the devolution organization's responsibilities to maintain situational awareness and ongoing communications with senior leadership and personnel.
- Provide an overview of procedures outlining workforce protection strategies to prevent the need to devolve. This may include strategies such as social distancing, telework, split shifts, or increased workplace hygiene.

RECONSTITUTION

Procedures

Reconstitution identifies tasks associated with a return to normal operations once the City Manager or designee has determined that the situation no longer requires continuity activation. To ensure proper



focus on these distinct tasks the City will form a Reconstitution Team as part of the Business Continuity Plan. This team will be staffed by personnel that are not assigned to the Continuity Management Team or Advanced Team.

The City Manager or designee will direct the Reconstitution Team to initiate and coordinate operations to salvage, restore, and recover the primary operating facility and resources as provided in the Reconstitution Checklist:

Table 7: SAMPLE Reconstitution Checklist

Reconstitution Checklist	
☐	Identify the Reconstitution Manager for all phases of the reconstitution process.
☐	Reconstitution will commence when the City Manager or designee or other authorized person ascertains that the emergency situation has ended and is unlikely to reoccur.
☐	Within 48 hours of the Continuity Plan activation, each City Department Head will designate a reconstitution Point of Contact (POC) to work with the Reconstitution Team and to update office personnel on developments regarding reconstitution.
☐	Reconstitution Manager should determine the status of the primary operating facility affected by the event by coordination with designated safety, engineering or other emergency management personnel .
☐	The City Manager and Reconstitution Manager in conjunction with designated safety, engineering or other emergency management personnel , will determine how much time is needed to repair the primary operating facility and/or acquire a new facility.
☐	Should the City Manager or designee decide to repair the facility, the Reconstitution Manager has the responsibility of supervising the repair process and will keep the City Manager informed of the status of repairs, including estimates of when the repairs will be completed.
☐	Before relocating to the recovered or replaced primary operating facility, the Reconstitution Team will conduct appropriate security, safety, and health assessments to determine building suitability.
☐	The Reconstitution Team will verify that all systems, communications, and other required capabilities are available and operational and that the affected departments are fully capable of accomplishing all essential functions and operations at the new or restored primary operating facility.
☐	Upon verification that the required capabilities are available and operational, and that the affected Departments are fully capable of accomplishing all essential functions and operations at the new or restored facility, the Reconstitution Team will begin supervising a return of personnel, equipment, and documents to the primary operating facility.
☐	The phase-down and return of personnel, functions, and equipment will follow a priority-based plan and schedule.

Reconstitution Team

Personnel will not be assigned to both the Continuity and Reconstitution Team as both require significant time and effort, and the responsibilities overlap. Responsibilities of the Reconstitution Team are contained in the Reconstitution Team Responsibility Chart as follows:



Table 8: SAMPLE Reconstitution Team Responsibility Chart

Position	Responsibilities
City Manager	• Provide overall policy direction, guidance, and objectives for continuity planning. • Provide necessary resources to support the implementation of the organization Continuity Plan and supporting activities (e.g., training, testing, & exercise). [TRAINING TESTING AND EXERCISE] • Ensure adequate funding is available for emergency operations. • Ensure all organization components participate in TRAINING TESTING AND EXERCISE activities.
Reconstitution Manager	• Provide strategic leadership and overarching policy direction for reconstitution activities. • Serve as the organization reconstitution Point of Contact [POC]. • Implement the Reconstitution Plan when necessary, or when directed by a higher authority. • Update Reconstitution Plan at least annually. • Assemble and train reconstitution team. • Conduct TRAINING TESTING AND EXERCISE activities. • Coordinate with Continuity Manager. • Oversee and monitor work on primary facility. • Plan phased transition of EF to primary facility.
Reconstitution Team Personnel	• Be prepared to deploy and support reconstitution activities • Provide current contact information to manager. • Be familiar with reconstitution planning and know individual roles and responsibilities in the event of activation. • Participate in continuity training and exercises as directed.

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

**APPROVING THE UPDATED EMERGENCY OPERATIONS PLAN TO
PROVIDE COMMUNITY SUPPORT DURING AN EMERGENCY, IN
COMPLIANCE WITH STATE AND FEDERAL LAWS**

WHEREAS, the California Emergency Services Act requires local jurisdictions to maintain an updated emergency plan; and

WHEREAS, the City Manager is the Director of Emergency Services, under the Tracy Municipal Code 3.24.050, and is authorized to direct the coordination of services and staff; and

WHEREAS, at the direction of the City Manager, the City's emergency plan has been updated to be in compliance with current guidance of both the State of California and Federal Emergency Management Agency; and

WHEREAS, the updated emergency plan, Tracy's Emergency Operations Plan replaces all previous emergency plans and becomes the City's current emergency plan; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy adopts the updated Emergency Operations Plan. The Council also empowers the City Manager to promulgate, approve, distribute and use the Emergency Operations Plan.

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on March 7, 2023, 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 NO. _____

**ADOPTING THE CITY OF TRACY BUSINESS CONTINUITY PLAN TO
ADDRESS THE NEEDS OF THE CITY FOLLOWING AN EMERGENCY**

WHEREAS, in December of 2019, the City began the process of creating a Business Continuity Plan for emergency preparedness; and

WHEREAS, the City of Tracy was tasked, in the 2022 Grand Jury Report, with creating a Business Continuity Plan to address the needs of the City following a disaster; and

WHEREAS, Emergency Management contains four phases: mitigation, preparedness, response and recovery; and

WHEREAS, business continuity is an inherent part of preparedness, response operations, resiliency at all levels; and

WHEREAS, the Business Continuity Plan serves as a structure to support the delivery of essential functions and services following a disaster or emergency; and

RESOLVED: That the City Council of the City of Tracy adopts the City of Tracy Business Continuity Plan to address the needs of the City following an emergency.

* * * * *

The foregoing Resolution 2023-_____ was adopted by the Tracy City Council on March 7, 2023, 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